

City Council Meeting Agenda March 2, 2026

In accordance with the Open Public Meetings Act (OPMA), the Vancouver City Council meeting will be open to in-person attendance. Options for viewing and/or participating in the meeting remotely will also be accommodated. The City Council will be attending this meeting in person.

All City Council workshops and meetings are broadcast ([live closed captioning available](#)), CVTV cable channels 23 / HD 323, and on the [City's Facebook page](#).

Public testimony will be accepted regarding any matter on the agenda below. Advance registration will be required.

Unless otherwise announced by the Presiding Officer, each speaker may testify once for up to three minutes under each public testimony opportunity below and will be asked to provide their name and city of residence for the record.

Testimony will be accepted in the following manner:

- **Written comments submitted in advance:** [Email comments to the City Council](#) until 12:00 p.m. March 2, 2026. Comments will be compiled and sent to the City Council and entered into the record.
- **In-person or remote testimony during the meeting:** Register in-person at City Hall. In-person registration is open until 6:30 p.m. on March 2, 2026. Instructions will be provided on-site. Register to testify online. Online registration is open until 12:00 p.m. on March 2, 2026.

Visit the [city's website](#) for more information and to register under Community Testimony or call the City Manager's Office at (360) 487-8600.

Further instructions for accessing the virtual meeting (for remote testimony) will be provided upon registration.

Upon request, printouts of agenda materials will be provided, including large print.

Workshops: 4:00-6:00 p.m.

Vancouver City Hall - Aspen Room - 415 W 6th Street, Vancouver WA

First Supplemental Budget

(Approximately 1 hour)

Shannon Olsen, Budget Manager, shannon.olsen@cityofvancouver.us

Engagement and Access Department Update

(Approximately 30 minutes, to immediately follow the previous workshop)

Joy Fowler, Engagement and Access Director, Joy.Fowler@cityofvancouver.us

Council Policy Update

(Approximately 30 minutes, to immediately follow the previous workshop)

Nena Cook, City Attorney, nena.cook@cityofvancouver.us

Council Dinner / Administrative Updates (6:00 - 6:30 PM)

Regular Council Meeting

6:30 PM

Vancouver City Hall - Aspen Room - 415 W 6th Street, Vancouver WA

Pledge of Allegiance

Call to Order and Roll Call

Proclamations

World Kidney Day / Kidney Disease Awareness Month

Music in Our Schools Month

Community Communication

This is the place on the agenda where the public is invited to speak to Council regarding any matter on the Agenda not already scheduled for Public Hearing. (Separate instructions are provided for offering testimony on Public Hearing when applicable.) This includes the option to testify about Workshops. Members of the public addressing Council are requested to give their name and city of residence for the audio record. Speakers are to limit their testimony to a total of three minutes for all items combined.

Consent Agenda

The following items will be passed by a single motion to approve all listed actions and resolutions. There will be no discussion on these items unless requested by Council. If discussion is requested, the item will be moved from the Consent Agenda and considered separately – after the motion has been made and passed to approve the remaining items.

1. Bid Award — Marine Park Wastewater Treatment Facility Aeration Basin Improvements - ITB 26-4

Staff Report: 039-26

Request: On Monday, March 2, 2026, award a construction contract for the Marine Park Wastewater Treatment Facility Aeration Basin Improvements Project to the lowest responsive and responsible bidder, Stellar J Corporation of Woodland, Washington at their bid price of \$5,211,520.00, which includes Washington State sales tax, authorize the City Manager, or designee, to finalize and execute the contract and authorize any legal action necessary to enforce the terms of the same.

Frank Dick, Wastewater Treatment Program Manager, frank.dick@cityofvancouver.us

2. Contract Amendment — Approval of Threshold Increase for Services Provided by ACE Parking - C-101806

Staff Report: 040-26

Request: On Monday, March 2, 2026, authorize the City Manager, or designee, to execute Amendment No. 1 to contract C-101806 between the City of Vancouver and ACE Parking. Increase the not-to-exceed amount by \$300,000 to a total of \$600,000.

Gabe Montez, Parking District Manager, Gabriel.Montez@cityofvancouver.us

3. Contract Amendment — Approval of Threshold Increase for Services Provided by Passport Parking Inc. - C-100069

Staff Report: 041-26

Request: On Monday, March 2, 2026, authorize the City Manager, or designee, to execute Amendment No. 2 to contract C-100069 between the City of Vancouver and Passport Parking Inc. and increase the not-to-exceed amount by \$300,000 to a total of \$750,000.

Gabe Montez, Parking District Manager, Gabriel.Montez@cityofvancouver.us

4. Connecting Housing to Infrastructure Program (CHIP) Agreement Authorization

Staff Report: 042-26

Request: On Monday, March 2, 2026, authorize the City Manager, or designee, to negotiate and execute agreements associated with the 2025 and 2026 CHIP grant awards; authorize the City Manager to take any legal action necessary to enforce the terms of the same.

Ian Alger, Housing Project Planner, Ian.Alger@cityofvancouver.us

5. Commerce Climate Planning Grant

Staff Report: 043-26

Request: On Monday, March 2, 2026, authorize the City Manager, or designee, to accept a Climate Planning Grant from the WA Dept. of Commerce ("Commerce") and execute the Climate Planning Grant Agreement between the City of Vancouver and Commerce for \$275,000.

Rebecca Small, Senior Policy Analyst, rebecca.small@cityofvancouver.us

6. Resolution Establishing a Small Business Revolving Loan Fund

A RESOLUTION of the City Council of Vancouver, Washington, authorizing the establishment of a Small Business Revolving Loan Fund (RLF) to support qualifying small businesses in the City of Vancouver and the Fourth Plain for All Investment Area, and authorizing the City Manager or designee to enter into an agreement with Business Impact Northwest dba Seattle Economic Development Fund to administer the RLF and provide capacity-building support to develop a local community-based Non-Profit CDFI.

Staff Report: 044-26

Request: On Monday, March 2, 2026, finalize and approve the resolution authorizing the City Manager, or designee, to establishing a Small Business Revolving Loan Fund (RLF) to support qualifying small businesses in the Fourth Plain for All Investment Area (FPIA) and, over time, citywide; and authorizing the City Manager, or designee, to (1) enter into an agreement with Business Impact Northwest to administer the RLF and provide capacity-building support to a local community-based organization to pursue nonprofit Community Development Financial Institution (CDFI) certification, and (2) execute related loan documentation necessary to capitalize and operate the RLF.

Chris Harder, Deputy Economic Development Director, Victor Saldanha, Small Business & Entrepreneurship Program Manager, chris.harder@cityofvancouver.us, Victor.Saldanha@cityofvancouver.us

7. Resolution Establishing Product to Market Program

A RESOLUTION of the City Council of Vancouver, Washington, establishing the Product to Market Program to support small businesses and consumer product entrepreneurs in accessing markets, production resources, and multi-channel retail opportunities through partnerships with community-based organizations, educational institutions, and business development providers.

Staff Report: 045-26

Request: On Monday, March 2, 2026, finalize and approve the resolution authorizing the City Manager, or designee, to negotiate and issue a Request for Proposal (RFP) and enter into a contract with one or more qualified nonprofit community-based organizations to administer the Product to Market Program, using \$250,000 in 2025-26 Biennial Budget and 2025 Spring Supplemental support, in accordance with city procurement rules.

Chris Harder, Deputy Economic Development Director, Victor Saldanha, Small Business & Entrepreneurship Program Manager, chris.harder@cityofvancouver.us, Victor.Saldanha@cityofvancouver.us

8. Approval of the Claim Vouchers

Request: Approve claim vouchers for March 2, 2026.

Public Hearings

The following item(s) are scheduled for public hearing. Members of the public addressing Council are requested to give their name and city of residence for the audio record. Unless otherwise announced by the Presiding Officer, speakers are to limit their testimony to three minutes for each public hearing.

9. Ordinance for the 58th Street Rezone Reapplication

AN ORDINANCE relating to Comprehensive Plan and Zoning for the City of Vancouver; amending the zoning map designation from R-22 to R-35 at a 1.6 acre property at 7711 and 7809 NE 58th Street, tax lots 107971000 and 107982000; providing for severability; and establishing an effective date.

Staff Report: 037-26

Request: On Monday, February 23, 2026, advance the ordinance to consider the proposed

rezone to R-35 setting the date for the second reading and public hearing for March 2, 2026.

Bryan Snodgrass, Principal Planner, bryan.snodgrass@cityofvancouver.us

10. Amendment to Downtown Redevelopment Authority Bylaws

AN ORDINANCE of the City of Vancouver relating to changes to the Bylaws of the Downtown Redevelopment Authority (“DRA”); adopting an amendment to Section 2.09 of the Bylaws clarifying the employment status of the Executive Director.

Staff Report: 038-26

Request: On Monday, March 2, 2026, upon second reading and a public hearing, finalize and approve the ordinance amending the bylaws for the Downtown Redevelopment Authority (DRA).

Jeffrey Towery, Deputy City Manager, Jeff.Towery@cityofvancouver.us

Communications

- A. From the Council
- B. From the Mayor
- C. From the City Manager

Community Forum

This is the place on the agenda where the public is invited to speak to Council regarding any matter. Members of the public addressing Council are requested to give their name and city of residence for the record. Speakers are to limit their testimony to a total of three minutes. Up to 90 minutes will be allotted for the Community Forum.

Adjournment

City Hall is served by C-TRAN. Route information and schedules are available online at www.c-tran.com. You also may reach C-TRAN at (360) 695-0123 for more information on times, fares, and routes.

Anyone needing language interpretation services or accommodations with a disability at a Vancouver City Council meeting may contact the City Manager's staff at (360) 487-8600 (RELAY: 711). Assistive listening devices and live Closed Captioning are available for the deaf, hard of hearing and general public use. Please notify a staff person if you wish to use one of the devices. Every attempt at reasonable accommodation will be made. To request this agenda in another format, please also contact the phone numbers listed above.



2026 First Supplemental Budget

Lisa Brandl - Deputy City Manager / CFO

Shannon Olsen - Budget Manager
Financial & Management Services

March 2, 2026



Agenda

- Overview
- Economic Update
- Operating Budget
- Capital Budget
- FTE Summary
- Next Steps



Supplemental Budget Overview



2026 First Supplemental

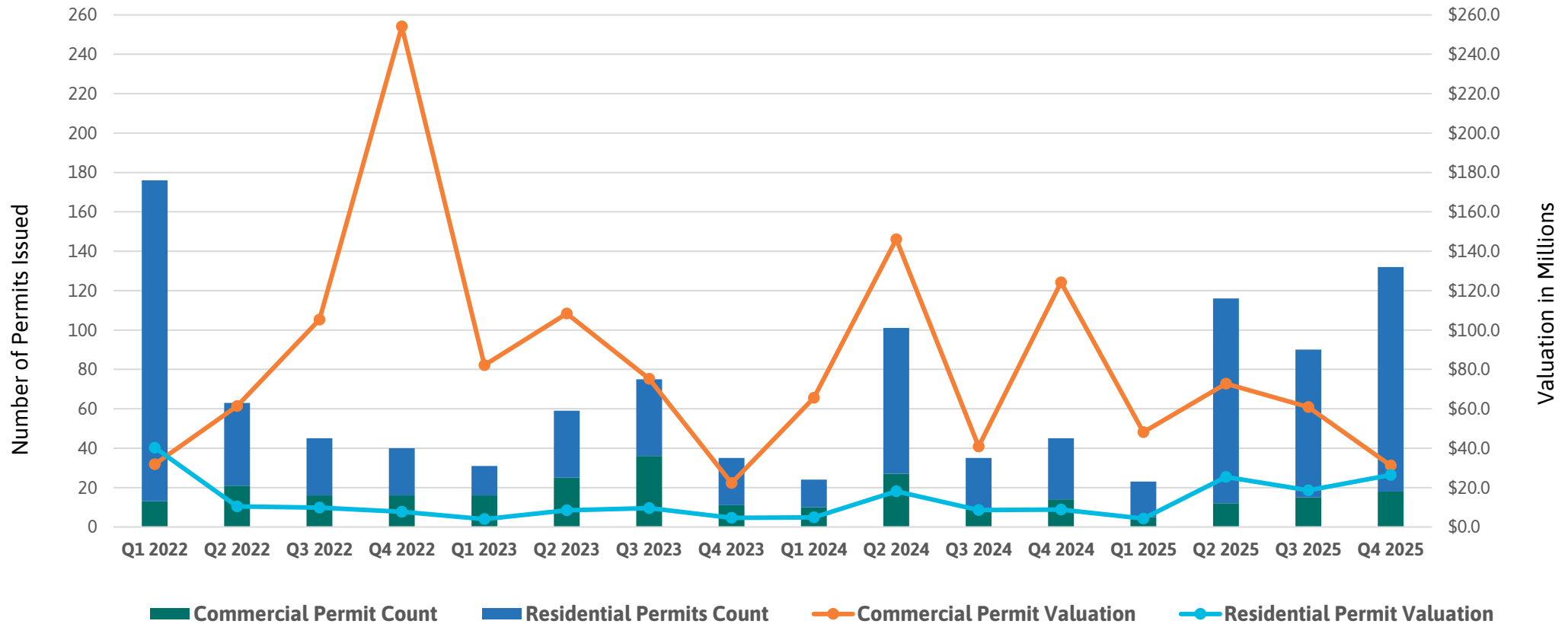
Overview

- Background:
 - Supplemental Appropriation - a mid-biennial budget amendment that allows for necessary adjustments to the adopted biennial budget as a result of unanticipated circumstances.
 - Council approval is required for increases in appropriations and staffing.
- Scope:
 - Administrative / clean-up Items
 - New requests, with revenue support
 - New requests, based on newly identified needs



2026 First Supplemental Economic Environment

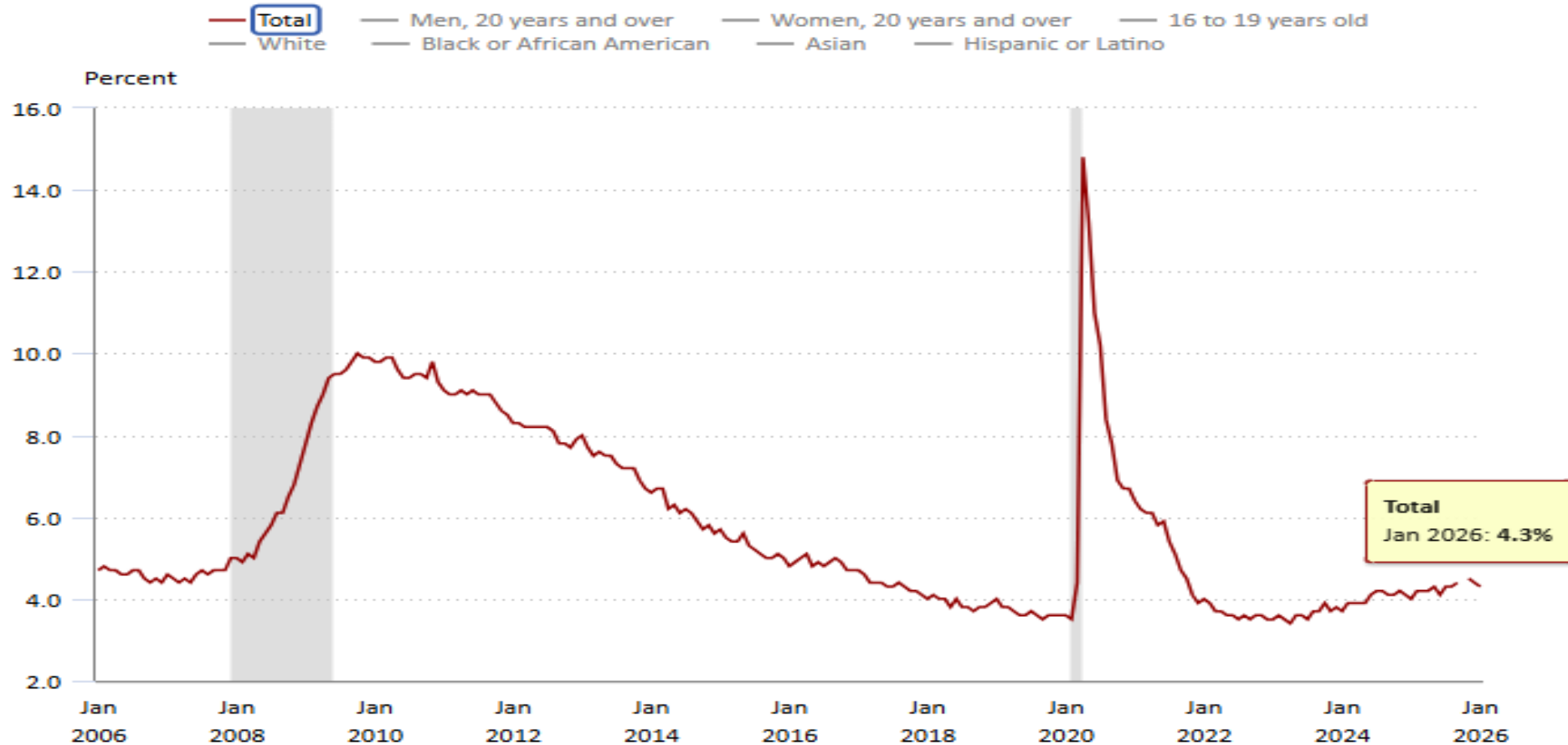
Residential & Commercial Permit Activity by Quarter



2026 First Supplemental Economic Environment

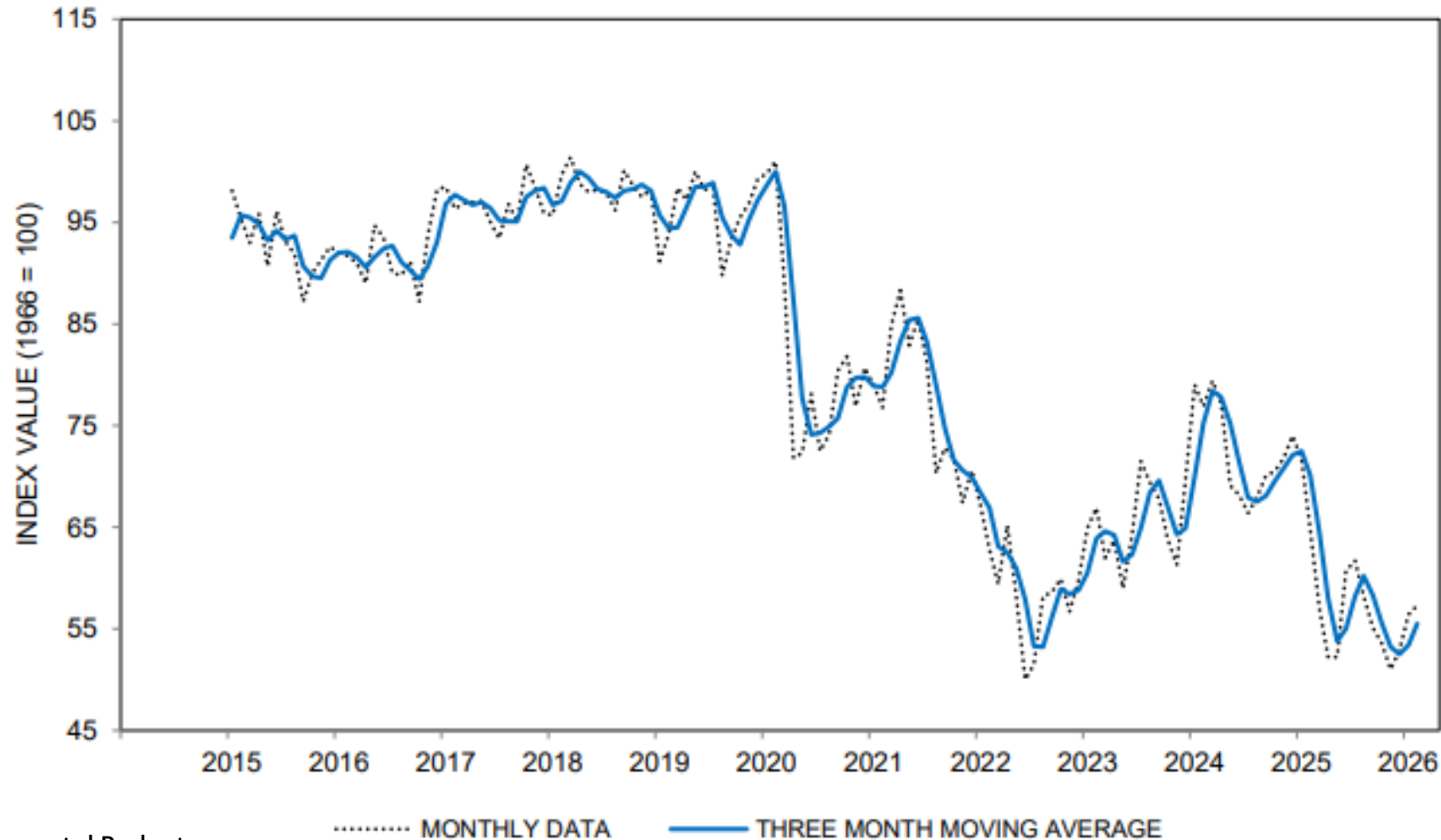
Civilian unemployment rate, seasonally adjusted

Click and drag within the chart to zoom in on time periods



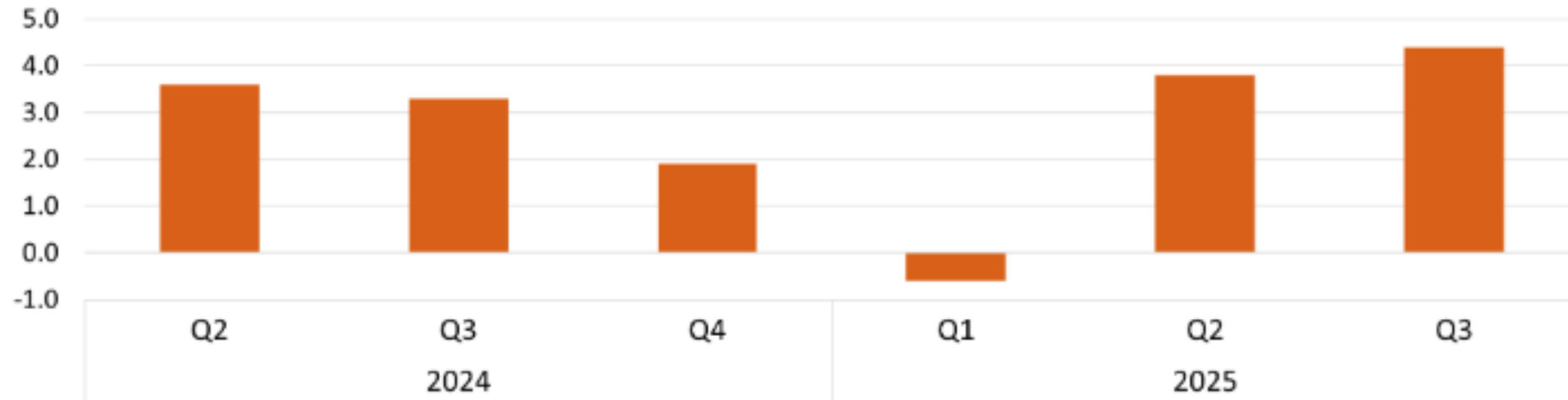
2026 First Supplemental Economic Environment

THE INDEX OF CONSUMER SENTIMENT



2026 First Supplemental Economic Environment

Real GDP, Percent Change From Preceding Quarter



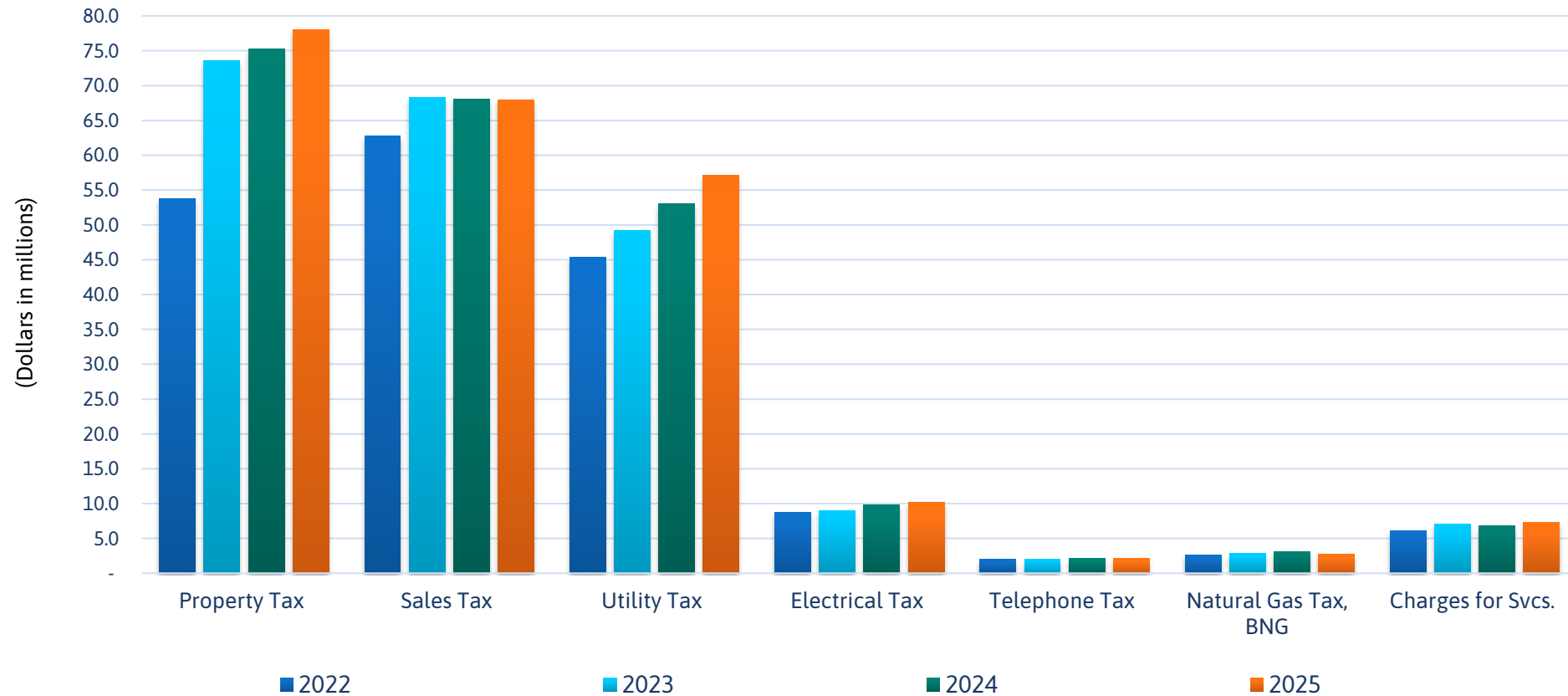
U.S. Bureau of Economic Analysis

Seasonally adjusted annual rates



2026 First Supplemental Economic Environment

General Fund: Major Revenues
(Year to Date)



2026 First Supplemental Revenue Adjustments

- Park & Transportation Impact Fees
- Recreation Fee Revenue
- Cable Franchise Fee & Utility Excise Tax
- Business & Occupation Tax (Retail Only)
- Taxes on Utility Funds
- Proposition 5
- Proposition 2 Banked Capacity

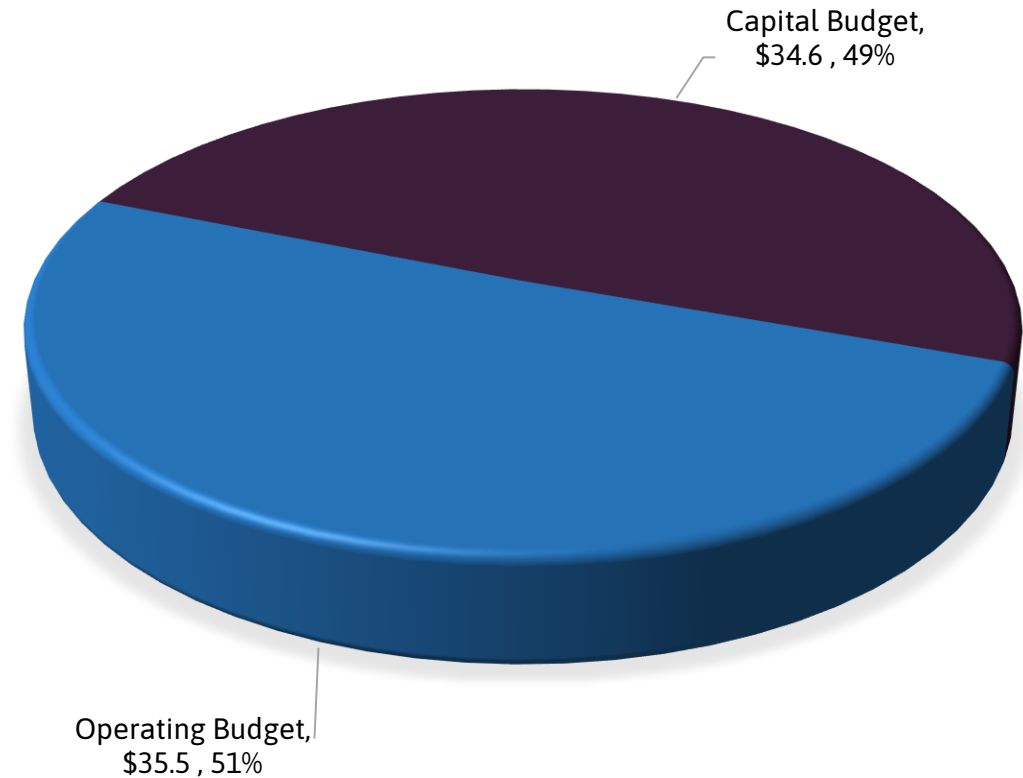


2026 First Supplemental

Operating and Capital Budget

- 3.2% increase to the current biennium budget, bringing revised total to \$2.3B overall
- Total net impact: \$14.2M utilization citywide cash
- Net impact on the General Fund: \$4.1M credit of undesignated cash balance

2026 First Supplemental Budget: \$70.1
(Dollars in Millions)



2026 First Supplemental

Budget Appropriation

Total 2026 First Supplemental: \$70.1M

Operating Budget
\$35.5M

Capital Budget
\$34.6M

General, Street,
Fire Funds
\$8.1M

Other Operating
Funds
\$27.4M

Capital Projects
\$26.1M

Funding Transfers
\$8.5M



2026 First Supplemental General, Street and Fire Funds: \$8.1M

- Grants: \$5.0M
 - General
 - Dept of Ecology – Electric Vehicle Charging
 - Dept of Energy – Energy Voucher Luepke Center
 - Dept of Transportation – Commute Trip Reduction
 - WA State Authority – Office of Public Defense
 - Street
 - WSDOT National Highway System (NHS) – Fourth Plain Paving & Chkalov Drive/NE 112th



2026 First Supplemental General, Street and Fire Funds: \$8.1M

- Grants: \$5.0M *(continued)*
 - Police
 - Department of Justice – Internet Crimes Against Children & Urban Area Security
 - Department of Transportation – High Visibility Enforcement
 - WA Criminal Justice Training Commission - Wellness
 - WA State Authority - Auto Theft Prevention
 - WA Traffic Safety Commission – Phlebotomy
 - Fire
 - Assistance to Firefighters Grant – Wildland Training
 - WA Homeland Security Grant – Technical Rescue Training



2026 First Supplemental

General, Street and Fire Funds: \$8.1M *(continued)*

- Administrative Items: -\$9.2M
 - Water, Sewer, Drainage (WSD) Allocation True-Up \$1.3M
 - Estimated 2026 Paid Time Off (PTO) Cash Out \$0.4M
 - 2025-26 City Hall Rent True-Up \$0.3M
 - Commercial Parking Tax Fund Alignment -\$0.4M
 - Fire Services – General Fund Support True-Up -\$0.4M
 - Bridge Shelter Provider Services Adjusted to Match Schedule -\$1.1M
 - 2025 Facilities Maintenance True-Up -\$1.6M
 - 2025-26 Cost Allocation Plan (CAP) True-Up -\$5.5M



2026 First Supplemental

General, Street and Fire Funds: \$8.1M *(continued)*

- New Items: \$12.3M
 - Proposition 5 – 13 officers, equipment, uniforms \$3.1m
 - Proposition 5 - support services (legal, jail, court) \$1.2m
 - Fire code enforcement program support \$1.2M
 - CRESA 2026 Rate Increase \$0.9M
 - Pavement Management Construction Overhead \$0.9M
 - Interstate Bridge Replacement 2026 Budget \$0.7M
 - Fiber Installation Inspections – Limited Term & Temporary Staffing \$0.7M
 - Fire Vehicles for Five Admin Staff *(funding transfer)* \$0.5M
 - Fire Training Academy \$0.4M



2026 First Supplemental

General, Street and Fire Funds: \$8.1M *(continued)*

- New Items: \$12.3M *(continued)*
 - Credit Card Fees Passed to Customers True-Up \$0.4M
 - Street Maintenance – Drainage Fee Increase \$0.3M
 - Street Vehicles Winter Attachments (ER&R Shortfall) \$0.2M
 - Recreation Registration Software Update & Install \$0.2M
 - Police Administrative Vehicle *(funding transfer)* \$0.1M
 - Vancouver Arts Hub Interim Use Continuation \$0.1M
 - Vancouver Arts & Music Festival Transitional Support \$0.1M
 - Homeless Assistance & Resource Team (HART) - Temporary Staffing \$0.1M
 - Rental Registration Program Coordinator \$0.1M



2026 First Supplemental

Other Operating Funds: \$27.4M

- Grants: \$6.2M
 - 2025 Connecting Housing to Infrastructure Program (CHIP) Award
 - 2025 Home Electrification and Appliances Rebate (HEAR) Program Award
 - Bonneville Power Administration Pacific Lamprey - Water Center Exhibit
 - Department of Transportation – Airport Terminal Renovation Construction
 - Department of Transportation – Pearson Airport Master Plan
 - Clark Vancouver Television Public Education Grant



2026 First Supplemental

Other Operating Funds: \$27.4M *(continued)*

- Administrative Items: \$7.6M

○ Water, Sewer, Drainage (WSD) Allocation True-Up	\$5.2M
○ Increase Appropriation for Utility Tax Revenue Payment	\$4.2M
○ Workers Compensation & General Liability Insurance	\$2.0M
○ American Rescue Plan Act Interest <i>(funding transfer)</i>	\$1.2M
○ Estimated 2026 Paid Time Off (PTO) Cash Out	\$0.5M
○ 2025 Facilities Maintenance True-Up	-\$0.6M
○ City Hall Rent / Operations & Maintenance True-Up	-\$1.0M
○ Bridge Shelter Provider Services Adjusted <i>(funding transfer)</i>	-\$1.1M
○ 2025-26 Cost Allocation Plan (CAP) True-Up	-\$3.2M



2026 First Supplemental

Other Operating Funds: \$27.4M *(continued)*

- New Items: \$13.6M
 - Cultural Access Program Grant Distribution \$5.5M
 - Credit Card Fees Passed to Customers True-Up \$2.7M
 - Law Enforcement Tech Unit Enhancement \$2.0M
 - Water, Wastewater, Stormwater Vehicles (ER&R Shortfall) \$1.1M
 - Increase Vehicle Upfitting Appropriation \$1.0M
 - Proposition 5: Police Vehicles \$0.8M
 - Cultural Access Program Staffing & Resources \$0.7M
 - Fire Vehicles for Five Admin Staff \$0.4M



2026 First Supplemental

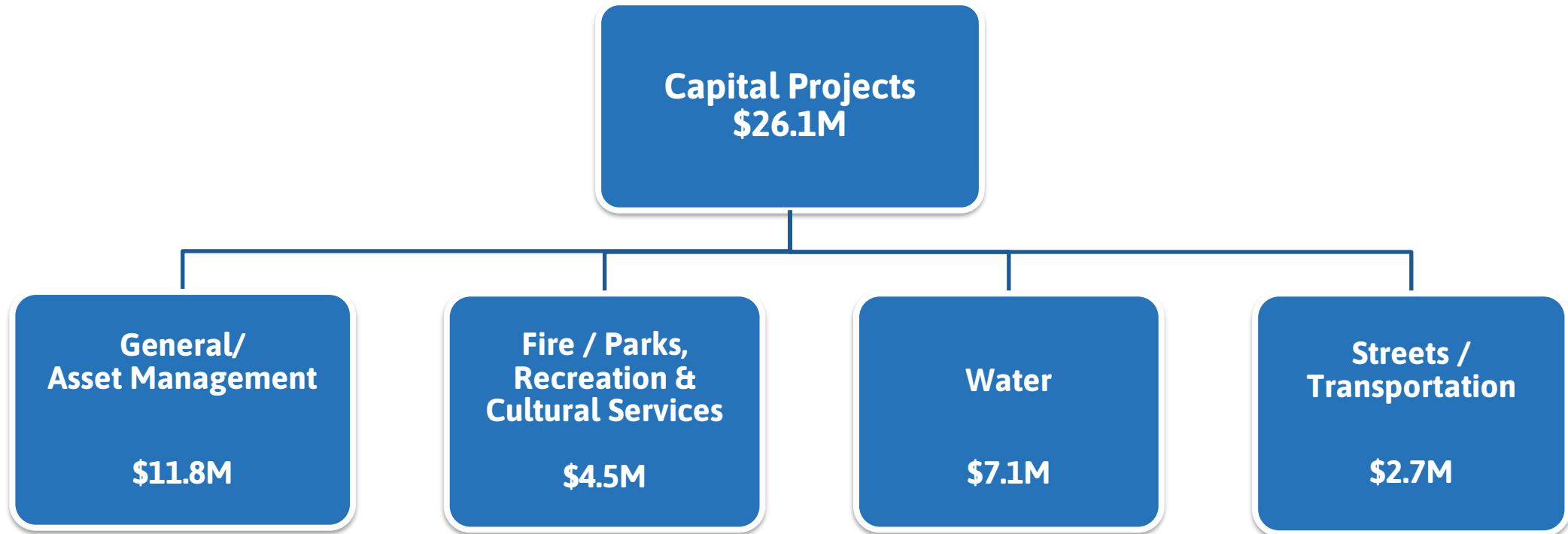
Other Operating Funds: \$27.4 (continued)

- New Items: \$13.6M

○ Special Weapons & Tactics (SWAT) Vest & Rifle Replacements	\$0.3M
○ Utility Rate Study & System Development Charge Update	\$0.3M
○ Environmental Regulatory Program Manager	\$0.2M
○ Budget Manager (<i>Currently Underfilling Deputy Director</i>)	\$0.2M
○ Financial Municipal Advisor Professional Services	\$0.1M
○ Police Forfeiture Fund Appropriation	\$0.1M
○ Police Administrative Vehicle	\$0.1M
○ Transition of Regence Health Insurance to Association of WA Cities	-\$2.7M



2026 First Supplemental Capital Projects



2026 First Supplemental

Capital Budget: General / Asset Management

\$11.8M

- **New**

- Operations Center Campus Replacement Increase \$5.5M
- Bridge Shelter Construction Increase *(PeaceHealth Grant)* \$2.5M
- Electric Vehicle Charging Stations *(Dept of Commerce Grant)* \$1.2M
- Pearson Airport Remodel & Security Cameras *(Dept of Transportation Grant)* \$1.0M
- Chkalov Parking Lot II Design – Police Fleet Satellite *(Proposition 5)* \$0.8M
- Police East Precinct Updates *(Proposition 5)* \$0.5M
- Tier 2 Building Energy Audit *(Association of WA Cities Grant)* \$0.3M



2026 First Supplemental

Capital Budget: Fire

\$0.1M

- New

- Fire Station 6, 7, 10, 11 Facility Repairs & Updates

\$0.1M

- Administrative

- Fire Boat House Basin Dredging (*Realignment*)

\$0.3M

- Fire Station 5 Boiler and HVAC Upgrades (*Realignment*)

-\$0.3M



2026 First Supplemental

Capital Budget: Parks, Rec & Cultural Svc

\$4.4M

- **New**

- Vancouver Innovation Center Increase \$1.6M
- Raymond E Shaffer Park Development Increase \$1.0M
- Franklin Park Play Equipment Replacement \$0.6M
- Bella Vista Park Play Equipment Replacement \$0.5M
- Park Impact Fee (PIF) District C Community Park Land Acquisition \$0.3M
- Gretchen Fraser Park Surfacing Replacement \$0.1M
- Leach Park Surfacing Replacement \$0.1M
- MyPark Surfacing Replacement \$0.1M
- Oakbrook Park Development \$0.1M



2026 First Supplemental

Capital Budget: Water

\$7.1M

- **New**

- Water Station Polyfluoroalkyl Substances (PFAS) Treatments \$9.3M
- Water Station 1 Replace Wells 3, 4, 5 \$3.2M
- Water Station 15 Sand & Gravel Aquifer Test Well \$2.2M
- Water Station 5 Tower Internal Coating \$1.5M
- Water Station 3 Reservoir/Tower/Booster Replace \$1.4M
- Water Demand Response \$1.2M
- NE 137th Ave - 49th to Fourth Plain \$0.6M
- Burlington Northern Santa Fe 4th Plain Crossing (T-3) \$0.3M



2026 First Supplemental

Capital Budget: Water *(continued)*

\$7.1M

- Administrative

- 112th Avenue Transmission Main (T-34 - Phase 1) -\$1.9M
- 99th St to 152nd Ave & Padden to Ward Rd Transmission Main (T-33) -\$2.4M
- Operations Center Campus Replacement (*Project Schedule Alignment*) -\$8.3M



2026 First Supplemental Capital Budget: Streets & Transportation

\$2.7M

- **New**

- NE 18th St - 141st Ave to 162nd Ave Design Increase \$2.5M
- Walnut Grove El. Sidewalk & Pedestrian Crossing Imp (Safe Routes to School) \$2.3M
- Mill Plain and Thompson Railroad Crossing Replacement \$0.7M
- Fourth Plain Safe Streets for All (Federal Highway Admin Grant) \$0.6M
- Evergreen Trail - Chelsea to Image Increase (Dept of Transportation Grant) \$0.5M
- Image & Lincoln Elementary Crossing Improvements (Safe Routes to School) \$0.5M



2026 First Supplemental

Capital Budget: Streets & Transportation *(continued)*

\$2.7M

- Administrative

- Mill Plain/MacArthur Intersection Improvements Alignment \$1.5M
- Grand Loop Infrastructure Improvements Alignment -\$0.7M
- Fourth Plain - 62nd - Andresen Multiuse Path Project Alignment -\$1.8M
- NE 18th St - 97th Ave to 107th Ave Adjustment -\$3.0M



2026 First Supplemental

FTE Summary: Net New 27.0 FTEs

City Attorney's Office 2.0 FTE	Economic Prosperity & Housing 3.0 FTE	Police 13.0 FTE	Parks, Recreation & Cultural Services 4.0 FTE
<ul style="list-style-type: none"> • Add 1.0 FTE, City Prosecutor (Prop 5) • Add 1.0 FTE, Legal Assistant (Prop 5) 	<ul style="list-style-type: none"> • Add 1.0 FTE, Rental Registration Program Coordinator • Add 2.0 FTE, Lead Parking Enforcement Officers 	<ul style="list-style-type: none"> • Add 13.0 FTEs, Police Officers (Prop 5) 	<ul style="list-style-type: none"> • Add 1.0 FTE, Communications Specialist (Cultural Arts Tax) • Add 1.0 FTE, Cultural Access Program Supervisor (Cultural Arts Tax) • Add 2.0 FTEs, Grant Coordinators (Cultural Arts Tax)

Position reclassifications or movement between departments with a budget impact are not shown on this slide, but are specified on Attachment B.



2026 First Supplemental

FTE Summary: Net New 27.0 FTEs *(continued)*

Finance & Management Services 1.0 FTE	Public Works - Water 1.0 FTE	Public Works - Solid Waste 1.0 FTE	Public Works - Streets 2.0 FTE
<ul style="list-style-type: none"> Add 1.0 FTE, Budget Manager 	<ul style="list-style-type: none"> Add 1.0 FTE, Environmental Regulatory Program Manager 	<ul style="list-style-type: none"> Add 1.0 FTE, Solid Waste Program Coordinator 	<ul style="list-style-type: none"> Add 2.0 Limited Duration FTEs, Senior Construction Inspectors (Franchise Utility)

Position reclassifications or movement between departments with a budget impact are not shown on this slide, but are specified on Attachment B.





Next Steps

- First Reading:
 - March 16, 2026
- Public Hearing:
 - April 6, 2026



Discussion



Thank You



shannon.olsen@cityofvancouver.us | 360-487-8497 | cityofvancouver.us





Engagement and Access Department Update

Joy Fowler
Engagement and Access Director

March 2, 2026

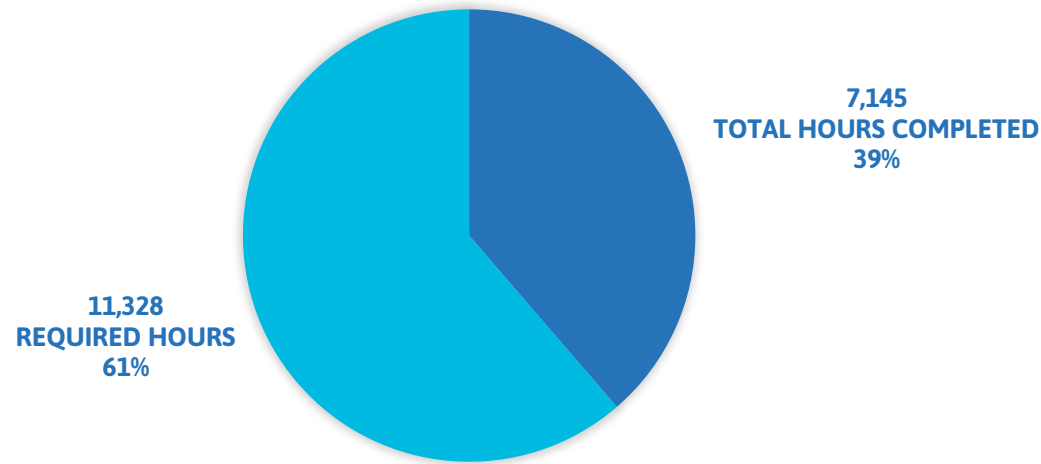


Engagement and Access...

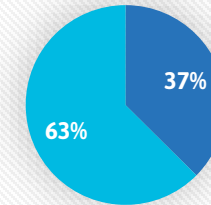
- **Engagement and Access Communication**
- **Community Engagement Team**
- **ADA Coordination**
- **Citywide Professional Development**
- **Vancouver for All**
- **Our Roadmap**

2025 Professional Development Hours

CITY OF VANCOUVER PROFESSIONAL DEVELOPMENT HOURS

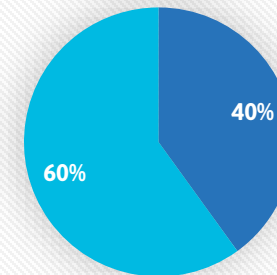


Managers Professional Development Hours



■ TOTAL HOURS COMPLETED ■ REQUIRED HOURS

Non-Manager (Full Time) Professional Development Hours



■ TOTAL HOURS COMPLETED ■ REQUIRED HOURS



2025 Professional Development Overview

Equity & Inclusion Professional Development 2025

Track Learning



36 | State of Equity 2025



- 1,414 Employees took training in 2025
- 43% of Departments completed over 80% of their professional development
 - a) 21.4% of Departments completed over <90% of their professional development
 - b) 21.4% of Departments completed >90% of their professional development



2026 Professional Development



New Tracks

Tracks for ELT/MLT to encourage participation; opportunities shared with Council

[MLT Track \(Management & Leadership Team\)](#)



MLT Modifications

Adjusted completion requirements to accommodate schedules



Quarterly Updates

At the close of each quarter Director's will receive an update on team performance



Program Groups

Created groups for each track to allow for easy registration and approvals



Vancouver for All

- **Targeted Universalism** Approach
- Reflects a commitment to equity and justice **for all**
- Alignment with **core values**:
Collaboration | Innovation
Empowered
- **Three Approaches** to Implement:
As a department, as a city, and
alongside Community

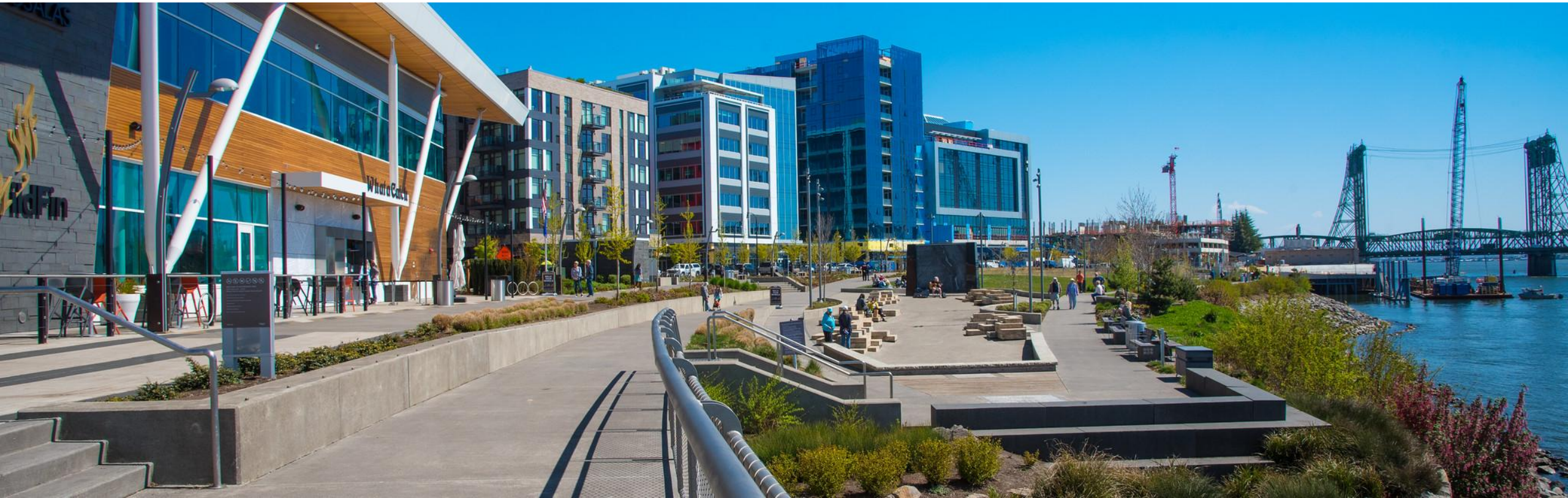
[Vancouver for All](#)



Engagement and Access Roadmap



Questions





City Council Policy Workshop

Nena Cook
City Attorney
March 2, 2026



Review of Council Policies

1. City Council Meetings ([100-32](#))
2. Council Relations with City Staff ([100-34](#))
3. Code of Ethics and Conduct ([100-36](#))



Council Meetings (100-32)

Frequency of Regular Meeting Community Member Forum

- 6.1.1 – Remove “Monthly” reference
- 10.11 – Update timing to reflect current format
- 10.11.1 – Revise frequency to allow flexibility in setting Council’s annual meeting schedule





Council Meetings (100-32)

9.0 – Special Meetings

- Make consistent with [Vancouver City Charter Section 2.10](#):

The City Clerk shall call special public meetings of the City Council upon the written request of the Mayor or of any two Councilmembers.

Council Meetings (100-32)

10.14.5 Prohibited Conduct & 10.14.5 Enforcement and Suspension of Verbal Comment Rights

- Add provision pursuant to [RCW 29B.45.010](#) that prohibits displaying campaign-related messages during Council meetings
- Review administration, enforcement, and timing of warnings and suspensions (90- or 180-day)
- Application of policy for other City meetings subject to the Open Public Meetings Act (OPMA)
- Implementation and enforcement for other boards, commissions, committees, or work groups
- Policy to be implemented in a neutral, non-discriminatory manner





Council Relations with City Staff (100-34)

15.0 – Allegations of Misconduct

- 15.1 and 15.3.C – Narrow scope of applicability to align with:
 - Charter Section 3.03
 - Professional licensing (WSBA)
 - City’s Employment Policy Manual
- 15.3.A – Revise submission process to remove online portal



Code of Ethics (100-36)

5.0 & 9.0 – Procedural Clarifications:

- Define “Appearance of Impropriety”
- Replace “Hearings Examiner” with qualified third-party investigator
- Remove duplication of Councilmember complaint delivery
- Streamline Council review and action process
- Confirm as policy enforcement, not quasijudicial proceeding



Additional Council Policy Discussion

- Other sections within Council Policies 100-32, 100-34, or 100-36?
- Issues in different [Council Policies?](#)



Proposed Council Review Schedule

- April 6, 2026: Presentation of draft policy revisions through City Manager Communications
- May 4, 2026: Consideration of updated policies on Consent Agenda



Staff Report: 039-26

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Bid Award — Marine Park Wastewater Treatment Facility Aeration Basin Improvements - ITB 26-4

Key Points

1. Increases wastewater treatment energy efficiency and capacity at Marine Park Wastewater Treatment Facility by upgrading pumps, valves, and instrumentation in six aeration basins.
2. Five bids were received, and Stellar J Corporation has been determined to be the lowest responsive and responsible bidder.
3. The Contractor proposes to meet the City’s apprenticeship utilization goal of 15%.

Strategic Plan Alignment

Safe and Prepared Community – a safe place to live, work, learn and play

Present Situation

Six aeration basins at Marine Park Wastewater Treatment Facility (MP WWTF) create a hospitable, oxygen-rich environment for microorganisms to decompose and remove organic material present in wastewater that flows to the facility.

This project will upgrade key components in the facility’s aeration basins to provide more reliable and effective treatment of the wastewater. Project elements include upgrading undersized pumps, replacing aging valves, and adding new automated valve controls and instrumentation that will allow for better operational flexibility, and will provide operators with advanced computer controls to employ strategies to potentially reduce electrical energy demand associated with aeration blowers.

The bids are as follows:

SUMMARY OF BIDS	
BIDDER	AMOUNT
Stellar J Corporation, Woodland, Washington	\$5,211,520.00
Apex Mechanical, LLC, Battle Ground, Washington	\$5,431,296.00
Tapani, Inc., Battle Ground, Washington	\$5,657,491.20
James W Fowler Co., Dallas, Oregon	\$5,822,595.20
McClure and Sons, Inc., Mill Creek, Washington	\$6,473,697.92
<i>Engineers Cost Estimate</i>	\$6,262,200.00

There is a minimum apprenticeship goal of 15% of the utilized labor hours for this project. Stellar J Corporation of Woodland, WA, has submitted an Apprenticeship Utilization Plan to meet or exceed this goal by using approximately 1,700 hours of apprentice time of the estimated total of 5,610 applicable labor hours for this project.

Advantage(s)

1. Upgrades to the existing aeration basins will improve the facility's treatment resiliency and reliability in meeting wastewater discharge permit requirements.
2. New operational strategies made possible by this project have the potential to reduce process electrical energy demand.

Challenge(s)

Project work will be conducted during continuous operation of Marine Park Wastewater Treatment Facility. However, several aeration basins are normally offline, and sequencing work with each basin will not disrupt treatment operations.

Budget Impact

Funds for this project were budgeted in the Sewer Capital Improvement Budget. The project is included in the 2025-2026 biennial budget as PRJ100765.

Prior Council Review

Incorporated in the 2025-2026 Wastewater Collection and Treatment Adopted Capital Budget.

Action Requested

On Monday, March 2, 2026, award a construction contract for the Marine Park Wastewater Treatment Facility Aeration Basin Improvements Project to the lowest responsive and responsible bidder, Stellar J Corporation of Woodland, Washington at their bid price of \$5,211,520.00, which includes Washington State sales tax, authorize the City Manager, or designee, to finalize and execute the contract and authorize any legal action necessary to enforce the terms of the same.

Staff Contact

Frank Dick, Wastewater Treatment Program Manager, frank.dick@cityofvancouver.us

Attachments:

1. Marine Park WWTF Vicinity Map
2. ITB26-4_UnExContract



Marine Park WWTF



CONSTRUCTION CONTRACT # C-102178

ITB 26-4: MARINE PARK WASTEWATER TREATMENT FACILITY AERATION BASIN IMPROVEMENTS

This Contract (hereinafter referred to as the “Contract”) is entered into by and between the City of Vancouver, Washington, a municipal corporation organized under the laws of the State of Washington (hereinafter referred to as the “City”) and Stellar J Construction, Inc., 1363 Down River Drive, Woodland, WA 98674 (hereinafter referred to as the “Contractor”). The City and the Contractor may be collectively referred to herein as the “Parties” or individually as a “Party.”

WHEREAS, the City desires to engage the Contractor to provide public works construction and other related services for the work described herein;

WHEREAS, Contractor has agreed to offer its services to perform said work per the City issued Invitation to Bid (ITB) No. 26-4 and all addenda thereto, Contractor’s Bid to said ITB, the Project Plan Set and Special Provisions, and City Council’s approval on **Monday, March 2, 2026** per Staff Report No. ~~###-###~~; and

WHEREAS, the Contractor represents by entering into this Contract that it is fully qualified to perform the work to which it will be assigned in a competent and professional manner, and to the standards required by the City.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, or attached an incorporated and made a part hereof, the parties hereto agree as follows:

- 1. STATEMENT OF WORK:** The Contractor hereby agrees to furnish all materials, labor, tools, machinery and implements of every description necessary to complete the work in a professional manner within the time limits stated in this Contract for the construction and installation of the following improvements and will make all necessary arrangements for the obtaining of permits from the United States, State of Washington, and/or any of its agencies as may be necessary to do the work required and covered by this Contract.

This Contract provides for upgrading secondary aeration basin equipment at the Marine Park Wastewater Treatment Facility. The Work includes replacement of aeration valves and actuators, mixed liquor recycle pumps and valves, and addition of ammonia and nitrate instrumentation, and other work, all in accordance with the attached Contract Plans, these Contract Provisions and the Standard Specifications.

The Contract Work shall be Physically Complete within 335 Working Days from the Notice to Proceed.

- 2. EFFECTIVE DATE:** This Contract is effective as of the last signature of the Contract.
- 3. E-VERIFY PROGRAM:** Contractor shall register and enter into a Memorandum of Understanding (MOU) with the Department of Homeland Security E-Verify program within

sixty days after execution of this Contract. Contractor shall ensure all Contractor employees and any subcontractor(s) assigned to perform work under this Contract are eligible to work in the United States. Contractor shall provide verification of compliance upon City request. Failure by Contractor to comply with this subsection shall be considered a material breach.

- 4. CONTRACTOR RESPONSIBILITIES FOR SUBCONTRACTOR:** The Contractor shall include the language of this section in all tier subcontracts and shall require each of its subcontractors to include the same language of this section in each of their subcontracts, adjusting only as necessary the terms used for the contracting parties. The requirements of this section apply to all subcontractors regardless of tier. The Contractor shall require all subcontractors to comply with all federal, state and municipal laws, rules and regulations whatsoever.

At any time of the subcontract execution, the Contractor shall verify that all tier subcontractors meet the following bidder responsibility criteria:

- a. Have a current certificate of registration in compliance with Chapter 18.27 RCW, which must have been in effect at the time of subcontract bid submittal.
 - b. Have a current Washington Unified Business Identifier (UBI) number.
 - c. Have received training on the requirements related to public works and prevailing wage as required by RCW 39.04.350.
 - d. Within the three-year period immediately preceding the date of the bid solicitation, not have been determined by a final and binding citation and notice of assessment issued by the department of labor and industries or through civil judgement entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, any provision of Chapter 49.46, 49.48 or 49.52 RCW.
 - e. If applicable, have:
 - i. Industrial Insurance (worker's compensation) coverage for the subcontractor's employees working in Washington, as required in Title 51 RCW.
 - ii. A Washington Employment Security Department reference number, as required in Title 50 RCW.
 - iii. A Washington Department of Revenue state excise tax registration number, as required in Title 82 RCW.
 - iv. An electrical contractor license, if required by Chapter 19.28 RCW.
 - v. An elevator contractor license, if required by Chapter 70.87 RCW.
 - f. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3).
- 5. DELINQUENT STATE TAXES:** The Contractor shall not owe delinquent taxes to the Washington State Department of Revenue without a payment plan approved by the Department of Revenue.
- 6. COMPENSATION AND SCHEDULE OF PAYMENTS:** In consideration of the promises and agreements of the Contractor as set forth herein, and in consideration of the faithful performance and furnishing of the work and materials required by this Contract to the satisfaction of the City, the City agrees to pay to the Contractor as prescribed in the

solicitation and Contractor's Bid, and in accordance with the ordinances of the City of Vancouver and the laws of the State of Washington, the following sum as indicated, which amount does include 8.8% Washington State Sales Tax (if applicable) \$5,211,520.00 USD.

The amount finally to be paid is, however, variable upon the Work actually performed, and final payment will be made upon the basis of the amount of work performed and the materials furnished, and at the lump sum or unit prices fixed in the Contractor's Bid as modified by any and all approved Change Orders.

- 7. CONTRACTOR'S INSURANCE:** The Contractor agrees to the following requirements relating to insurance coverage. Provide a Certificate of Liability Insurance. Said certificate must be provided on a standard "ACORD" form, or its equivalent, and must provide that coverage shall not be canceled or modified without 30 days prior written notice to the City of Vancouver.

The City of Vancouver may inspect all policies, and copies shall be provided to the City upon request. The Contractor shall obtain the insurance described in this section from insurers approved by the State Insurance Commissioner pursuant to RCW Title 48. The insurance must be provided by an insurer with a rating of A-: VII or higher in the A.M. Best's Key Rating Guide, which is licensed to do business in the state of Washington (or issued as a surplus line by a Washington Surplus lines broker). The City reserves the right to approve or reject the insurance provided, based on the insurer (including financial condition), terms and coverage, the Certificate of Insurance, and/or endorsements.

The Contractor agrees to procure insurance coverage as required below:

COVERAGE	LIMITS OF LIABILITY
I. Commercial General Liability:	
Policy shall include Bodily Injury, Property Damage, Personal Injury and Broad Form Contractual Liability	
Each Occurrence	\$1,000,000
General Aggregate Per Occurrence	\$2,000,000
Products & Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability	\$1,000,000
II. Commercial Automobile Liability	
Policy shall include Bodily Injury and Property Damage, for any owned, Hired, and/or non-owned vehicles used in the operation, installation and maintenance of facilities under this Contract.	
Combined Single Limit	\$1,000,000
III. Workers' Compensation (applicable to the State of Washington)	
Per Occurrence	Statutory
Employer's Liability	\$1,000,000
Disease Each Employee	\$1,000,000
Disease Policy Limit	\$1,000,000
Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000
IV. Pollution Legal Liability	

COVERAGE	LIMITS OF LIABILITY
Each Claim	\$3,000,000
Annual Aggregate	\$6,000,000

In addition to the coverage and limits listed above the Contractor’s insurance must all contain the following:

- a. City Listed as Additional Insured. The City of Vancouver, its Agents, Representatives, Officers, Directors, Elected and Appointed Officials, and Employees must be named as additional insured. The required Additional Insured endorsements shall be at least as broad as ISO CG 20 10 11 85, or its equivalent CG 20 10 07 04 and CG 20 37 07 04 must be included with the Certificate of Insurance.
- b. Either the Commercial General Liability or the Worker’s Compensation policy must be endorsed to include “Washington Stop Gap” insurance. The limits and aggregates referenced must apply to the Stop Gap coverage as well and must be indicated on the certificate.
- c. Commercial General Liability insurance shall be written on coverage forms at least as broad as ISO occurrence form CG 00 01, including but not limited to liability arising from premises, operations, stop gap liability, independent contractors, products-completed operations, personal and advertising injury, and liability assumed under an insured contract. There shall be no exclusion for liability arising from explosion, collapse or underground property damage. The Commercial General Liability insurance shall be endorsed to provide a per project general aggregate limit, using ISO form CG 25 03 05 09 or an equivalent endorsement.
- d. The City of Vancouver shall be listed on the Certificate as Certificate Holder.
- e. Cover Trigger: The insurance must be written on an “occurrence” basis. This must be indicated on the Certificate.
- f. Contractor shall ensure that each subcontractor of every tier obtains and maintains at a minimum the insurance coverages required for Commercial General Liability and Auto Liability. Upon request of the City, the Contractor shall provide evidence of such insurance.
- g. The Contractor shall keep this insurance in force during the term of the Contract and for thirty (30) days after the Physical Completion date. The Contractor shall provide the City and all Additional Insured with written notice of any policy cancellation, within two business days of their receipt of such notice.
- h. Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, suspend work or terminate the contract.

- i. All costs for insurance shall be incidental to and included in the unit or lump sum prices of the contract and no additional payment will be made.
- 8. CONTRACTOR'S BOND:** The Contractor agrees that before it undertakes performance of this Contract, it will file with the City a Performance Bond and a Payment Bond, in the forms prescribed by the City of Vancouver, in the full amount of the Contract price with a company authorized to do business in the State of Washington as a surety. The bonds shall comply with the laws of the State of Washington, especially with the provisions of Chapter 39.08 RCW.
- 9. DISPUTE RESOLUTION:** In the event of a dispute between the Parties which cannot be resolved by the contract managers, the Contractor and the City shall review such dispute and may attempt to resolve the dispute. Any controversy or claim arising out of or relating to this Contract or alleged breach of this Contract that cannot be resolved by the Parties within 30 days of receipt of written notice may be submitted to mediation. If the dispute cannot be resolved through mediation, either party may initiate litigation pursuant to the governing law and venue provisions of this Contract. The Parties agree to pay their own attorneys' fees and expenses.
- 10. GOVERNING LAW/VENUE:** This Contract shall be deemed to have been executed and delivered within the State of Washington, and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of Washington without regard to the principles of conflict of laws. Any action or suit brought in connection with this Contract shall be brought in the Superior Court of Clark County, Washington.
- 11. EMPLOYMENT OF LABOR:** The Contractor agrees that all persons employed by the Contractor and by any of its subcontractor and any of their lower tier contractors in work performed pursuant to this Contract shall not be employed in excess of eight (8) hours in any day, except as provided or allowed by Chapter 49.28 RCW and WAC 296.127 and any amendment thereto.
- 12. PAYMENT OF LABOR:** The Contractor agrees that all laborers, workers, or mechanics employed by it or by any subcontractor in the performance of this Contract will be paid not less than the prevailing wage rate for an hour's work, in accordance with the provisions of Chapter 39.12 RCW, and all rules and regulations promulgated pursuant thereto.

The prevailing wage rates in effect at the time of the bid submittal deadline shall apply for the duration of the project, no matter how long it lasts. However, if the Contract is awarded more than six (6) months after the bids were due, the prevailing wage rates in effect on the award date shall apply.

In case any dispute arises as to what the prevailing rate of wages for work of a similar nature are and such dispute cannot be adjusted by the parties involved, the matter shall be referred to the director of the Department of Labor and Industries of the State of Washington for arbitration, and the director's decision shall be final, conclusive and binding on all parties involved in the dispute.

13. PAYMENT TO THE CONTRACTOR: Progress payments to the Contractor shall be made within 30 days of a fully executed Pay Estimate pending all compliance with all contractual requirements. A sum equal to 5% may be reserved and retained from monies earned by the Contractor in accordance with Chapter 60.28 RCW. The City reserves the right to require Contractor to correct any submitted or paid erroneous invoices according to the rates set forth herein. City and Contractor agree that any amount paid in error by City does not constitute a change in the agreed upon amount; Contractor agrees to issue a refund of any of any overages paid in error by the City.

Release of the retained percentage or the retainage bond shall be in accordance with Chapter 60.28 RCW. Every person performing labor or furnishing supplies toward the completion of said improvement of work shall have a lien upon said monies so reserved; provided, that such notice of the lien of such claimant shall be given in the manner provided in RCW 39.08.030 and within the time provided in Chapter 60.28 RCW as now existing and in accordance with any amendments that may hereafter be made thereto.

No payment shall be made to the Contract, however, until the Contractor and all subcontractors who have performed work shall have filed and received approval of a Statement of Intent to Pay Prevailing Wage as required by RCW 39.12.040 from the Washington State Department of Labor and Industries. Said Contractor and all subcontractors shall also keep accurate payroll records for three years from the date of acceptance as described in RCW 39.12.120. A Contractor and all subcontractors shall, file a copy of its certified payroll records using the Department of Labor and Industries online system on a monthly basis. A Contractor's noncompliance with this section shall constitute a violation of RCW 39.12.050.

14. INDEMNIFICATION: Contractor agrees to indemnify, defend, save and hold harmless the City, its officials, employees and agents from any and all liability, including but not limited to demands, claims, causes of action, suits or judgements, claims of copyright or patent infringement, including costs, attorney fees and expenses incurred in connection therewith, or whatsoever kind or nature, arising out of, or in connection with, or incident to, the performance of services by Contractor pursuant to this Contract.

In the event that any suit based on such a claim, demand, loss, damage, cost or cause of action is brought against the Contractor, the City retains the right to participate in said suit.

This indemnity and hold harmless shall include any claim made against the City by an employee of the Contractor or subcontractor or agent of the Contractor, even if Contractor is thus otherwise immune from liability pursuant to worker's compensation statute, Title 51 RCW. To the extent that such liability arises from the concurrent negligence of both the City and the Contractor, such cost, fees and expenses shall be shared between the City and the Contractor in proportion to their relative degrees of negligence. This indemnity and hold harmless shall NOT apply in the case where liability arises from the sole negligence of the City. The Contractor specifically acknowledges that the provisions contained herein have been mutually negotiated by the Parties and it is the intent of the Parties that Contractor provide the broadest scope of indemnity permitted by RCW 4.24.115.

- 15. OWNERSHIP OF RECORDS AND DOCUMENTS:** Any and all work product prepared by the Contractor in the course of performing this Contract shall immediately become the property of the City. In consideration of the compensation provided for by this Contract, the Contractor hereby further assigns all copyright interests in such work product to the City. A copy may be retained by the Contractor. Previously owned intellectual property of Contractor or any third party, and any know-how, methodologies or processes used by Contractor to provide the services or project deliverables under this Contract shall remain property of the original City.
- 16. PUBLIC DISCLOSURE COMPLIANCE:** The parties acknowledge that the City is an “agency” within the meaning of the Washington Public Records Act, Chapter 42.56 RCW, and that materials submitted by the Contractor to the City become public record. Such records may be subject to public disclosure, in whole or part and may be required to be released by the City in the event of a request for disclosure. In the event the City receives a public record request for any data or deliverable that is provided to the City and that is licensed from the Contractor, the City shall notify the Contractor of such request and withhold disclosure of such information for not less than five business days, to permit the Contractor to seek judicial protection of such information, provided that the Contractor shall be responsible for attorney fees and costs in such action and shall save and hold harmless the City from any costs, attorney fees or penalty assessment under Chapter 42.56 RCW for withholding or delaying public disclosure of such information.
- 17. COOPERATIVE PURCHASING:** The Washington State interlocal Cooperation Act, Chapter 39.34 RCW, authorizes public agencies to cooperatively purchase goods and services if all parties agree. By having executed this Agreement, the Contractor agrees that other public agencies may purchase goods and services under this solicitation or contract at their own cost and without the City incurring any financial or legal liability for such purchases. The City agrees to allow other public agencies to purchase goods and services under this solicitation or contract, provided that the City is not held financially or legally liable for purchases and that any public agency purchasing under solicitation or contract file a copy of this invitation and such contract in accordance with RCW 39.34.040.
- 18. AMENDMENTS:** All changes to this Contract, including changes to the statement of work and compensation, must be made by written Change Order and/or Amendment and signed by all parties to this Contract.
- 19. AUTHORIZATION AND COMPLIANCE WITH THE LAW:** The Contractor certifies that the person signing the Contract is legally authorized to enter into this binding Contract and that the Contractor shall fully comply with all relevant, federal, state and municipal laws, rules, regulations and policies.
- 20. CITY BUSINESS AND OCCUPATION LICENSE:** The Contractor will be required to obtain a business license when contracting with the City unless allowable exemptions apply. The Contractor shall contact the State of Washington [Business License Service website](#) or by phone at 800-451-7985, or the [City’s website](#) to determine whether a business license is required pursuant to the Vancouver Municipal Code (VMC) Chapter 5.04.
- 21. RELATION OF PARTIES:** The Contractor, its subcontractors, agents and employees are independent contractors performing services for the City and are not employees of the

City; shall not as a result of this Contract, accrue leave, retirement, insurance, bonding or any other benefits afforded to City employees; and, shall not have the authority to bind the City in any way except as may be specifically provided in the Statement of Work.

- 22. ASSIGNMENT:** This Contract is binding on each party, its successors, assigns, and legal representatives and may not, under any circumstances, be assigned or transferred by either party without the other party's express written authorization.
- 23. TERMINATION FOR CONVENIENCE:** The City, at its sole discretion, may terminate this Contract for convenience at any time for any reason deemed appropriate. Termination is effective immediately upon notice of termination given by the City.

In the event this Contract is terminated prior to the completion of Work, Contractor will only be paid for the Work completed at the time of termination of the Contract.

- 24. TERMINATION FOR CAUSE:** In the event the Contractor is, or has been, in violation of the terms of this Contract, including the solicitation, the City reserves the right, upon written notice to the Contractor, to cancel, terminate or suspend this Contract in whole or in part for default. Termination shall be effected by serving a notice of termination on the Contractor setting forth the manner in which the Contractor is in default. The Contractor will be paid only the contract price for services performed in accordance with the manner of performance set forth in the Contract.

If it is later determined by the City that the Contractor had an excusable reason for not performing, such as a strike, fire or flood, or events which are not the fault of or are beyond the control of the Contractor, the City after setting up a new delivery or performance schedule, may allow the Contractor to continue work or treat the termination as a termination for convenience.

- 25. OPPORTUNITY TO CURE:** The City at its sole discretion may in lieu of a termination allow the Contractor to cure the defect(s), by providing a "Notice to Cure" to Contractor setting forth the remedies sought by the City and the deadline to accomplish the remedies. If the Contractor fails to remedy to the City's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within the time stated time, the City shall have the right to terminate the Contract without any further obligation to the Contractor. Any such termination for default shall not in any way operate to preclude the city from also pursuing all available remedies against the Contractor and its sureties for said breach or default, including but not limited to, termination of this Contract for convenience.
- 26. WAIVER AND REMEDIES:** City's failure to enforce the terms or conditions herein or to exercise any right or privilege, or the City's waiver of any breach hereunder shall not thereafter waive any other term, condition or privilege, whether of the same or similar type. Remedies under this Contract are cumulative; the use of one remedy shall not be taken to exclude or waive the right to use another.
- 27. ENTIRETY OF CONTRACT:** This Contract incorporates all the agreements, covenants and understanding between the parties hereto and are merged into this written Contract. No

prior agreement or prior understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless set forth in this Contract.

- 28. USE OF CITY'S NAME:** Contractor may not use any of City's name, trademark, service marks, or logo in connection with the services contemplated by this Contract or otherwise without the prior written permission of City, which permission may be withheld for any or no reason and may be subject to certain conditions.
- 29. DEBARMENT:** The Contractor certifies that that it is not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transactions by any Federal, State or local department or agency.
- 30. NON-DISCRIMINATION AND EQUAL EMPLOYMENT OPPORTUNITY:** During the term of this Contract, Contractor will not discriminate against any employee or applicant for employment in accordance with RCW Chapter 49.60, including, but not limited to creed, religion, race, color, age, sex, marital status, sexual orientation, sexual identity, pregnancy, military status, political ideology, ancestry, national origin, or the presence of any sensory, mental or physical disability, unless based upon a bona fide occupational qualification. The Contractor will take affirmative action to ensure that applicants and employees are treated fairly, without regard to their creed, religion, race, color, sex, national origin, or the presence of any sensory, mental or physical disability. Such action shall include all terms and conditions of employment, compensation and benefits, including apprenticeship.
- 31. BINDING EFFECT:** The provisions, covenants and conditions in this Contract bind the parties, their legal heirs, representatives, successors and assigns.
- 32. RATIFICATION:** Acts taken pursuant to this Contract but prior to its effective date are hereby ratified and confirmed.
- 33. CONTRACT DOCUMENTS AND ORDER OF PRECEDENCE:** The complete Contract includes these parts, all of which are incorporated herein by reference, and any inconsistency in the parts of the contract shall be resolved by following this order of precedence (e.g., 1 presiding over 2, 2 over 3, 3 over 4, and so forth):
 1. Amendments to the Contract,
 2. This Contract,
 3. Contractor's Bid including all Addenda to the Solicitation,
 4. Technical Specifications,
 5. Contract Plan Set,
 6. General Conditions for Facility Construction.

On the Contract Plans, Working Drawings and Standard Plans, figured dimensions shall take precedence over scaled dimensions.

Whenever reference is made in these Specifications or the Special Provisions to codes, rules, specifications and standards, the reference shall be construed to mean the code, rule, specification or standard that is in effect on the Invitation to Bid advertisement date, unless otherwise stated or as required by law.

If any part of the Contract requires Work that does not include a description for how the Work is to be performed, the Work shall be performed in accordance with standard trade practice(s). For purposes of the Contract, a standard trade practice is one having such regularity of observance in the trade as to justify an expectation that it will be observed by the Contractor in doing the Work.

34. NOTICES: All notices which are given or required to be given pursuant to this Contract shall be hand delivered, mailed postage paid or sent by electronic mail as follows:

For the City:
Anna Vogel
City of Vancouver
415 W 6th Street
P O Box 1995
Vancouver WA 98668-1995
anna.vogel@cityofvancouver.us

For the Contractor:
Jeff Carlsen
Stellar J Corporation
1363 Down River Drive
Woodland, WA 98674
jeffcarlsen@stellarij.com

The undersigned, as the authorized representatives of the City and Contractor respectively, agree to all of the terms and conditions contained in this Contract, as of the dates set forth below.

CITY OF VANCOUVER
A municipal corporation

CONTRACTOR:
Stellar J Construction, Inc.

Lon Pluckhahn, City Manager

Signature

Date

Printed Name /Title

Attest:

Date

Anthony Glenn, Deputy City Clerk

Approved as to form:

Nena Cook, City Attorney

Staff Report: 040-26

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Contract Amendment — Approval of Threshold Increase for Services Provided by ACE Parking - C-101806

Key Points

- The City of Vancouver entered into a contract with ACE Parking (“ACE”) on November 6, 2024 (“Contract”), with a service term of December 1, 2024, through November 30, 2029.
- ACE provides facility management services, security, and customer service in the Park ‘n Go garage (“the Garage”) at the Vancouver Center.
- The City expanded ACE’s scope of work in 2025 as a result of a change in contracted services from the Vancouver Center Condo Association.
- Staff are requesting an increase in the contract threshold amount from \$300,000 to \$600,000 to maintain current service levels through March 2027.

Strategic Plan Alignment

On Monday, March 2, 2026, authorize the City Manager, or designee, to execute Amendment No. 1 to contract C-101806 between the City of Vancouver and ACE Parking. Increase the not-to-exceed amount by \$300,000 to a total of \$600,000.

Present Situation

The City of Vancouver entered into the Contract following a competitive request for proposals process. ACE provides facilities management, security, maintenance, and customer service in the Park ‘n Go garage (“Garage”) at the Vancouver Center. The Contract has a service term from December 1, 2024, through November 30, 2029. ACE tasks include trash pickup, janitorial services, cleaning oil spills and vehicle debris, dusting and cleaning pay stations, signage and lighting maintenance, customer service, occupancy counts and reporting, invoice and management of accounts payable, fire suppression system monitoring and yearly maintenance, organization and maintenance of bike parking facilities, and traffic management during large events.

In early 2025, due to increased parking demand and a change in contracted services with the Vancouver Center Condo Association, Parking Services expanded ACE’s hours of customer service and facilities management duties. Prior to 2025, facilities service hours were limited to 5am-11am, Monday to Friday. Current hours are 6am to 8pm, 7days a week. The increase in hours improves customer experience and traffic management, particularly during busy days or when events and festivals are being held downtown. Also, prior to 2025, overnight security coverage in the garage was provided by a security contract with Vancouver Center Condo Association. In 2025, Parking Services opted out of that contract and used the savings towards extended facility services to better align with garage hours of operations (5am to 10pm).

Staff are requesting an increase in the Contract threshold amount from \$300,000 up to \$600,000 to

maintain current service levels through March 2027.

Advantage(s)

1. Maintain current facilities management and security coverage levels.
2. Improved customer service during weekday business hours and on the weekends.

Challenge(s)

None

Budget Impact

Staff are requesting a contract increase from \$300,000 to \$600,000 to cover services through the end of 2026 and the first quarter of 2027. The adopted budget for FY25-26 includes \$200,000 each year for facilities and security services at the garage. These amounts were finalized prior to the completion of the request for proposals and selection of ACE in November 2024. Based on actual expenditures under the Contract, expenses for the full biennium are projected to be \$480,000.

To fund this request, Parking Services will use the current budgeted amount of \$400,000 across both years of the biennium, as well as savings from amounts budgeted for garage maintenance to cover the remainder. The full costs for contract services in FY 2027–2028 will be requested in the upcoming biennial budget process.

Budgeted amounts for Garage facilities and security services are funded primarily from revenue generated from the Garage, with any shortfalls funded by other revenues to the Parking Fund. Outstanding debt on the Garage was retired in 2025 and, as a result, Garage operations, including capital investments, are projected to be self-sustaining going forward, with a projected surplus in 2026 of \$650,000.

Prior Council Review

This action is the first review by City Council of the City’s contract with ACE Parking.

Action Requested

On Monday, March 2, 2026, authorize the City Manager, or designee, to execute Amendment No. 1 to contract C-101806 between the City of Vancouver and ACE Parking. Increase the not-to-exceed amount by \$300,000 to a total of \$600,000.

Staff Contact

Gabe Montez, Parking District Manager, Gabriel.Montez@cityofvancouver.us

Attachments:

1. C-101806
2. Amendment No.1



Service Agreement: C-101806
RFP 38-24: Vancouver Center Park 'n Go Garage Operator

This Services Agreement (hereinafter referred to as the “Agreement”) is entered into by and between the City of Vancouver, Washington, a municipal corporation organized under the laws of the State of Washington, (hereinafter referred to as the "City") and ACE Parking, 550 Southwest Park Ave, Suite 201, Portland, OR 97205 (hereinafter referred to as the "Contractor"). The City and Contractor may be collectively referred to herein as the “parties” or individually as a “party”.

WHEREAS, the City desires to engage the Contractor to perform services as described in this Agreement; and

WHEREAS, the City advertised and issued a Request for Proposal, numbered 38-24 (hereinafter referred to as the “Solicitation”) and after evaluation of the Contractor’s responsive proposal, found the Contractor to be capable of performing the required services; and

WHEREAS, the Contractor represents by entering into this Agreement that it is fully qualified to perform the services described herein in a competent and professional manner, and to the full satisfaction of the City.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, or attached and incorporated and made a part hereof, the parties hereto agree as follows:

- 1. SCOPE OF WORK:** The Contractor agrees to provide the City all services and materials set forth below and as further described in the City’s Solicitation, and the Contractor’s responsive proposal to the City’s Solicitation, (collectively referred to herein as the “Work”) which are each incorporated herein by this reference and made a part of this Agreement as if fully set forth herein.

Scope of work under this Agreement will include, but not be limited to:

- I. The Contractor shall both (1) provide all facility management, security, and customer services at the facility, and (2) manage/oversee such services as specified in the Solicitation.

The City expects the following parking facility maintenance operations to be done in accordance with industry best practices. Management, maintenance, security, and customer service and satisfaction requirements are set forth in the Solicitation.

- II. The Contractor will prepare and submit an Annual Operating Budget for the parking facility prior to the beginning of each calendar year, due by November 1st of each year. The Manager will be required to receive pre-approval from the City for all extraordinary expenses proposed in carrying out that Annual Operating Budget.

Extraordinary expenses are all expenses related to the operation of the garage not identified in the Annual Operating Budget, including, but not limited to, major capital repair, and expenses that exceed a certain percentage of the budget line item, which will be specified by the City in the Annual Operating Budget the City Council approves.

- III. The Contractor will be responsible for paying all management and security operating expenses which the Contractor provides directly under contract. The City will reimburse Contractor for these costs including, but not limited to, items identified in the Solicitation and a negotiated monthly management fee. The Contractor will manage and oversee but not pay for contracts the City enters to support certain garage functions.

The Contractor will prepare and submit a monthly, itemized, report of all expenses by expense category. The report will include year-to-date category totals compared to the line-item budget, and copies of all invoices paid to document the monthly expenses. The monthly report will also include detailed performance summaries of work items completed and pending.

The City will not be responsible for and will not pay any late fees imposed by suppliers, service providers or subcontractors. The City of Vancouver will NOT provide any initial start-up costs nor provide advance payments for the successful proposer.

All work must be authorized and approved by the City's Project Manager before any work can begin. The Contractor shall approach each project in a manner consistent with its usual customary business practices. The Contractor shall actively seek collaborative input from City staff.

2. **COMPENSATION:** Payment to the Contractor for the work described in this Agreement shall not exceed \$300,000.00 USD.

This payment shall be maximum compensation for the work and for all labor, materials, supplies, equipment and incidentals necessary to complete the work as set forth herein, and it shall not be

exceeded without the City's prior written authorization in the form of a negotiated and executed amendment.

Compensation is limited to the amount specified for each specific task and/or sub-task, unless amended in writing. The City requires the Contractor to complete the work stated within the number of hours stated for each task, and/or sub-task, or the lump sum amount. If compensation is made on an hourly basis and the work requires fewer hours than those estimated, the Contractor will be paid for the actual worked hours necessary to complete that task and/or sub-task. If the Contractor underestimated the number of hours required to perform the work, the Contractor shall be paid up to the maximum number of hours stated for the task and/or sub-task. Compensation may be amended, at the City's sole discretion, for documentable circumstances not reasonably foreseeable to either party at the time the task and/or subtask is initiated, or for changes to the scope of work or deliverables requested by the City. All deliverables must be acceptable to the City, at the sole discretion of the City.

Travel expenses are limited to airfare, or mileage at the current IRS rate, and lodging at the U.S. General Services Administration rates. The Contractor is solely responsible for its staff's travel time, including travel to and from the City of Vancouver. The City will reimburse only pre-approved miscellaneous Contractor expenses at-cost upon submission of receipts to City.

During the life of this Contract, and in consideration of the City's business needs, the Contractor may make requests for compensation adjustments. In consideration of market conditions, the City may allow an annual adjustment to compensation paid for the actual cost of services. Contractor shall submit the request for consideration, together with supporting documentation, before the anniversary date of this Agreement. The City will review the request and, at its sole discretion, make a decision. If accepted, the adjustment shall become effective on the anniversary date of the Agreement and will be firm for the remainder of the contracted period. All adjustments will be authorized by written contract amendment.

- 3. PAYMENT FOR CONTRACTOR SERVICES:** The Contractor shall submit monthly invoices to City covering both professional fees and project expenses, if any, for fees and expenses from the previous month. Payments to Contractor shall be net thirty (30) days.

The City reserves the right to correct any invoices paid in error. The Contractor shall be paid according to the rates set forth in Attachment "A", incorporated herein by this reference, and made a part of this Agreement as if fully set forth herein.

City and Contractor agree that any amount paid in error by City does not constitute a rate change in the amount of the contract. The City's contract/purchase order (PO) number given on the notice to proceed **must** be referenced on any invoice submitted for payment.

4. **TERM OF AGREEMENT:** The term of this Agreement shall commence on December 1, 2024 and continue until November 30, 2029. Unless directed otherwise by the City, Contractor shall perform the work in accordance with any schedules made a part of this Agreement.
5. **ORDER OF PRECEDENCE:** Where there is a conflict among or between any of these documents, the controlling documents shall be the first listed in the following sequence: Amendments to this Agreement; this Agreement; Contract Purchase Orders; the Contractor's responsive proposal to the City's Solicitation, and the City's Solicitation.
6. **RELATION OF PARTIES:** The Contractor, and its subcontractors, agents, employees, or other vendors contracted by the Contractor to provide services or other work for the purpose of meeting the Contractor's obligations under this agreement (collectively referred to as "subcontractors"), are independent contractors performing professional services for the City and are not employees of the City. The Contractor and its subcontractors shall not, as a result of this Agreement, accrue leave, retirement, insurance, bonding or any other rights, privileges, or benefits afforded to City employees. The Contractor and its subcontractors shall not have the authority to bind City in any way except as may be specifically provided herein.
7. **E-VERIFY:** The Contractor shall enter into and register a Memorandum of Understanding with the Department of Homeland Security E-Verify program within sixty (60) days after execution of this Agreement. The Contractor shall ensure all Contractor employees and any subcontractors assigned to perform work under this Agreement are eligible to work in the United States. The Contractor shall provide verification of compliance upon the request of the City. Failure by the Contractor to comply with this subsection shall be considered a material breach.
8. **DELAYS AND EXTENSIONS OF TIME:** If the Contractor is delayed at any time in the progress of the work covered by this Agreement, by any causes beyond Contractor's control, the time for performance may be extended by such time as shall be mutually agreed upon by the Contractor and the City and shall be incorporated in a written amendment to this Agreement. Any request for an extension of time shall be made in writing to the City.
9. **OWNERSHIP OF RECORDS AND DOCUMENTS:** Any and all work product prepared by the Contractor in the course of performing this Contract shall immediately become the property of the City. In consideration of the compensation provided for by this Agreement, the Contractor hereby further assigns all copyright interests in such work product to the City. A copy may be retained by the Contractor. Previously owned intellectual property of Contractor, and any know-how, methodologies or processes used by the Contractor to provide the services or project deliverables under this Agreement shall remain property of the Contractor.

10. TERMINATION FOR PUBLIC CONVENIENCE: The City, at its sole discretion, may terminate this contract for convenience at any time for any reason deemed appropriate. Termination is effective immediately upon notice of termination given by the City.

In the event this Agreement is terminated prior to the completion of work, the Contractor will only be paid for the portion of the work completed at the time of termination of the Agreement.

11. TERMINATION FOR DEFAULT: If the Contractor defaults by failing to perform any of the obligations of the Agreement, including violating any law, regulation, rule or ordinance applicable to this Agreement, or becomes insolvent or is declared bankrupt or commits any act of bankruptcy or insolvency or makes an assignment for the benefit of creditors, the City may, by depositing written notice to the Contractor in the U.S. mail, postage prepaid, terminate the Agreement, and at the City's option, obtain performance of the work elsewhere.

If the Agreement is terminated for default, the Contractor shall not be entitled to receive any further payments under the Agreement until all work called for has been fully performed. Any extra cost or damage to the City resulting from such default(s) shall be deducted from any money due or coming due to the Contractor. The Contractor shall bear any extra expenses incurred by the City in completing the work, and all damage sustained, or which may be sustained by the City by reason of such default.

If a notice of termination for default has been issued and it is later determined for any reason that the Contractor was not in default, the rights and obligations of the parties shall be the same as if the notice of termination had been issued pursuant to the termination for public convenience paragraph herein.

12. OPPORTUNITY TO CURE: The City at its sole discretion may in lieu of a termination allow the Contractor to cure the defect(s), by providing a "Notice to Cure" to Contractor setting forth the remedies sought by City and the deadline to accomplish the remedies. If the Contractor fails to remedy to the City's satisfaction the breach or default of any of the terms, covenants, or conditions of this Contract within the time stated time, the City shall have the right to terminate the Contract without any further obligation to the Contractor. Any such termination for default shall not in any way operate to preclude the City from also pursuing all available remedies against the Contractor and its sureties for said breach or default, including but not limited to termination of this Contract for convenience.

13. COMPLIANCE WITH THE LAW: The Contractor agrees to comply with all relevant, Federal, State, and Municipal laws, rules, policies, regulations or ordinances in the performance of work under this Agreement.

14. CITY BUSINESS AND OCCUPATION LICENSE: The Contractor will be required to obtain a business license when contracting with the City unless allowable exemptions apply. The Contractor shall contact the State of Washington Business License Service (BLS) at: <http://bls.dor.wa.gov/file.aspx>, or by phone at 800-451-7985, or go to www.bls.dor.wa.gov/cities/vancouver.aspx or www.cityofvancouver.us/businesslicense, to determine whether a business license is required pursuant to the Vancouver Municipal Code (VMC) Chapter 5.04.

15. LIABILITY AND HOLD HARMLESS: The Contractor agrees to indemnify, defend, save and hold harmless the City, its officials, employees and agents from any and all liability, demands, claims, causes of action, suits or judgments, including costs, attorney fees and expenses incurred in connection therewith, of whatsoever kind or nature (including patent infringement or copyright claims) to the extent arising out of, or in connection with, or incident to, the negligent performance or willful misconduct pursuant to this Agreement. This indemnity and hold harmless shall include any claim made against the City by an employee of Contractor or subcontractor or agent even if Contractor is thus otherwise immune from liability pursuant to the workers' compensation statute, Title 51 Revised Code of Washington (RCW), except to the extent that such liability arises from the concurrent negligence of both the City and the Contractor, such costs, fees and expenses shall be shared between the City and the Contractor in proportion to their relative degrees of negligence. The Contractor specifically acknowledges the provisions contained herein have been mutually negotiated by the parties and it is the intent of the parties that the Contractor provide the broadest scope of indemnity permitted by RCW 4.24.115. The Contractor is an independent contractor and responsible for the safety of its employees.

16. INSURANCE: The Contractor shall obtain and keep in force during the entire term of this agreement, liability insurance against any and all claims for damages to person or property which may arise out of the performance of this Contract whether such work shall be by the Contractor, subcontractor or anyone directly or indirectly employed by either the Contractor or a subcontractor.

All liability insurance required herein shall be under a Comprehensive or Commercial General Liability and business policies.

COVERAGE	LIMITS OF LIABILITY
I. Commercial General Liability:	
Policy shall include Bodily Injury, Property Damage, Personal Injury and Broad Form Contractual Liability	
Each Occurrence	\$1,000,000
General Aggregate Per Occurrence	\$2,000,000

Products & Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability	\$1,000,000
II. Commercial Automobile Liability	
Policy shall include Bodily Injury and Property Damage, for any owned, Hired, and/or Non-owned vehicles used in the operation, installation and maintenance of facilities under this agreement.	
Combined Single Limit	\$1,000,000
III. Workers' Compensation (applicable to the State of Washington)	
Per Occurrence	
Employer's Liability	\$1,000,000
Disease Each Employee	\$1,000,000
Disease Policy Limit	\$1,000,000
Each Claim	\$1,000,000
Annual Aggregate	\$1,000,000
IV. Umbrella Liability	
Each Claim	\$1,000,000
Annual Aggregate	\$5,000,000
V. Professional Liability	
Policy shall include coverage against any and all claims for damages to person or property which may arise out of the performance of this Contract whether such work shall be by the Contractor, subcontractor or anyone directly or indirectly employed by either the Contractor or a subcontractor	\$1,000,000

In addition to the coverage and limits listed above the Contractor’s insurance must all contain the following:

- a. City Listed as an Additional Insured. The City of Vancouver, its Agents, Representatives, Officers, Directors, Elected and Appointed Officials, and Employees must be named as an additional insured. The required Additional Insured endorsements shall be at least as broad as ISO CG 20 10 11 85, or its equivalent CG 20 10 07 04 and CG 20 37 07 04 must be included with the Certificate of Insurance.
- b. Either the Commercial General Liability or the Workers’ Compensation policy must be endorsed to include “Washington Stop Gap” insurance. The limits and aggregates referenced must apply to the Stop Gap coverage as well and must be indicated on the certificate.
- c. Employment Security. The Contractor shall comply with all employment security laws of the State in which services are provided and shall timely make all required payments in connection therewith.
- d. The City of Vancouver shall be listed on the Certificate as the Certificate Holder.

- e. Coverage Trigger: The insurance must be written on an “occurrence” basis. This must be indicated on the Certificate.

Contractor shall provide evidence of all insurance required, at the City’s request, by submitting an insurance certificate to the City on a standard “ACORD” or comparable form.

All policies shall be issued by an insurance company licensed to do business in the State of Washington. The City of Vancouver may inspect all policies and copies shall be provided to the City upon request.

- 17. NOTICES:** All notices which are given or required to be given pursuant to this Agreement shall be hand delivered, mailed postage paid, or sent by electronic mail as follows:

For the City:
Anna Vogel
City of Vancouver
415 W 6th Street
P O Box 1995
Vancouver WA 98668-1995
Email: anna.vogel@cityofvancouver.us

For the Contractor:
John Baumgardner
ACE Parking
645 Ash Street
San Diego, CA 92101
jbaumgardner@aceparking.com

Either party may change the designated contact or any information listed above by giving advance notice in writing to the other party.

- 18. AMENDMENTS:** All changes to this Agreement, including changes to the scope of work and compensation sections, must be made by written amendment and signed by all parties to this Agreement.
- 19. SCOPE OF AGREEMENT:** This Agreement incorporates all the agreements, covenants and understanding between the parties hereto and are merged into this written Agreement. No prior agreement or prior understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless set forth in this Agreement.
- 20. RATIFICATION:** Acts taken pursuant to this Agreement but prior to its effective date are hereby ratified and confirmed.
- 21. GOVERNING LAW/VENUE:** This Agreement shall be deemed to have been executed and delivered within the State of Washington, and the rights and obligations of the parties hereunder shall be construed and enforced in accordance with, and governed by, the laws of the State of

Washington without regard to the principles of conflict of laws. Any action or suit brought in connection with this Agreement shall be brought in the Superior Court of Clark County, Washington.

- 22. COOPERATIVE PURCHASING:** The Washington State Inter-local Cooperation Act, Ch. 39.34 RCW, authorizes public agencies to cooperatively purchase goods and services if all parties agree. By having executed this Agreement, the Contractor agrees that other public agencies may purchase goods and services under this solicitation or contract at their own cost and without the City incurring any financial or legal liability for such purchases. The City agrees to allow other public agencies to purchase goods and services under this solicitation or contract, provided that the City is not held financially or legally liable for purchases and that any public agency purchasing under such solicitation or contract file a copy of this invitation and such contract in accordance with RCW 39.34.040.
- 23. PUBLIC DISCLOSURE COMPLIANCE:** The parties acknowledge that the City is an “agency” within the meaning of the Washington Public Records Act, Chapter 42.56 RCW, and that materials submitted by the Contractor to the City become public record. Such records may be subject to public disclosure, in whole or part and may be required to be released by the City in the event of a request for disclosure. In the event the City receives a public record request for any data or deliverable that is provided to the City and that is licensed from the Contractor, the City shall notify the Contractor of such request and withhold disclosure of such information for not less than five (5) business days, to permit the Contractor to seek judicial protection of such information, provided that the Contractor shall be responsible for attorney fees and costs in such action and shall save and hold harmless the City from any costs, attorney fees or penalty assessment under Chapter 42.56 RCW for withholding or delaying public disclosure of such information.
- 24. DEBARMENT:** The Contractor certifies that that it is not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transactions by any Federal, State or local department or agency.
- 25. NONDISCRIMINATION:** The City of Vancouver, WA is an equal opportunity employer. In the performance of this Agreement, the Contractor will not discriminate against any employee or applicant for employment on the grounds of race, creed, color, national origin, sex, sexual orientation, marital status, age or the presence of any sensory, mental or physical handicap.

The undersigned, as the authorized representatives of the City and Contractor respectively, agree to all of the terms and conditions contained in this Agreement, as of the dates set forth below.

CITY OF VANCOUVER

A municipal corporation

DocuSigned by:

Anna Vogel

7C05B7FF675949B...
Anna L. Vogel, Procurement Manager

11/6/2024

Date

Attest:

DocuSigned by:

Natasha Ramras

493E940417AE4BD...
Natasha Ramras, City Clerk

Approved as to form:

Signed by:

Tricia Juettemeyer

F1935B9517E94D2...
Tricia Juettemeyer, Assistant City Attorney

CONTRACTOR:

ACE Parking

DocuSigned by:

Keith Jones

91AAB6BEA0F47D...
Signature

Keith Jones

Owner

Printed Name /Title

11/6/2024

Date



COST PROPSOAL

Provide a fixed cost proposal for all personnel requirements and any other applicable costs associated with the services to be provided. Include the hourly rates of those individuals that may perform work under this contract, and the expected percent of their time serving this property.

Partnerships are the key to helping your parking asset reach its full revenue potential. We are confident that once you partner with ACE, you will never look at parking management the same. We are prepared to improve every aspect of your parking operation by implementing an aggressive marketing plan and improving the customer experience with a fresh asphalt surface, new signage and service-oriented enforcement solutions.

MANAGEMENT AGREEMENT TERMS

We propose operating this facility under a management agreement. Under this type of agreement all revenues belong to you, you pay ACE a monthly fee plus the operating expenses detailed in the budget provided in the Project Approach and Understanding section of our proposal.

In the spirit of partnership, we have proposed low administration and management fees, and we will waive our management fee for the first six months of our contract with the City.

- ▶ Monthly Administration Fee: \$ 250
- ▶ Monthly Management Fee: \$1,000
- ▶ 6-Month Fee Waiver

STAFF SCHEDULE & HOURLY RATES

Mon - Fri																								
Position	Midnight			AM							Noon			PM										
	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11
Mangement							1.0	1.0	1.0															
Lot Ambassador							1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Maintenance										1.0	1.0	1.0	1.0											

Daily Hours	Annual Days	Annual Hours	Hourly Rate	Annual Cost	H&W FTE
3.0	260	780	\$41.00	\$31,980	0
16.0	260	4,160	\$20.00	\$83,200	2
4.0	260	1,040	\$30.00	\$31,200	0
Totals		5,980		\$146,380	2

Sat - Sun																								
Position	Midnight			AM							Noon			PM										
	12	1	2	3	4	5	6	7	8	9	10	11	12	1	2	3	4	5	6	7	8	9	10	11
Mangement																								
Attendants/Cashiers							1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Maintenance																								

Daily Hours	Annual Days	Annual Hours	Hourly Rate	Annual Cost	H&W FTE
0.0	104	0	\$41.00	\$0	0
16.0	104	1,664	\$20.00	\$33,280	0
0.0	104	0	\$28.00	\$0	0
Totals		1,664		\$33,280	0



**SERVICE AGREEMENT #C-101806
AMENDMENT No. 1**

RFP 38-24: Vancouver Center Park 'n Go Garage Operator

This Amendment amends the Services Agreement number C-101806 by and between the City of Vancouver, hereinafter referred to as "City", and ACE Parking Management, Inc. hereinafter referred to as "Contractor", whose address is 550 Southwest Park Ave., Ste 201, Portland, OR 97205 for services offered.

This amendment amends the original agreement as follows:

1. Increase the authorized amount of the Agreement by \$300,000 to a revised authorized amount of \$600,000.
2. Ratification: Acts taken pursuant to this Amendment but prior to its effective date are hereby ratified and confirmed.

This amendment in no way alters any other provisions of the original agreement.

CITY OF VANCOUVER
A municipal corporation

CONTRACTOR:
Ace Parking Management, Inc.

Lon Pluckhahn, City Manager

Signature

Date

Printed Name /Title

Attest:

Date

Anthony Glenn, Deputy City Clerk

Approved as to form:

Nena Cook, City Attorney

Staff Report: 041-26

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Contract Amendment — Approval of Threshold Increase for Services Provided by Passport Parking Inc. - C-100069

Key Points

- The City of Vancouver established a relationship with Passport Parking Inc. (Passport) in 2019 via a piggyback arrangement with the City of Portland's contract with Passport. Portland's is currently in the process of extending the contract and the anticipated expiration date is April 2030.
- Passport provides hosted mobile parking payment under the brand Parking Kitty for municipalities in the region, including Vancouver and Portland.
- Mobile payment applications are the most popular form of payment in Vancouver and align with adopted best practices in terms of technology integration and data collection.
- The City of Vancouver staff recently evaluated the cost and functionality of five competitor mobile payment options. Based on the results of this evaluation, staff recommend that the City maintain its partnership with the City of Portland and Passport for at least the next two years. See Attachment A for a comparison of competitor payment options.

Strategic Plan Alignment

Transportation and Mobility – a safe, future-ready and convenient transportation system

Present Situation

In 2019, the City of Vancouver established a contract relationship with Passport via a piggyback agreement with the Portland Bureau of Transportation's (PBOT) contract with Passport. Because the original contract did not exceed \$300,000 in spending, it was approved administratively. In May 2025, City Council approved a threshold increase of \$175,000, making the total contract amount \$475,000.

Since 2019, the City has paid roughly \$430,000 to Passport for mobile payment services. Passport charges \$0.10 per transaction, gateway fees of \$0.05 per transaction and periodic integration fees. Because Vancouver was an early adopter of the Parking Kitty application, the City pays the entire transaction fee to Passport and neither the City nor users pay a royalty to PBOT for the use of Parking Kitty.

Downtown has roughly 2,500 on-street parking spaces with two methods of payment: pay stations (255) and the Parking Kitty mobile app (Passport). Use of Parking Kitty has increased roughly 7% each year and now represents more than 66% of transient parking purchases in the Parking District. In addition, the introduction of Seven-Day Pay-to-Park south of Evergreen on June 1, 2025, produced another surge in Parking Kitty transactions. Prior to June 1, 2025, Parking Kitty transactions averaged 54,000 per month. Parking Kitty now accounts for approximately 74,000 transactions a month.

To continue the City's relationship with Passport and ensure that the contract has sufficient expenditure authority to meet demand for mobile parking payment services, staff are requesting an increase of \$300,000 to cover the expected cost for the next two years (through February 2028).

Advantage(s)

1. Maintain a consistent user experience for the parking public.
2. Maintain the most popular option for parking payments in Vancouver.
3. The uniform payment application across the region is popular for visitors.
4. Significant cost savings to the City and the public over comparable mobile application options.
5. Access to quality data about downtown parking activity and behaviors.

Challenge(s)

None

Budget Impact

The requested contract increase is already included in the approved FY 25-26 budget for the Parking Fund. The budgeted amounts are funded by transaction fees paid by users and passed through to Passport and collections from on-street and off-street public parking, which cover gateway fees and other ancillary amounts paid to Passport.

Prior Council Review

Contract Amendment - Approval of threshold increase for services provided by Passport Parking Inc on May 12, 2025.

Action Requested

On Monday, March 2, 2026, authorize the City Manager, or designee, to execute Amendment No. 2 to contract C-100069 between the City of Vancouver and Passport Parking Inc. and increase the not-to-exceed amount by \$300,000 to a total of \$750,000.

Staff Contact

Gabe Montez, Parking District Manager, Gabriel.Montez@cityofvancouver.us

Attachments:

1. City of Portland OR - Amendment No 1
2. Contract 30005152 - COP-Passport
3. Parking Mobile Payment Memo
4. C-100069 WD - amendment1

AMENDMENT No. 1
CONTRACT No. 30005152

CONTRACT FOR
THE PROCUREMENT, LICENSING, AND MAINTENANCE
OF A HOSTED MOBILE PARKING PAYMENT SYSTEM (MPPS)

This Contract was made and entered into on the 21 day of November, 2016, by and between **Passport Labs, Inc.** (formerly known as PassportParking, Inc.) ("Contractor") and the **City of Portland** ("City"), a municipal corporation of the State of Oregon, by and through their duly authorized representatives. This Amendment may refer to the City and Contractor individually as a Party or collectively as the Parties.

The effective date of this Amendment is **February 25, 2019**. The Parties hereby agree to amend the Contract as follows:

1. The term is extended by five years, and the new expiration date of this Contract is November 20, 2026.
2. The not-to-exceed value of the Agreement is increased by **\$375,000.00**, from \$1,515,174.00 to **\$1,890,174.00**; provided, however, that the Parties shall negotiate in good faith any further increases in the not-to-exceed value that may be necessary.
3. The attached letter is included as Exhibit A to prove the name change of PassportParking, Inc. to Passport Labs, Inc.
4. The Written Notifications section is deleted in its entirety and replaced with the following:

Written Notifications. (09/15) All written notifications and Amendments shall be sent to the following:

For City of Portland:	For Contractor:
Name: Aristanto Bayu Aji	Name: Khristian Gutierrez
Title: Business Systems Analyst I	Title: Managing Partner and CBDO
Address: 1120 SW 5th Ave., Suite 800	Address: 128 S Tryon St., Suite 2200
City, State: Portland, OR 97204	City, State: Charlotte, NC 28202
e-mail: Aristanto.BayuAji@portlandoregon.gov	e-mail: khristian@gopassport.com
Copy to: Technology Contracts	Attestation of Compliance and Information Security for City of Portland:
Procurement Services	Name: Christopher Paidhrin
1120 SW Fifth Avenue, Room 750	Title: Chief Information Security Officer
Portland OR 97204	Address: 1120 SW 5 th Ave., Suite 450
	City, State: Portland, OR 97204
	Email: btinfosec@portlandoregon.gov

Each Party shall provide written notice of any changes to the above contacts within thirty (30) Calendar Days.

5. For purposes of clarity, the Fee Structure in Exhibit A, Section 2.4 of the Contract shall be amended as follows:

DESCRIPTION	UNIT OF ISSUE	UNIT PRICE
PARKING CUSTOMERS		
Customer Convenience Fee: Parking Transaction*	per transaction	\$0.10
Customer Convenience Fee: Extend Parking Transaction	0	\$0.00
Customer Registration Fee	0	\$0.00
TOTAL CUSTOMER CONVENIENCE FEE per Parking Transaction		\$0.10
NOTE: Notwithstanding anything else in the Contract to the contrary, City shall use its payment gateway at its own expense but may, by written notice to Passport, utilize Passport as the payment gateway provider at a fee of \$0.05 per transaction.		
*A "Parking Transaction" is a single parking session lasting less than twenty-four (24) hours in duration.		

All other terms and conditions of the Contract shall remain unchanged by this Amendment and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed.

CITY OF PORTLAND

PASSPORT LABS, INC. (CONTRACTOR)

[Signature] 3-28-2019
 Chief Procurement Officer Date

[Signature] 3-26-19
 Authorized Signature Date

Approved as to Form

Christina Gutierrez - CRO
 Printed Name and Title

Address: 128 S. TRIMAN ST., SUITE 2200
CHARLOTTE, NC 28202

Esin Onart 3/27/19
 Office of City Attorney Date

Phone: 704-837-8066

Delaware
The First State

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THAT THE SAID "PASSPORTPARKING, INC." FILED A CERTIFICATE OF AMENDMENT, CHANGING ITS NAME TO "PASSPORT LABS, INC.", ON THE TWENTY-THIRD DAY OF OCTOBER, A.D. 2017, AT 10:03 O`CLOCK A.M.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "PASSPORT LABS, INC.", IS THE LAST KNOWN TITLE OF RECORD OF THE AFORESAID CORPORATION.




Jeffrey W. Bullock, Secretary of State

5439093 8321
SR# 20180417878

Authentication: 202019790
Date: 01-23-18

You may verify this certificate online at corp.delaware.gov/authver.shtml

**CONTRACT FOR
THE PROCUREMENT, LICENSING, AND MAINTENANCE
OF A HOSTED MOBILE PARKING PAYMENT SYSTEM (MPPS)**

CONTRACT No: 30005152

As Authorized by City Ordinance No. 187260, this Contract ("Contract") is made effective on **November 21 2016** ("Effective Date"), by and between the **City of Portland**, a municipal corporation of the State of Oregon (hereinafter referred to as "City") and **PassportParking, Inc.** (hereinafter referred to as "Contractor"), a Delaware corporation, by and through their duly authorized representatives. This Contract may refer to the City and Contractor individually as a "Party" or jointly as the "Parties."

The initial Term of this Contract shall be **November 21, 2016**, through **November 20, 2021**. The not-to-exceed price under this Contract is **\$1,515,174.00**.

Written Notifications. (09/15) All written notifications and Amendments shall be sent to the following:

For City of Portland:	For Contractor:
Name: Michelle Roach	Name: Khristian Gutierrez
Title: Parking Operations Division	Title: Managing Partner and CBDO
Address: 1120 SW 5th Ave., Suite 800	Address: 1300 S. Mint St. Suite 200
City, State: Portland, OR 97204	City, State: Charlotte, NC 28203
e-mail: michelle.roach@portlandoregon.gov	e-mail: khristian@gopassport.com
Copy to: Technology Contracts	Attestation of Compliance and Information Security for City of Portland:
Procurement Services	Name: Christopher Paidhrin
1120 SW Fifth Avenue, Room 750	Title: Chief Information Security Officer
Portland OR 97204	Address: 1120 SW 5 th Ave., Suite 450
	City, State: Portland, OR 97204
	Email: btsinfosec@portlandoregon.gov

Each Party shall provide written notice of any changes to the above contacts within thirty (30) Calendar Days.

Recitals:

WHEREAS, to further its government operations, the City of Portland desires to implement a hosted system which will allow members of the public to pay for on-street parking using mobile devices (the "Project");

WHEREAS, the City issued Request for Proposal (RFP) No. #00000110 for a Mobile Parking Payment System;

WHEREAS, Contractor, in its Proposal received by the City on November 2, 2015, and submitted in response to the City's RFP, represented that it has the necessary knowledge, experience, and expertise in Hosted Software for Mobile Parking Payment Systems to complete the Project; and

WHEREAS, the City selected Contractor based on its Proposal and the representations therein;

THE PARTIES HEREBY AGREE AS FOLLOWS:

1 SECTION 1 DEFINITIONS (09/15*)

General Definitions. These definitions apply to the entire Contract, subsequent Amendments, and Change Orders, unless modified in an Amendment. If any definition contains a substantive provision conferring rights and/or obligations upon a Party, then effect shall be given to the substantive provision.

"Acceptance" means the Deliverable demonstrates to the City's satisfaction that the Deliverable conforms to and operates according to the Acceptance Criteria, and if required, has successfully completed Acceptance Testing, and for Deliverables not requiring Acceptance Testing that the Deliverable conforms to the Acceptance Criteria or the City's requirements.

"Acceptance Certificate" means a written instrument by which the City notifies Contractor that a Deliverable has been Accepted or Accepted with exceptions, and Acceptance Criteria have been met or waived, in whole or in part.

"Acceptance Criteria" means functionality and performance requirements as determined by the City, based upon the Specifications, which must be satisfied prior to City's Acceptance of a Deliverable, or the System. City and Contractor shall agree upon written Acceptance Criteria.

"Acceptance Date" means the date on which the City issues an Acceptance Certificate for the System or a Deliverable.

"Acceptance Test" means the evaluation and testing method, procedures, or both, that are used to determine whether or not the System or a Deliverable requiring Acceptance Testing performs in accordance with the Acceptance Criteria.

"Access" means the ability to gain entry to the System for the purpose of Use.

"Affiliates" means, for Contractor, any individual, association, partnership, corporation or other entity controlling, controlled by, or under common control. The term "control" means the power to direct or cause the direction of the management and policies of an individual or entity, whether through the ownership of voting securities, by contract, agreement or otherwise. For City, Affiliates means other governmental agencies.

"Amendment" means a written document required to be signed by both Parties when in any way altering the Master Terms and Conditions of the Contract or substantially altering a Statement of Work.

“AWS” means Amazon Web Services, the third party which hosts Contractor’s Software on bi-coastal data centers.

“Business Day” means a twenty-four hour day, excluding weekends and City holidays, beginning at midnight and ending at midnight twenty-four hours later.

“Calendar Day” means a twenty-four hour day, including weekdays, weekends and holidays, beginning at midnight and ending at midnight twenty-four hours later.

“Change Order” means a document, agreed and signed by both Parties, that changes an existing Statement of Work.

“City Data” means all electronic data (excluding PCI and PII) the City transmits to Contractor in connection with the Use of the System.

“Confidential Information” means any information that is disclosed in written, graphic or machine-recognizable form and is marked, designated, labeled or identified at the time of disclosure as being Confidential or its equivalent, or, if the information is in verbal form, it is identified as Confidential or proprietary at the time of disclosure and is confirmed in writing within thirty (30) Calendar Days of the disclosure. Confidential information is described by one or more of the following categories of information: (a) financial, statistical, personnel, human resources data or Personally Identifiable Information (PII) as described in the Oregon Consumer Identity Theft Protection Act ORS 646A.600 et seq; (b) business plans, negotiations, or strategies; (c) unannounced pending or future products, services, designs, projects or internal public relations information; (d) trade secrets, as such term is defined by ORS 192.501(2) and the Uniform Trade Secrets Act ORS 646.461 to 646.475; (e) information which is exempt per ORS 192.501 and/or ORS 192.502; (f) attorney/client privileged communications; (g) information which is exempt per federal laws (including but not limited to copyright, HIPPA); and (h) information relating to or embodied by designs, plans, configurations, specifications, programs, or systems including without limitation, data and information systems, any software code and related materials and processes; Customizations, Configurations, Updates, Upgrades; and any Documentation. Confidential Information does not include any information that: is or becomes publicly known through no wrongful or negligent act of the receiving Party; is already lawfully known to the receiving Party without restriction when it is disclosed; is, or subsequently becomes, rightfully and without breach of this Contract or any other agreement between the Parties or of any applicable protective or similar order, in the receiving Party’s possession without any obligation restricting disclosure; is independently developed by the receiving Party, as shown by reasonable written documentation, without breach of this Contract; or is explicitly approved for release by written authorization of the disclosing Party.

“Configuration” means the use of administrative functions provided in the Software to adapt the Software to City-specific requirements, revisions and modifications to the Software to enhance features and functionality but which do not include changes to the Source Code.

“Contract” means the Master Terms and Conditions including all exhibits, attachments and schedules listed in the Order of Precedence and their constituent parts.

“Contract Price” means the not-to-exceed price agreed upon by the Parties for all Products and Services.

“Coverage Hours” means those hours specified in this Contract during which Contractor is to provide Maintenance.

“Customization” means any new or modified code, prepared, created, or developed by Contractor at the City’s request, or by the City in conjunction with or as authorized by Contractor.

“Customer(s)” means anyone Using the System to pay for parking.

“Data Breach” means an incident in which sensitive, protected, or confidential data has been stolen, modified, destroyed, or used by an individual unauthorized to do so, or any incident of anomalous activity with exfiltration of data.

“Data Compromise” means disclosure of information to unauthorized persons, or a violation of the security policy of a system or network in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object may have occurred.

“Deliverable(s)” means the Products or Services or documents or tangible work products described in the Statement of Work to be provided to the City by Contractor under this Contract.

“Documentation” means User manuals and other written materials in any form that describe the features or functions of the Products and System, including but not limited to published specifications, online instructions and help, marketing materials, technical manuals, and operating instructions provided by Contractor to the City, or readily available to the public, or as required to be produced by Contractor subject to the terms of this Contract.

“Enforcement System” means the system of software and hardware utilized by the City’s parking enforcement division. This system is currently provided by Schweers Technologies.

“Error” means any defect, problem, condition, bug, or other partial or complete inability of a Product to operate in accordance with the applicable Specifications.

“Fail-Over System” means a System in place that maintains a complete copy of the Software and data, including Transaction Data, often "mirroring" the process of the Production Environment, and ready to take over the processing load as soon as practicable, should there be any Error in the Production Environment.

“Fee(s)” means the amount of money the City pays on a per-transaction basis to the Contractor.

“Final Acceptance” means the City has determined that the complete System and/or all Deliverables have successfully completed Acceptance Testing, which demonstrates to the City’s satisfaction that the System and/or all Deliverables conform to and operate according to the Acceptance Criteria, applicable Documentation, and Contractor’s representations; and that for Deliverables not requiring Acceptance Testing, that the Deliverables conform to the Acceptance Criteria or the City’s specified requirements.

“Force Majeure Event” means an exceptional, inevitable, and irresistible occurrence beyond the reasonable control of the affected Party, such as, riots, epidemics, war, government regulations, labor disputes, fire, natural phenomena, or other causes beyond such Party’s reasonable control.

“Go-Live” means the initiation of the System, or a portion or phase thereof, into full production mode after the successful completion of Acceptance Testing.

“Hosting” or “Hosted” means Contractor’s provision of remote Access to, and Use of, Software not resident on the City’s servers.

“Intellectual Property Rights (IPR)” means any patent rights, copyrights, trade secrets, trade names, service marks, trademarks, trade dress, moral rights, know-how and any other similar rights or intangible assets to which rights of ownership accrue, and all registrations, applications, disclosures, renewals, extensions, continuations, or reissues of the foregoing now or hereafter in force.

“Interface” means software, hardware, or a device to enable communication between separate computer systems, software programs, hardware or devices. A user Interface is software, hardware, or a device to enable communication between a system component or website and a user.

“Key Personnel” means the specific individuals identified in Section 8 of Exhibit B:Statement of Work to fill Key Positions.

“Key Position” means a job position critical to the success of the Project as identified in Section 8 of Exhibit B:Statement of Work of this Contract.

“Maintenance” means Services provided by Contractor to the City to keep the System conforming to the Specifications and to respond to requests by the City.

“Maintenance Period” means the time period when Contractor provides Maintenance to the City.

“Maintenance Request” means a request from the City to Contractor for Maintenance or technical support.

“Master Terms and Conditions” means the body of text from the preamble through the signature page of this Contract.

“Material Breach” means any breach of this Contract that causes, caused, or may cause substantial harm to the non-breaching Party or substantially deprives the non-breaching Party of the benefit it reasonably expected under this Contract.

“Module” means a standalone piece of code within the Software that typically provides specific and cohesive functionality.

“PassportParking Mobile Pay App” means the application that Customers download to their mobile device(s) to access the System.

“Patch” means code that is developed in order to fix a bug or Error in the existing features or functionality of an application. Patches are deployed by Contractor on a continual basis.

“PCI” means Payment Card Industry.

“PCI DSS” means the Payment Card Industry Data Security Standard, the global data security standard adopted by the payment card brands for all entities that accept, process, store, or transmit payment card information and which are required to maintain a secure environment.

“PII (Personally Identifiable Information)” means information that can be used on its own or with other information to identify, contact, or locate a single person, or to identify an individual in context, as described in the Oregon Consumer Identity Theft Protection Act (ORS 646A.600).

“Product(s)” means Software and supplies provided by the Contractor for the System.

“Production Environment” means the Organizations set up by the Contractor in that portion of the Contractor System, including all sub-systems, that is used for day-to-day operations by the Users of the System.

“Project” means the overall delivery of the System and all related Services including, without limitation, design, development, Configuration, integration, implementation, testing, support and Maintenance, any of which Contractor may be providing in whole or in part.

“Proposal” means Contractor’s response to the City’s RFP referenced on page one of this Contract.

“Repair(s)” means to fix, Patch, reprogram, or replace the System, or a component thereof, to eliminate Errors to the City’s satisfaction.

“Resolution Time” means the time elapsed between the response to a Maintenance Request and the time the Maintenance Request is resolved to the satisfaction of the City.

“Response Time” means the time elapsed between the time of notification to Contractor of a Maintenance Request, and the time Contractor acknowledges receipt of the City’s request.

“Services” means both ordinary and professional services performed by Contractor under this Contract, including Hosting of the Software.

“Software” means Contractor’s proprietary web-based application that will act as the interface for Customers to input certain data into a mobile device to process a payment to the City for parking; including, without limitation, any Customization, Updates, Upgrades and any related Documentation. Software may include Third Party Software if required to produce and maintain the System.

“Source Code” means a complete copy, expressed in high-level (i.e., human-readable; not machine language or object code) computer language, of the Software which, when assembled or compiled, becomes the executable object code of the Software.

“Specifications” means the most current cumulative statement of capabilities, functionality, and performance requirements for the System and its components as set out in the Acceptance Criteria, Change Orders, the Statement of Work, Documentation, Contractor’s representations, Contractor’s Proposal and Proposal Clarifications, and the City’s Request for Proposals, including all Addenda.

“Statement of Work” (SOW) means the written detailed specifications of the Product(s) and Services(s) to be delivered to the City by Contractor, including any Change Orders, subject to the terms and conditions of this Contract.

“Subcontractor” means any person or entity under the control of Contractor, other than an employee of Contractor, utilized by Contractor to perform all or part of this Contract.

“System” means the Mobile Parking Payment System (MPPS), the operational combination of all Products to be provided by Contractor to City under this Contract.

“Term” means the period of time that this Contract is in effect as stated on page one of this Contract.

“Third Party Software” means software that a party other than Contractor owns and that is provided to City by Contractor under this Contract and that Contractor is authorized to license, or sublicense, or resell to the City subject to the original developer’s standard provisions.

“Transaction Data” means details related to the parking payment transaction, including virtual terminal ID, purchase date and time, pay interval start and end times, amount of payment, transaction reference number, currency, license plate number, and masked PAN (Primary Account Number).

“Update” means a change, modification, or enhancement to the Product(s) which improves performance or efficiency, but does not alter core functionality.

“Upgrade” means a newer, better version, change, modification, or enhancement to the Product(s) that Contractor makes available from time to time, which incorporates major new features or increases the core functionality and may be considered a new version. Software Upgrades may include Error correction, bug fixes, additions to, or Patches to the Software.

“Use” means the City’s Access to and operation of the Software as described in Section 7 of this Contract, Grant of License.

“User” means any person employed or working on behalf of the City, its Bureaus, Divisions, Offices, Directors, and any person or entity under contract or authorized by the City to provide it with services and to use the City’s resources in whole or in part, in the course of assisting the City.

“Warranty” means the statements to the City from the Contractor as detailed in Section 5 of these Master Terms and Conditions.

“Website” means the Internet portal developed and maintained by Contractor and that provides Users and Customers with online Access to the Software, information and Services provided under this Contract.

2 SECTION 2 ORDER OF PRECEDENCE

2.1 Order of Precedence. (02/16) In the event there is a conflict or ambiguity between the terms and conditions of one portion of this Contract with another portion of this Contract, the conflict or ambiguity will be resolved in accordance with the order of precedence below. This order of precedence designates which portion of the Contract takes precedence over the other for purposes of interpretation. Hyperlinks contained within the portions of this Contract will not supersede or alter the Master Terms and Conditions. For the avoidance of doubt, no other terms and conditions of any kind will override the Parties' obligations in the Confidentiality, Indemnification, or Choice of Law provisions in these Master Terms and Conditions. In this Contract the order of precedence shall be:

- a) Amendments
- b) Master Terms and Conditions
- c) Exhibit A, Contractor's Price
- d) Change Orders to the Statement of Work
- e) Exhibit B, Statement of Work, (including all Attachments)
 - Attachment B-1, SAMPLE Acceptance Certificate
 - Attachment B-2, SAMPLE Change Order
 - Attachment B-3 Acceptance Test Plan
- f) Exhibit C, Contractor's Terms and Conditions
- g) Exhibit D, Contractor's Privacy Policy
- h) Exhibit E, City RFP # 00000110 (including all Addenda)
- i) Exhibit F, Contractor's Proposal
- j) Exhibit G, Contractor's Attestation of Compliance
- k) Hyperlinks

3 SECTION 3 GENERAL AND ADMINISTRATIVE PROVISIONS

3.1 Term. (09/15) This Contract shall begin on the Effective Date and end upon the expiration date set forth on page one of this Contract unless terminated or extended under the applicable Contract provisions.

- 3.2 Point of Contact. (09/15) Contractor shall be the sole point of contact for the City with regard to this Contract and the System.
- 3.3 Changes to Contract
- 3.3.1 Amendment of the Contract. (09/15) Any changes to the provisions of this Contract shall be in the form of an Amendment. No provision of this Contract may be amended unless such Amendment is approved as to form by the City Attorney and executed in writing by authorized representatives of the Parties. If the requirements for Amendment of this Contract as described in this section are not satisfied in full, then such Amendments automatically will be deemed null, void, invalid, non-binding, and of no legal force or effect.
- 3.3.2 Change Orders to a Statement of Work. (09/15) The City and Contractor can agree to make changes, at any time to a Statement of Work in the form of a Change Order. Contractor agrees to timely alter the delivery of Products or Services on a mutually agreed schedule. If such changes materially increase or decrease Contractor's obligations, the Parties shall execute an Amendment to the Contract, and if the amount of such adjustment is not calculable as a function of hours or tasks, the Parties shall negotiate in good faith a modified price.
- 3.4 Access to City Facilities. (09/15) Contractor agrees that Contractor's physical or remote access to the City facilities shall be subject to the security interests and controls necessary to protect public property, and the City shall not be liable for any delays necessary in granting Contractor access to any portion of the facilities or systems.
- 3.5 City Reporting Requirements. (09/15) The City is required to track certain types of contract data for reporting purposes. Items which the City must report on may include, but are not limited to, Subcontractor utilization, Minority, Women, and Emerging Small Business (M/W/ESB) participation and Subcontractor/Supplier Payment. The City will enforce all diversity in workforce and M/W/ESB subcontracting commitments made by Contractor in its Proposal.
- 3.6 Time is of the Essence. (*) Contractor shall adhere to the time schedule in the Statement of Work. All dates specified in the Statement of Work are of the essence, unless the context clearly and unequivocally allows otherwise. The Parties will notify each other promptly of any circumstances that may adversely affect the time schedule in the Statement of Work, specifying the causes of delay and expected duration of it, as well as all proposed measures to reduce the delay as much as practicable.
- 3.7 Payment. (09/15) Payment(s) shall be paid in accordance with the pricing found Exhibit A: Contractor's Price and the payment schedule set forth in Exhibit B: Statement of Work.
- 3.7.1 Payment shall be issued by the City net thirty (30) Calendar Days from receipt of a complete and acceptable invoice from Contractor. Contractor invoices must contain Contractor's name and address; invoice number; date of invoice; Contract number and date; description of Products and/or Services; quantity, unit price, (where appropriate), and total amount; City-required reporting, if any, and the title and phone number of the person to whom payment is to be sent. The City may stipulate how line items are entered on an invoice to ensure compatibility with the

City's accounting and financial systems and to facilitate payment to Contractor.

- 3.7.2 The City makes payments via electronic fund transfers through the Automated Clearing House (ACH) network. To initiate payment of invoices, Contractor shall execute the City's standard ACH Vendor Payment Authorization Agreement if such Agreement has not already been completed. Upon verification of the data provided, the ACH Vendor Payment Authorization Agreement will authorize the City to deposit payment directly into specified Contractor accounts with specified financial institutions. All payments shall be made in United States currency.
- 3.8 Payment of Taxes/Contractor Shall Withhold. (09/15) Contractor shall, at its own expense, timely (a) pay all salaries, wages, and other compensation to its employees; (b) withhold, collect, and pay all applicable federal, state, and local income taxes (domestic or foreign), FICA, Medicare, unemployment insurance and any other taxes or charges in connection with its employees; and (c) provide and pay for workers compensation insurance and any statutory or fringe benefits to employees. Contractor shall be solely responsible for all such obligations for its employees. Contractor shall also assure that any Subcontractor shall comply with the foregoing obligations for its employees. The City shall have no duty to pay or withhold such obligations.
- 3.9 Audits and Access to Records
- 3.9.1 Records Retention. (09/15) Contractor shall maintain current financial records in accordance with Generally Accepted Accounting Principles (GAAP). Contractor agrees to maintain and retain supporting financial and Contract-related documents during the term of this Contract and for a period of three (3) years after the expiration or termination date of this Contract or until the resolution of all audit questions or claims, whichever is longer. All financial records, supporting documents, statistical records and all other records pertinent to this Contract shall be retained by Contractor for a minimum of three (3) years.
- 3.9.2 City Audits. (09/15) The City, either directly or through a designated representative, may conduct financial and performance audits of the billings and Services during the records retention period listed above. City audits shall be conducted in accordance with generally accepted auditing standards. Contractor shall provide the City's internal auditor or external auditor, and their designees, with a copy of all reports, including any management letters issued as a result of the specified audits.
- 3.9.3 Access to Records. (09/15) The City internal auditor or City external auditor, and their designees, shall have the right and will be given the necessary access, to review the work papers of Contractor audits if the City deems it necessary. Copies of applicable records shall be made available upon request.
- 3.10 Overpayment. (09/15) If an audit discloses that payments to Contractor were in excess of the amount to which Contractor was entitled, then Contractor shall repay the amount of the excess to the City. Under no circumstances will the payment of previous invoices constitute an acceptance of the charges associated with those invoices.

3.11 Independent Contractor. (09/15) Contractor is independent of the City and, accordingly, this Contract is not entered into as a joint venture, partnership, or agency between the Parties. No employment or agency relationship is or is intended to be created between the City and any individual representing Contractor. Employees of Contractor and any authorized Subcontractors shall perform their work under this Contract under Contractor's sole control.

3.12 Personnel.

3.12.1 Key Positions and Personnel. (09/15) For the period of performance until Final Acceptance has been completed, the Parties have identified Key Positions and Key Personnel as set forth in the table below, along with the percentage of their time to be allocated to the City's Project until Go-Live has occurred:

Name	Title	% of Time
Nathan Berry	Sales Contact	10%
Moyo Orekoya	Project Implementation Manager	25%
Dan Bliley	Director of Marketing	20%
TBD	Client Success Manager	20% (post-launch)

Contractor will not be using Subcontractors on this Project.

3.12.2 Substitution of Key Personnel. (09/15) Contractor shall make no substitutions of Key Personnel unless the substitution is necessitated by law, illness, death, resignation, or termination of employment. Contractor shall notify the City within ten (10) Calendar Days after the occurrence of any of these events.

Any substitutions or replacements of Key Personnel require the written approval of the City. Contractor shall provide the City with the maximum possible period of notice of substitution or replacement of Key Personnel in order to allow for background screening, fingerprint checks, and other investigation as may be required in Section 3.12.3 below.

For any proposed substitute or replacement Key Personnel, Contractor shall provide the following information to the City: a detailed explanation of the circumstances necessitating the proposed substitution or replacement, a complete resume for the proposed substitute(s), and any additional information requested by the City. Proposed substitutes or replacements should have qualifications comparable to or better than those of the persons being replaced. No change in Contract prices may occur as a result of substitution or replacement of Key Personnel.

3.12.3 Security Requirements for Personnel. (09/15) If required by the City, Contractor shall conduct a criminal history/records check of all personnel that will have access to City information, systems, or payments and ensure ongoing security requirements for personnel are maintained.

3.13 Termination. (09/15) The following conditions apply to termination of this Contract. The City, on thirty (30) Calendar Days' written notice to Contractor, may terminate this Contract for any reason deemed to be in the public interest. In the event of such termination, the City shall pay to

Contractor the portion of the not-to-exceed price attributable to all Deliverables Accepted or Services performed and Accepted through the effective date of the termination.

- 3.13.1 Mutual Agreement. (09/15) The City and Contractor, by mutual written agreement, may terminate this Contract at any time.
- 3.13.2 Material Breach. (09/15) Either Party may terminate this Contract in the event of a Material Breach of this Contract by the other. Prior to such termination, however, the Party seeking the termination shall give to the other Party written notice to cure the Material Breach and of the Party's intent to terminate. If the Party has not entirely cured the Material Breach within thirty (30) Calendar Days of the notice, then the Party giving the notice shall have the option to: (a) terminate this Contract by giving a written notice of termination, (b) seek any remedies in this Contract, in law, or at equity, to the extent not otherwise limited by the terms of this Contract, or (c) any combination thereof.
- 3.13.3 Force Majeure Event. (09/15) Either Party may terminate this Contract due to a Force Majeure Event as set forth in Section 5.9, Force Majeure.
- 3.13.4 Bankruptcy. (09/15) The City may terminate this Contract if Contractor: (a) becomes insolvent, makes a general assignment for the benefit of creditors; (b) suffers or permits the appointment of a receiver for its business or assets; (c) becomes subject to any proceeding under any bankruptcy or insolvency law whether domestic or foreign, and such proceeding has not been dismissed within a sixty (60) Calendar Day period; or (d) has wound up or liquidated, voluntarily or otherwise.
- 3.13.5 Software Code. (09/15) Inclusion of illicit code as set forth in Section 5.3.5, shall be considered a Material Breach of this Contract and no notice or cure period will apply. In addition to any other remedy available to it under this Contract with respect to any such Material Breach, the City reserves the right to pursue any civil and/or criminal penalties available to it against Contractor, including without limitation the Computer Fraud and Abuse Act, Deceptive Trade Practices & Consumer Protection Act, the Computer Crimes Law and any other remedy at law or equity.
- 3.13.6 Void Assignment. (09/15) In the event that Contractor assigns its obligations under this Contract to a third party in a manner other than as set forth in Section 5.6, Assignment, the City shall have the option to terminate this Contract without any notice or cure period or further obligation to Contractor or the assignee, and promptly receive a refund for fees paid for Products delivered and/or Services performed by the third party.
- 3.13.7 Failure to provide an Attestation of Compliance. (*) If Contractor fails to provide timely an Attestation of Compliance as set forth in Section 7.10.2, the City may terminate this Contract for Material Breach.
- 3.14 Transition. (09/15*) In the event the City replaces the System or any component of the System with a product from another vendor, Contractor shall make reasonable efforts to assist the City in the transition or migration to the new System, including but not limited to knowledge transfer from experienced personnel; cooperation with the City on development of a transition plan; the

provision of Documentation and non-proprietary technical information, assistance with notifying Customers of the transition, training and work materials, and reports; and City to verify that all paid parking Transaction Data has been received. Such transition assistance will be given for a period not to exceed sixty (60) Calendar Days after the City provides written notice of its intent to replace the System.

- 3.15 Waiver. (09/15) No waiver of any breach of this Contract shall be held to be a waiver of any other or subsequent breach of this Contract. The failure of either Party to insist upon any of its rights under this Contract upon one or more occasions, or to exercise any of its rights, shall not be deemed a waiver of such rights on any subsequent occasions.
- 3.16 Severability. (09/15) Any section of this Contract which is held or declared void, invalid, illegal or otherwise not fully enforceable shall not affect any other provision of this Contract and the remainder of this Contract shall continue to be binding and of full force and effect. This Contract shall be binding upon and inure to the benefit of the City and its successors and assigns.
- 3.17 Business Tax Registration. (09/15) Contractor shall register for a City of Portland business license as required by Chapter 7.02 of the Code of the City of Portland prior to execution of this Contract. Additionally, Contractor shall pay all fees or taxes due under the Business License Law and the Multnomah County Business Income Tax (MCC Chapter 12) during the full term of this Contract. Failure to be in compliance may result in payments due under this Contract to be withheld to satisfy amount due under the Business License Law and the Multnomah County Business Income Tax Law.
- 3.18 EEO Certification. (09/15) Contractor shall be certified as an Equal Employment Opportunity Affirmative Action Employer as prescribed by Chapter 3.100 of the Code of the City of Portland and maintain its certification throughout the term of this Contract.
- 3.19 Non-Discrimination in Benefits. (09/15) Throughout the term of this Contract, Contractor shall provide and maintain benefits to its employees with domestic partners equivalent to those provided to employees with spouses as prescribed by Chapter 3.100 of the Code of the City of Portland.
- 3.20 Sustainability. (09/15) Pursuant to the City's Sustainable City Principles, which direct City Bureaus to pursue long-term social equity, environmental quality, and economic vitality through innovative and traditional mechanisms, Contractor is encouraged to incorporate these Principles into its scope of work with the City wherever possible. Therefore in accordance with the Principles and the City's Sustainable Procurement Policy, it is the policy of the City of Portland to encourage the use of products or services that help to minimize the human health and environmental impacts of City operations. Contractor is encouraged to incorporate environmentally preferable products or services into its work performance wherever possible. "Environmentally preferable" means products or services that have a lesser or reduced effect on human health and the environment when compared with competing products or services that serve the same purpose. This comparison may consider raw materials acquisition, production, manufacturing, packaging, distribution, reuse, operation, maintenance, or disposal of the product or service.

- 3.21 Permissive Cooperative Procurement. (09/15) Pursuant to ORS 279A.215, as additional consideration for this Contract, Contractor agrees to extend an option to purchase any Products or Services covered under this Contract at the same prices as are specified in Exhibit A: Contractor's Price, and under the same terms and conditions, to all public agencies. Each public agency shall execute its own contract with Contractor and shall have the option to negotiate its own terms and conditions.
- 3.22 Rule of Construction/Contract Elements/Headings. (09/15) This Contract has been drafted by the City in the general format by the City as a convenience to the Parties only and shall not, by reason of such action, be construed against the City. Section headings are for ease of reference and convenience only and shall not affect or enter into the interpretation of any portion of this Contract.
- 3.23 Survival. (09/15) All obligations relating to Confidential Information; indemnification; publicity; representations and warranties; remedies; proprietary rights; perpetual licenses, including licensing obligations as stated in this Contract; limitation of liability; and obligations to make payments of amounts that become due under this Contract prior to termination or expiration shall survive the termination or expiration of this Contract and shall, to the extent applicable, remain binding and in full force and effect for the purposes of the ongoing business relationship by and between Contractor and the City.

4 SECTION 4 – LEGAL REQUIREMENTS, PUBLIC RECORDS AND CONFIDENTIALITY

- 4.1 Oregon Venue/Choice of Law. (09/15) This Contract shall be construed according to the laws of the State of Oregon without reference to the conflict of laws' provisions. Any litigation between the City and Contractor arising under this Contract or out of work performed under this Contract shall occur, if in the state courts, in the Multnomah County Circuit Court, and if in the federal courts, in the United States District Court for the District of Oregon.
- 4.2 United Nations Convention. (09/15) To the maximum extent permitted by applicable law, the Parties agree that the provisions of the United Nations Convention on Contracts for the International Sale of Goods, as amended, and of the Uniform Computer Information Transactions Act, as it may have been or hereafter may be in effect in any jurisdiction, shall not apply to this Contract.
- 4.3 Public Records Request. (09/15) Contractor acknowledges that the City of Portland is subject to the Oregon Public Records Act and Federal law. Third persons may claim that the Confidential Information Contractor submitted to the City hereunder may be, by virtue of its possession by the City, a public record and subject to disclosure pursuant to the Oregon Public Records Act. The City's commitments to maintain certain information confidential under this Contract are all subject to the constraints of Oregon and federal laws. All information submitted by Contractor is public record and subject to disclosure pursuant to the Oregon Public Records Act (ORS 192.410 et seq.), except such portions for which Contractor requests and meets an exemption from disclosure consistent with federal or Oregon law. Within the limits and discretion allowed by those laws, the City will maintain the confidentiality of information.

- 4.4 Public Records. (09/15) The City will retain one (1) copy of the Documentation and any public records for the express purposes of complying with State of Oregon and Portland City Code public records and archiving laws.
- 4.5 Confidentiality.
- 4.5.1 Maintenance of Confidentiality. (09/15*) Subject to the restrictions and limitations found in section 4.3, each Party (the "Receiving Party") shall treat as confidential any Disclosing Party Confidential Information that has been made known or available to the Receiving Party by the other Party (the "Disclosing Party) or that Receiving Party has received, learned, heard or observed; or to which Receiving Party has had access. Receiving Party shall use Disclosing Party Confidential Information exclusively for the City's benefit in the performance of this Contract. Except as may be expressly authorized in writing by the Disclosing Party, in no event shall Receiving Party publish, use, discuss or cause or permit to be disclosed to any other person such Disclosing Party Confidential Information. Receiving Party shall (a) limit disclosure of the Disclosing Party Confidential Information to those directors, officers, employees and agents of Receiving Party who need to know the Disclosing Party Confidential Information in connection with the Project, (b) exercise reasonable care with respect to the Disclosing Party Confidential Information, at least to the same degree of care as Receiving Party employs with respect to protecting its own proprietary and confidential information, and (c) return immediately to the Disclosing Party, upon its request, all materials containing Disclosing Party Confidential Information, in whatever form, that are in Receiving Party's possession or custody or under its control. Receiving Party is expressly restricted from and shall not use the intellectual property of the Disclosing Party without the Disclosing Party's prior written consent.
- 4.5.2 Scope. (09/15) This Contract shall apply to all Disclosing Party Confidential Information previously received, learned, observed, known by or made available to Receiving Party. Receiving Party's confidentiality obligations under this Contract shall survive termination or expiration of this Contract.
- 4.5.3 Equitable Relief. (09/15) Each Party acknowledges that unauthorized disclosure of the other Party's Confidential Information will result in irreparable harm to the other Party. In the event of a breach or threatened breach of this Contract, the affected Party may obtain injunctive relief prohibiting the breach, in addition to any other appropriate legal or equitable relief. The Parties agree that, notwithstanding any other section of this Contract, in the event of a breach or a threatened breach of Contract terms related to Confidential Information or Intellectual Property Rights, the non-breaching Party shall be entitled to seek equitable relief to protect its interests, including but not limited to injunctive relief. Nothing stated herein shall be construed to limit any other remedies available to the Parties.
- 4.5.4 Discovery of Documents. (09/15) In the event a court of competent jurisdiction orders the release of Confidential Information submitted by Contractor, the City will notify Contractor of the request. The City shall allow Contractor to participate in the response at its own expense. The City will comply with any effective court order.

5 SECTION 5 – CONTRACTOR PERFORMANCE AND WARRANTIES,

5.1 General Warranties. (09/15) Contractor makes the following warranties:

5.1.1 Capacity. (09/15) Contractor warrants it has the legal authority and capacity to enter into and perform this Contract.

5.1.2 Authority to Conduct Business. (09/15) Contractor warrants it is lawfully organized and constituted and duly authorized to operate and do business in all places where it shall be required to do business under this Contract, and that it has obtained or shall obtain all necessary licenses and permits required in connection with this Contract.

5.1.3 Disclosure of Litigation. (09/15) Contractor warrants that as of the Effective Date there are no suits, actions, other proceedings, or reasonable anticipation thereof, in any judicial or quasi-judicial forum that will or may adversely affect Contractor's ability to fulfill its obligations under this Contract. Contractor further warrants that it will immediately notify the City in writing if, during the Term of this Contract, Contractor becomes aware of, or has reasonable anticipation of, any lawsuits, actions, or proceedings in any judicial or quasi-judicial forum that involves Contractor or any Subcontractor and that will or may adversely affect Contractor's ability to fulfill its obligations under this Contract.

5.1.4 Conflict of Interest. (09/15) Contractor warrants it has no present interest and shall not acquire any interest that would conflict in any manner with its duties and obligations under this Contract.

5.1.5 Compliance with Applicable Law. (09/15) Contractor warrants it has complied and shall comply with all applicable federal, state, and local laws and regulations of its domicile and wherever performance occurs during the term of this Contract. Contractor warrants it is currently in compliance with all tax laws.

5.1.6 Compliance with Civil Rights Act. (09/15) Contractor warrants it is in compliance with Title VI of the Civil Rights Act of 1964 and its corresponding regulations as further described at: <http://www.portlandoregon.gov/bibs/article/446806>.

5.1.7 PCI DSS Compliance. As set forth in Section 7.10.2, Contractor warrants it is in compliance with PCI DSS requirements as set forth in Section 7.10.2 and shall maintain such compliance.

5.1.8 Respectful Workplace Behavior (09/15) The City is committed to a respectful work environment, free of harassment, discrimination and retaliation and other inappropriate conduct. Every individual has a right to work in a professional atmosphere where all individuals are treated with respect and dignity. The City's HR Rule 2.02 covers all employees of the City as well as contractors, vendors or consultants who provide services to the City of Portland. Contractor warrants its compliance with terms and conditions HR 2.02 as further described at: <http://www.portlandoregon.gov/citycode/article/12121>

5.2 Compliance with Non-Discrimination Laws and Regulations.

- 5.2.1 Compliance with Regulations: Contractor shall comply with the regulations relative to nondiscrimination in Federally-assisted programs as set forth in Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as "the Regulations"), which are herein incorporated by reference and made a part of this Contract.
- 5.2.2 Nondiscrimination: Contractor, with regard to the work performed by it during this Contract, shall not discriminate on the grounds of race, color, national origin, sex, sexual orientation, age, religion, disability, marital status, or family relationships in the selection and retention of subcontractors, including procurements of materials and leases of equipment. Contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when this Contract covers a program set forth in Appendix B of the Regulations.
- 5.2.3 Solicitations for Subcontractors, Including Procurements of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by Contractor for work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential subcontractor or supplier shall be notified by Contractor of Contractor's obligations under this Contract and the Regulations relative to nondiscrimination on the grounds of race, color, national origin, sex, sexual orientation, age, religion, disability, marital status, or family relationships.
- 5.2.4 Information and Reports: Contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto, and shall permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the City or any state or federal agency to be pertinent to ascertain compliance with such Regulations, orders and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information Contractor shall so certify to the City or the any state or federal agency as appropriate, and shall set forth what efforts it has made to obtain the information.
- 5.2.5 Sanctions for Noncompliance: In the event of Contractor's noncompliance with the nondiscrimination provisions of this Contract, the City shall impose such contract sanctions as it or any state or federal agency may determine to be appropriate, including, but not limited to: (a) withholding of payments to Contractor under this Contract until Contractor complies, and/or (b) cancellation, termination, or suspension of this Contract, in whole or in part.
- 5.2.6 Incorporation of Provisions: Contractor shall include the provisions of paragraphs (5.2.1) through (5.2.6) in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations, or directives issued pursuant thereto.
- 5.2.7 Contractor shall take such action with respect to any subcontractor procurement as the City or any state or federal agency may direct as a means of enforcing such provisions including sanctions for noncompliance: Provided, however, that, in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, Contractor may request the City to enter into such litigation to protect the interests of the City, and, in addition, Contractor may request the United States to enter into such litigation

to protect the interests of the United States.

- 5.2.8 Contractor shall have the responsibility to inquire as to which agencies, if any, have a regulatory interest in this Contract and comply with any resulting regulations or requirements.
- 5.2.9 Required Reporting: Any person who believes that he/she has been the object of unequal treatment or discrimination under Title VI and related statutes may file a complaint with the City of Portland's Title VI Program Manager, 1120 SW 5th Avenue, Room 1204, Portland, Oregon 97204, or title6complaints@portlandoregon.gov.
- 5.3 Product(s) and Service(s) Warranties. Contractor makes the following warranties:
- 5.3.1 No Third Party Conflict or Infringement. (09/15) As of the Effective Date, Contractor warrants the Software and all other Modules or components of the System and the execution, Delivery, and performance of this Contract shall not contravene the terms of any contracts with third parties or any third-party Intellectual Property Right; and, as of the Effective Date of this Contract, there are no actual or threatened legal actions with respect to the matters in this provision. Contractor agrees to promptly notify the City, in writing, if during the Term of the Contract, a potential third party conflict or infringement of third-party Intellectual Property Rights arises.
- 5.3.2 Conformance with Specifications. (09/15) Contractor warrants that the System and all Modules shall operate in conformance with the Specifications.
- 5.3.3 Integrated System. (09/15) Contractor warrants that the Products will function together as an integrated System in accordance with the Specifications.
- 5.3.4 System Compatible. (09/15) Contractor warrants that the System is compatible with the City's existing data files and systems required for Use or Access of the System, such as Web browsers and Microsoft Office Suite.
- 5.3.5 No Material Defects or Malware/Illicit Code. (09/15*) Contractor warrants that the Software and all Modules are free of any virus, worm, time bomb, Trojan horse, spyware, malware, or other program routine designed to conduct data mining, or to interrupt, erase, disable, monitor, report on, limit the functionality of, or otherwise harm the City's hardware, telecommunications equipment, data, or other software. Contractor warrants that the Software does not:
- a) contain any malicious hidden files that Contractor or any Subcontractor knows or should have known were contained in the Software, Modules or programming;
 - b) replicate, transmit, or activate itself (with the exception of push notifications and location services) without the control of an authorized person operating computing equipment on which it resides, unless requested or authorized by the City;
 - c) alter, damage, or erase any data or City computer programs without the control of an authorized person operating the computing equipment on which it resides; or

- d) contain any key, node lock, time-out or other function, whether implemented by electronic, mechanical or other means, which restricts or may restrict Use or Access to the System or any related programs or data, based on Configuration, frequency or duration of Use, or other limiting criteria.
- 5.3.6 Documentation Explains Use. (09/15) Contractor warrants that the Documentation shall explain the operation of the Software in terms understandable by City Users of reasonable technical competence.
- 5.3.7 All Necessary Materials. (09/15) Contractor warrants that it has informed the City of all requirements for the System and that except as set forth herein, no other software, interfaces, applications, or other products and/or services are required to be used in conjunction with the System in order for the System to operate in accordance with the Specifications.
- 5.3.8 Industry Standards. (09/15) Contractor warrants that the Products, Services and all other components of the System are compliant with generally accepted industry standards. Contractor warrants that the work performed under this Contract will meet the standards of skill and diligence normally employed by persons performing the same or similar services.
- 5.4 No Waiver of Warranties or Representation. (09/15) Receipt of Products or Deliverables shall not be construed to represent Acceptance nor shall the delivery of Products or Deliverables relieve Contractor from its responsibility under any representation or warranty. If the City makes a payment for a Product or Deliverable prior to Final Acceptance, the payment does not grant a waiver of any representation or warranty by Contractor.
- 5.5 No Third Party to Benefit. (09/15) This Contract is entered into for the benefit of the City and Contractor. Except as set forth herein, nothing in this Contract shall be construed as giving any benefits, rights, remedies or claims to any other person, firm, corporation or other entity, including, without limitation, the general public or any member thereof, or to authorize anyone not a Party to this Contract to maintain a suit for breach of contract, personal injuries, property damage, or any other relief in law or equity in connection with this Contract.
- 5.6 Assignment. (09/15) Neither Party shall assign, transfer, subcontract, or delegate all or any part of this Contract, or any interest therein, without the other Party's prior written consent, which shall not be unreasonably withheld, except that (a) either Party may assign to any corporate Affiliate pursuant to any merger, consolidation or other reorganization, without the other Party's consent but upon written notice to the other Party, (b) in the event that the City's business needs change or the City enters into an agreement with a provider for outsourcing services, Contractor agrees that the City shall have the right to assign this Contract to a successor of all, substantially all, or specified area(s) of the City's business, including an outsourcing provider, provided such outsourcing provider operates the Software licensed hereunder expressly and solely for the City's benefit, upon written notice to the other Party, and (c) Contractor may, without the City's consent but upon prior written notice to the City, assign its right to payment under this Contract or grant a security interest in such payment to any third party without requiring that the third party be liable for the obligations of Contractor under this Contract.

5.7 Delegation of Obligations/Subcontractors. (09/15) Contractor shall not subcontract any work, assign any rights (including, without limitation, in connection with the sale of all or substantially all of Contractor's assets or stock), or delegate any obligations under this Contract, or cancel or change any previously approved subcontract without the City's prior written consent. Contractor shall be fully responsible for the acts and omissions of its Subcontractors at all levels, and of their agents and employees. Contractor shall ensure that all applicable provisions of this Contract (including those relating to Insurance, Indemnification, PCI DSS compliance and Confidentiality) are included in all of its subcontracts. The City reserves the right to review any agreements between Contractor and its Subcontractors for Products and/or Services authorized under this Contract.

All M/W/ESB Subcontractors identified in Contractor's proposals shall be used in their proposed capacity during Contract performance. If Contractor desires to replace any M/W/ESB Subcontractors under this Contract all substitution requests shall have approval from the City's Chief Procurement Officer before such substitutions can be made. In no event shall Contractor subcontract any work, assign any rights, or delegate any obligations under this Contract without the City's prior written consent.

5.8 Flow-down Clauses. (09/15) Contractor shall include the following clauses, or substantially similar language, in its subcontracts under this Contract:

- Section 4.5, Confidentiality
- Section 5.2, Compliance with Non-Discrimination Laws and Regulations
- Section 6.1, Hold Harmless and Indemnification
- Section 6.2, Insurance Requirements
- Section 7.8, IPR Infringement Indemnification
- Section 7.9, Security
- Section 7.10, PCI DSS Requirements for any Subcontractor with access to PCI data

5.9 Force Majeure. (09/15)

5.9.1 In the event that either Party is unable to perform any of its obligations under this Contract due to a Force Majeure Event not the fault of the affected Party, the Party who has been so affected immediately shall give notice to the other Party and shall do everything possible to resume performance. Upon receipt of such notice, the performance obligations affected by the Force Majeure event shall immediately be suspended.

5.9.2 If the period of nonperformance exceeds fifteen (15) Calendar Days from the receipt of notice of the Force Majeure Event, the Party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract or any Statement of Work.

5.9.3 If the period of nonperformance due to a Force Majeure Event does not exceed fifteen (15) Calendar Days, such nonperformance shall automatically extend the Project schedule for a period equal to the duration of such events. Any Warranty Period affected by a Force Majeure Event shall likewise be extended for a period equal to the duration of such event.

- 5.9.4 If the period of nonperformance due to Force Majeure Event is longer than fifteen (15) Calendar Days, the Parties shall negotiate options for mitigation of the Force Majeure Event.
- 5.9.5 A Data Breach or Data Compromise or other security breach shall not be considered a Force Majeure Event.
- 5.10 Ownership of Property. (09/15) Any work products produced or created by Contractor for the City shall be understood to be, to the fullest extent of the law, works made for hire unless the Parties have expressly agreed otherwise in writing.
- 5.11 Proprietary Rights. (09/15) Except Customizations, all trademarks, service marks, patents, copyrights, trade secrets, and other proprietary rights in or related to the Product or Service are and will remain the exclusive property of Contractor or its designees. City shall not decompile, disassemble, or otherwise reverse engineer the Software.
- 5.12 Financing of Property. (09/15) If Contractor finances any property, real or personal, that comprises any part of the System, the term of such financing shall not exceed the term of this Contract. If Contractor finances or leases any such property or equipment, Contractor shall ensure that any agreements ancillary to or supporting the principal lease or financing agreement (e.g., hardware, software, maintenance, insurance) are coterminous to the principal financing or leasing arrangement. In addition, if this Contract is terminated, Contractor shall ensure that the City or any successor contractor shall have the right to terminate, renegotiate or be assigned any lease of property or equipment or ancillary agreement (other than, in the case of the City, any financing agreement or insurance). Contractor warrants that, with the exception of property that is leased or subject to a properly perfected security interest, it shall at all times own the Software proposed for this Contract, with the exception of Third Party Software, telecommunications services and buildings, and shall keep such property free and clear of any and all security interests, liens, charges, levies, assessments or encumbrances.
- 5.13 Notice of Change in Financial Condition. (09/15) Contractor shall maintain a financial condition commensurate with the requirements of this Contract. If, during the term of this Contract, Contractor experiences a change in its financial condition which may adversely affect its ability to perform the obligations of this Contract, Contractor shall immediately notify the City in writing. Failure to notify the City of such a change in financial condition is sufficient grounds for terminating this Contract.
- 5.14 Notice of Change in Ownership. (09/15) If, during the term of this Contract, Contractor experiences a change in ownership or control, Contractor shall immediately notify the City in writing. Failure to notify the City of such a change in ownership or control is sufficient grounds for terminating this Contract.

6 SECTION 6 INSURANCE, BONDING, LIQUIDATED DAMAGES, INDEMNIFICATION

- 6.1 Hold Harmless and Indemnification. (09/15*) Contractor shall defend, save, and hold harmless the City of Portland, its officers, agents, and employees, from all claims, demands, suits, and actions, and indemnify the City of Portland, its officers, agents, and employees from all losses, damages

subject to the limitations set forth herein, liabilities, costs and expenses of whatsoever nature, including those related to PCI DSS compliance, Data Breaches and Data Compromises, and security breaches as set forth in Section 7.10 (including all attorneys' fees and costs), resulting from or arising out of the activities, errors or omissions of Contractor or its officers, employees, Subcontractors, or agents, including intentional acts, under this Contract.

Contractor agrees to hold harmless and indemnify the City and its Affiliates against any taxes, premiums, assessments, and other liabilities that the City or its Affiliates may be required to pay arising from Products and/or Services provided by Contractor under this Contract. The City of Portland, as a municipal corporation of the State of Oregon, is a tax-exempt unit of local government under the laws of the State of Oregon and is not liable for any taxes.

- 6.2 Limitation of Liability. Except as set forth herein, in no event will either party be liable to the other party for any lost profits, lost savings, or incidental, indirect, special, or consequential damages arising out of City's Use or inability to Use the product or the breach of this Agreement, even if Contractor has been advised of the possibility of such damages. As set forth in Section 7.10.5, certain costs related to security breaches or lack of PCI DSS compliance shall be considered direct damages.
- 6.3 Insurance. (09/15) Work shall not commence until all insurance requirements listed below have been met and certificates have been approved by the City Attorney and filed with the Auditor. All required insurance must be issued by companies or financial institutions with an AM Best rating of A or better and duly licensed, admitted and authorized to do business in the State of Oregon.
- 6.3.1 Insurance Certificate. (09/15) As evidence of the required insurance coverage, Contractor shall furnish compliant insurance certificates, including required endorsements, to the City prior to execution of the Contract. The certificates shall list the City as Certificate Holder. There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance. If the insurance is canceled or terminated prior to completion of this Contract, Contractor shall provide a new policy with the same terms. Contractor agrees to maintain continuous, uninterrupted coverage for the Term of this Contract and to provide insurance certificates demonstrating the required coverage for the Term of this Contract, plus tail coverage if required as set forth in Section 6.2.4.4. Failure to maintain insurance as required by this Contract may be considered a Material Breach of this Contract by the City.
- 6.3.2 Additional Insureds. (09/15) The coverage shall apply as to claims between insureds on the policy. The insurance shall be without prejudice to other coverage. For liability coverage, the insurance certificate shall list the City as Certificate Holder and name as additional insureds "the City of Portland, Oregon, and its officers, agents and employees," and an endorsement to the liability policy shall confirm the naming of the City as an additional insured. Notwithstanding the naming of additional insureds, the insurance shall protect each additional insured in the same manner as though a separate policy had been issued to each, but nothing herein shall operate to increase the insurer's liability as set forth elsewhere in the policy beyond the amount or amounts for which the insurer would have been liable if only one person or interest had been named as insured.
- 6.3.3 Insurance Costs. (09/15) Contractor shall be financially responsible for all pertinent deductibles,

self-insured retentions, and/or self-insurance.

6.3.4 Required Coverage is as follows: (09/15)

6.3.4.1 Commercial General Liability. (09/15) Contractor shall provide and maintain commercial general liability and property damage insurance in the minimum amount of \$2,000,000.00 (two million U.S. dollars) per occurrence that protects Contractor and the City and its officers, agents and employees from any and all claims, demands, actions and suits for damage to property or personal injury arising from Contractor's work under this Contract. Contractor's umbrella liability coverage includes rental cars.

6.3.4.2 Workers' Compensation. (09/15) Contractor shall comply with the workers' compensation law, ORS Chapter 656, as it may be amended, and if workers' compensation insurance is required by ORS Chapter 656. Contractor shall maintain coverage for all subject workers as defined by ORS Chapter 656 and shall maintain a current, valid certificate of workers' compensation insurance on file with the City Auditor for the entire period during which work is performed under this Contract. Contractors who are non-subject workers meeting one of the exceptions in ORS 656.027 may not be required to carry workers compensation insurance. Any contractor requesting an exemption from the workers compensation coverage listed above must make that request in writing to the City Attorney, stating Contractor's qualification for exemption under ORS 656.027.

6.3.4.3 Technology Errors and Omissions; Cyber Liability. (09/15) Contractor shall provide and maintain liability insurance covering acts, errors, or omissions, including negligent acts, arising out of the performance or failure to perform professional services related to the Products and Services under this Contract. Contractor shall maintain insurance that shall cover any and all claims and losses with respect to network risks (such as Data Breaches, Data Compromises, unauthorized access/use, ID theft, invasion of privacy, damage/loss/theft of data, degradation, downtime, etc.) and infringement of Intellectual Property Rights. Such insurance shall include limits of coverage of not less than \$2,000,000.00 (two million U.S. dollars) written on a per occurrence basis. If coverage is written on a claims-made basis, coverage shall remain in effect for not less than three (3) years following the date of termination or expiration of this Contract. Evidence of coverage must be sent to the City for three years following termination or expiration of this Contract.

6.3.4.4 Crime Insurance/Employee Dishonesty. (*) Such insurance shall provide coverage including: employee dishonesty coverage; forgery or alteration coverage; computer fraud coverage; funds transfer fraud coverage; money and securities coverage; and money orders and counterfeit money coverage. Such insurance shall include limits of coverage of not less than US\$5,000,000.00 (five million U.S. dollars) written on a per occurrence basis.

6.3.5 Insurance Requirements for Subcontractors. (09/15) Should Contractor subcontract any part of this Contract, Contractor will require those Subcontractors or Affiliates if not covered under Contractor's insurance, to obtain and keep in force for the duration of this Contract, insurance equal to the minimum values indicated above.

6.4 Liquidated Damages (*)

- 6.4.1 The Parties acknowledge that Contractor's failure to meet the requirements identified in Table 6A or Contractor's failure to maintain operation of the System without outages, where such failure is solely the result of Contractor's action or failure to take action, whose cumulative time exceeds the Resolution Commitment in Table 6A below, will cause the City to incur substantial economic damages and losses of types and in amounts which are impossible to compute and ascertain with certainty as a basis for recovery by the City of actual damages, and that liquidated damages represent a fair, reasonable and appropriate estimate thereof.
- 6.4.2 Contractor agrees that liquidated damages may be assessed and recovered by the City against Contractor, in the event of delayed completion of a task or System outage and without the City being required to present any evidence of the amount or character of actual damages sustained by reason thereof.
- 6.4.3 Liquidated damages are intended to represent estimated actual damages and are not intended as a penalty.
- 6.4.4 Payment of liquidated damages by Contractor to the City shall not limit the City's right to terminate this Contract for Material Breach or to seek other remedies as provided elsewhere herein.
- 6.4.5 Payment of liquidated damages does not relieve Contractor of performance obligations under this Contract or any Statement of Work.

Table 6A: Liquidated Damages Table

Item	Category	Performance Measures	Liquidated Damages	Resolution Commitment
1	Technical Support - Responses	Technical support personnel availability 6:00 am to 8:00 pm (Pacific Time), Monday through Saturday and Sunday 12:00 pm to 8:00 pm.	\$100 per Calendar Day or portion thereof	Following notice from City that an Error or incident has occurred, Contractor shall have twenty-four (24) hours to respond via phone or email.
2	Service Availability	Mobile payment service available to parking Customers during paid parking hours and established pre-pay hours (usually 2-3 hours prior to paid parking hours). Customer should receive confirmation of their transaction and proof of payment. Failures caused by City's payment processor (Elavon) are excluded.	\$1,000 per Calendar Day	Following notice from City that an incident as described herein has occurred, Contractor shall have twenty-four (24) hours to cure the Error.

Item	Category	Performance Measures	Liquidated Damages	Resolution Commitment
3	Data Interfaces and Data Availability	<p>Must provide data Interface to push real-time detail Transaction Data of mobile payments to City's current multi-space vendor, City's payment processor, City's single space vendor (if requested), and City's handheld enforcement vendor. Contractor shall transmit at least ninety-eight percent (98%) of all recorded events in real-time, and at least ninety-nine percent (99%) of all recorded events within ten (10) seconds after occurrence to the associated databases.</p> <p>Excludes mutually agreed upon outages and outages attributed to City's multi-space vendor, City's payment processor, City's single space vendor (if requested), and City's handheld enforcement vendor.</p>	\$100 per Calendar Day	Following notice from City that an Error or incident as described herein has occurred, Contractor shall have twenty-four (24) hours to cure the Error.

6.5 Rolling Estoppel. (09/15) Unless otherwise notified by Contractor, it shall be understood that the City shall have met all its obligations under this Contract. The City will be conclusively deemed to have fulfilled its obligations, unless it receives written notification of a failure to meet such obligations within thirty (30) Business Days following such failure, whichever is sooner, and Contractor identifies the specific failure in that notification. The City's failure to meet obligations must be described in terms of how it has affected the Project schedule or a specific performance requirement of Contractor.

6.5.1 Contractor is estopped from claiming that a situation has arisen that might otherwise justify changes in Project timetable, the standards of performance under this Contract, or the Contract price, if Contractor knew of that problem and failed to provide notification to the City as set forth above.

6.5.2 In the event Contractor identifies a situation that is impairing Contractor's ability to perform for any reason, Contractor's notification should contain Contractor's suggested solutions to the situation. These suggestions should be in sufficient detail so that the City's Project Manager can make a prompt decision as to the best method of dealing with the problem and continuing the Project in an unimpeded fashion.

6.6 Dispute Resolution. (09/15) Contractor shall cooperate with the City to ensure that all claims and controversies which arise during this Contract will be resolved as expeditiously as possible in accordance with the following resolution procedure:

- a) Any dispute between the City and Contractor shall be resolved, if possible by the Project Manager or their designee on behalf of the City and the Client Success Manager on behalf of Contractor.
- b) If the Project Manager or the Project Manager's designee and Contractor are unable to resolve any dispute within three (3) Business Days after notice of such dispute is given by either Party to the other, the matter shall be submitted to the PBOT Bureau Director, and an assigned representative of the City Attorney's Office on behalf of the City and General Counsel on behalf of Contractor for resolution, if possible.
- c) Should any dispute arise between the Parties concerning this Contract that is not resolved by mutual agreement above, it is agreed that such dispute will be submitted to mandatory mediated negotiation prior to any Party's commencing arbitration or litigation. In such an event, the Parties to this Contract agree to participate in good faith in a non-binding mediation process. The mediator shall be selected by mutual agreement of the Parties, but in the absence of such agreement each Party shall select a temporary mediator and those mediators shall jointly select the permanent mediator. All costs of mediation shall be borne equally by the Parties.
- d) Should an equitable solution not result from the foregoing, the City and Contractor shall be free to pursue other remedies allowed under this Contract.
- e) Unless ordered by the City to suspend performance of all or any portion of Contractor's Services or delivery of Products, Contractor shall proceed with the performance of such Services or delivery of Products without any interruption or delay during the pendency of any of the foregoing dispute resolution procedures. During the pendency of any of the foregoing dispute resolution procedures, the City shall continue to make all payments that are not in dispute while having the right to withhold payments that are in dispute.

6.7 Remedies. (09/15) The remedies provided in this Contract are cumulative, and may be exercised concurrently or separately. In the event of any Material Breach by Contractor, which Material Breach shall not have been cured as agreed to between the Parties, the City shall have the ability to pursue the City's rights at law or equity. The exercise of any one remedy shall not constitute an election of one remedy to the exclusion of any other.

6.8 Cost of Cover. (09/15) In the event of termination of this Contract by the City due to a Material Breach by Contractor that remains uncured for the applicable agreed cure period, then the City may complete the Project itself, by agreement with another contractor, or by a combination thereof. After termination, in the event the cost of completing the Project exceeds the amount the City would have paid Contractor to complete the Project under this Contract, then Contractor shall pay to the City the amount of the reasonable excess.

7 SECTION 7 SOFTWARE LICENSE SPECIFIC PROVISIONS

- 7.1 Application. (09/15) These provisions shall apply to all Software. These Provisions shall cover any Third Party Software supplied by Contractor except where specifically excluded. The terms in this Section 7 supersede and prevail over any embedded, “click-wrap,” “shrink-wrap,” or hyperlinked terms of license for the Software.
- 7.2 Grant of License. (*) Contractor hereby grants the City a revocable, non-exclusive, non-assignable, non-transferrable, and non-subleaseable right and license to Use and Access the Software for its governmental operations. All Intellectual Property Rights including, without limitation, trade names, Source Code, trademarks, copyrights, patents, and trade secrets, not explicitly granted to the City in this Contract are reserved to Contractor. The City will not, directly, indirectly, alone, or with another party, (i) copy, disassemble, reverse engineer, or decompile the Software or any subpart thereof; (ii) modify, create derivative works based upon, or translate the Software or Source Code; (iii) transfer or otherwise grant any rights in the Software or Source Code in any form to any other party; (iv) attempt to do any of the foregoing or cause or permit any third party to do or attempt to do any of the foregoing, except as expressly permitted hereunder.
- 7.3 Third Party Software. (09/15) Contractor shall be responsible for effecting licensure for the City of any Third Party Software required for the System and provided by Contractor under this Contract.
- 7.4 Substitution or Modification of Software or System at No Charge. (09/15) In the event that Contractor substitutes or modifies the Software, an individual Module or the System, Contractor shall ensure that the new or modified Module, Software, or System shall conform in all aspects to the Specifications and shall in no way degrade the performance or functionality of the Module, Software or System. Such substitutions or modifications will result in no additional cost to the City.
- 7.5 Documentation Explains Use. (09/15) The Documentation shall explain the operation of the System in terms understandable by City personnel of reasonable technical competence.
- 7.6 Data Ownership and Use of Data. (*) Contractor shall retain all ownership rights and Intellectual Property Rights in pre-existing or independently developed Software. City shall retain all ownership rights in any City Data. City Data shall be exportable into Microsoft Excel format. Upon the expiration or termination of this Contract, or when required by law, Contractor shall make all City Data available for export in a JSON format or another format compatible with City systems.
- 7.6.1 Data Ownership.
- 7.6.1.1 Transaction Data shall be owned by Customers and licensed to Contractor per Contractor’s Customer Terms and Conditions and Contractor’s Privacy Policy attached to this Contract as Exhibits C and D. Contractor thereby acquires a revocable, fully-paid license, subject to revocation only by the Customer, to possess and/or sub-license such Transaction Data, to store, display, transmit, and use all Transaction Data and all data stored, created, or transmitted by Contractor as a result of any Customer’s use of any component of the System, strictly in accordance with Exhibit D: Contractor’s Privacy Policy. Contractor reserves the right to update

or modify its Privacy Policy from time to time, but at no less restrictive privacy practices than as set forth in the attached Exhibit D, Contractor's Privacy Policy.

- 7.6.1.2 City Data, excluding Transaction Data, shall be owned by the City. Contractor hereby acquires from the City a revocable license to store and use any City Data other than Transaction Data created as a result of the Contractor's use of the Software for its internal business purposes.
- 7.6.1.3 Contractor shall be the owner of PCI and PII data.
- 7.6.2 Data Retention. Contractor shall retain City Data for a period not less than three (3) years from the date of creation.
- 7.6.3 Address Verification ("AVS") Data. Contractor shall collect and pass on to the City's payment processor all AVS data for each transaction processed through the System. Contractor shall pay any increase in interchange assessed to the City if AVS data is not collected and passed on.
- 7.6.4 Provision of Data. Upon the expiration or termination of this Contract, Contractor will provide a copy of all Transaction Data, excluding PCI data and PII, to the City in a mutually agreed machine-readable format within thirty (30) Calendar Days after receipt of a written request for such data from the City.
- 7.6.5 Transition Assistance. In the event that this Contract expires, is terminated by the City, or Contractor becomes unable to provide the Services or the System, Contractor will provide transition support to the City for a period of sixty (60) Calendar Days to ensure the smooth transition of the City's Mobile Parking Payment System to an alternate vendor, including notification of Customers of the change.
- 7.7 Infringement Indemnity. (09/15) Contractor shall, at its own expense, save, hold harmless, and defend the City, its directors, officers, employees, agents and Affiliates from and against any and all claims, demands, suits, and actions, and indemnify the City, its directors, officers, employees, agents and Affiliates from any damages, liabilities, losses, costs, and expenses (including reasonable attorney fees, whether or not at trial and/or on appeal), arising out of or in connection with any actual or alleged misappropriation, violation, or infringement by the Software of any proprietary right or Intellectual Property Right of any person whosoever. The City agrees to notify Contractor of the claim and gives Contractor sole control of the defense of the claim and negotiations for its settlement or compromise.
- 7.8.1 No settlement that prevents the City's continuing Use of the Software shall be made without the City's prior written consent. If any third party claim causes the City's Use of the Software to be endangered, restricted or disrupted, Contractor shall:
- a) cause the Software to be replaced, at no additional charge, with compatible functionally equivalent and non-infringing Software;
 - b) cause the Software to be modified to avoid the infringement;

- c) obtain a license for the City to continue using the Software and pay any additional fee required for such license; or
- d) if, after Contractor uses all due diligence or standard of care none of the foregoing alternatives is possible, in addition to other remedies set forth herein Contractor will terminate the license and refund to the City license fees actually paid by the City and any direct damages documented by the City for the affected Software and Documentation.

7.8 Security. (09/15) Contractor shall provide immediate notification to the City's Information Security Manager and the City's Project Manager of any Data Breach or Data Compromise or other security breach that affects City data or systems. Contractor shall provide immediate notification to the City's Project Manager of any incident relating to System integrity such as a computer virus.

7.8.1 Contractor shall comply with City of Portland, Bureau of Technology Services Information Security Administrative Rules BTS-2.01, BTS-2.02, BTS-2.08, BTS-2.12, BTS-2.15, and BTS-2.17. These BTS rules are located at <http://www.portlandoregon.gov/citycode/26821>.

Contractor shall also comply with FIN-2.10 and FIN-2.17, which are located at: <https://www.portlandoregon.gov/citycode/26819>.

7.8.2 Contractors providing or having access to data containing City Confidential Information or PII (as defined in the Oregon Consumer Identity Theft Protection Act, ORS 646A.600 to 646A.628) shall maintain and demonstrate compliance with ORS 646A.600 to 646A.628. Specifically contractors shall develop, implement and maintain reasonable safeguards to protect the security, Confidentiality and integrity of the PII, including disposal of the data where appropriate. Contractor shall also provide immediate notification to the City of a Data Breach or Data Compromise or a security breach and in cooperation with the City, provide notice to affected consumers. Contractor shall be responsible for any costs or penalties related to or resulting a Data Breach or Data Compromise or a security breach involving the System.

7.8.3 As stated in Section 5.9.5 a Data Breach or Data Compromise or other security breach shall not be considered a Force Majeure Event.

7.8.4 Should remote access be required, Contractor will follow all City policies regarding remote access including completion of a Remote VPN Access Form. The form is available upon request.

7.8.5 If the City furnished Contractor with City-provided e-mail addresses for Contractor employees or Subcontractors working on the Project, all communications shall take place on such City e-mail addresses and not be moved, copied, or forwarded to private e-mail addresses.

7.9 PCI DSS Requirements

- 7.9.1 Contractor has access to Software or a System which processes and/or interacts with credit/debit card information and which must be compliant with the Payment Card Industry - Data Security Standard (PCI DSS) standards. The most current standards are maintained at: https://www.pcisecuritystandards.org/security_standards/index.php.
- 7.9.2 PCI DSS Certification. Contractor warrants that throughout the term of this Contract it will maintain its PCI DSS certification and will secure any cardholder data it possesses in full compliance with the applicable provisions of PCI DSS, as they are updated or amended from time to time. Contractor shall demonstrate its compliance with PCI DSS by providing an executed Attestation of Compliance (AOC), completed by an independent third-party PCI Qualified Security Assessor (QSA), to the contact person designated by the City, prior to execution of this Contract and thereafter annually within ten (10) Business Days of Contractor's receiving the results of its assessment. The current designee for receipt of the AOC is shown on the first page of this Contract.
- 7.9.3 In the event of a Data Breach or Data Compromise anywhere in Contractor's system or network, or if, in the City's reasonable opinion, there is a suspected violation of security, fraud, or a potential Data Breach or Data Compromise or other security breach, the City may request an investigation by an independent third-party qualified PCI Forensic Investigator (PFI), at the City's own time and expense. If the investigation finds that such violation, fraud, or breach is the result of Contractor's actions or omissions, Contractor shall reimburse Licensee as set forth in this Section.
- 7.9.4 Indemnification. Contractor shall indemnify the City for any fines or penalties by government or regulatory agencies or financial institutions, and related costs, if the City is fined or penalized due to lack of PCI DSS compliance on the part of Contractor or the Products or Services. Additionally, any costs or fees incurred by the City due to a Data Breach or Data Compromise, security breach anywhere in Contractor's System or networks, or lack of PCI DSS compliance, including but not limited to forensic audits and investigations, consumer notification, consumer credit reports, and credit monitoring for potentially affected consumers up to one year, shall be paid directly or reimbursed to the City by Contractor.
- 7.9.5 IN THE EVENT OF A SECURITY BREACH OF PERSONAL INFORMATION AS DEFINED IN ORS 646A.60 OR CONTRACTOR'S FAILURE TO MAINTAIN PCI DSS COMPLIANCE, THE CITY'S COSTS FOR BREACH NOTICES, CONSUMER CREDIT MONITORING, REGULATORY PENALTIES, FINES, INVESTIGATIONS AND FORENSIC ACTIVITIES ARISING FROM A DATA BREACH, DATA COMPROMISE, OR SECURITY BREACH OF PERSONAL INFORMATION, OR FROM LACK OF PCI DSS COMPLIANCE, SHALL BE CONSIDERED DIRECT DAMAGES.

8 SECTION 8 MAINTENANCE AND PRODUCT WARRANTY SERVICES, SERVICE LEVEL AGREEMENT (09/15*)

These provisions shall apply to all System/Software Warranty and Maintenance Services. These provisions shall cover any Third Party Software supplied by Contractor as components of the System.

Should any ambiguities or conflicts arise between this Section and any other section in the Master Terms and Conditions, this Section 8 shall prevail in matters of Product Warranty and Maintenance.

8.1 Maintenance Term. (09/15) Contractor's Maintenance obligations commence on the Effective Date. The price for annual Maintenance is included in the Fees set forth in Exhibit A, Price.

8.2 Service Level Agreement. (*) Contractor warrants availability of the Website shall meet the following minimum metrics:

8.2.1 Availability and Service Level Monitoring. Contractor commits to Website availability of at least 99.90% measured on a rolling three-month basis, Contractor shall utilize appropriate measurement and monitoring tools and procedures necessary to measure the availability of its Website 24X7X365, and performance of the Services and compare performance to the SLA metrics set forth herein. The Website is considered available if Users of the Software can Use the Software to pay for parking. Upon the City's request, Contractor shall provide the City with access to such measurement and monitoring tools (including, but not limited to on-line visibility of such tools), and any other information reasonably necessary to verify compliance by Contractor with the SLA metrics. Contractor shall also provide the City with quarterly reports on performance and availability. The City shall have the right, at its sole expense, to independently monitor the Services.

8.2.2 Scheduled Downtime. Contractor will provide the City with a minimum of ten (10) Calendar Days' notice of planned downtime of the Website where such downtime may have an impact on the City's governmental operations, or the Use of the Website by its Users and potential Users.

8.2.3 Failure to Meet Uptime, Website Availability, and SLA Commitment. In the event that the System is not available during paid parking hours or pre-pay hours of meter operation, for any continuous period of 15 minutes or more during any given seven (7) Calendar Day period, the City may impose damages unless the outages are mutually agreed upon in advance by the City and Contractor. For any month during which System uptime drops below the uptime guarantee in Section 8.2.1, Contractor will provide a billing credit in an amount equal to: the percentage difference between a) the lowest uptime reached at any point during the month (calculated on a rolling three-month period) and b) the uptime guarantee multiplied by the total fees payable to Passport for such month. For example, if during a given month the Software uptime fell as low as ninety-five percent (95%) and during that month, the fees payable to Passport were one hundred dollars (\$100.00), Passport would issue a billing credit of four dollars (\$4.00).

8.2.4 Location of City Data. Contractor shall ensure that all City Data that is uploaded is stored, load balanced and backed up only at data centers within the boundaries of the United States in Contractor's Amazon RDS Multi-AZ database instances.

8.2.5 Disaster Recovery. Contractor shall provide disaster recovery Services for the Website that include the following features: a Fail-Over System and an emergency support and hotline access twenty-four (24) hours a day. Contractor's RDS shall perform a full daily backup data

between 3:00 a.m. and 3:30 a.m. daily and capture transaction logs for point in time recovery. Each backup shall be saved for seven (7) Calendar Days. Contractor's databases shall be replicated across multiple regions with multiple redundancies on the East and West coasts of the United States. In the event of an Error the standby replica of the System shall be converted into the master version of the System and a new standby replica of the System shall be generated. Offsite snapshots shall be taken on a daily basis. Contractor's recovery Services shall provide a point in time instance or backup of the System which can be restored in under fifteen (15) minutes.

- 8.2.6 Technical Support Helpdesk/Staffing. (*) Contractor shall maintain a no-cost telephone hotline and provide support by e-mail in accordance with the details set forth below. These support Services shall be made available to the City on a 24x7x365 basis. Contractor shall provide staff with competent technical consultants who shall be trained in and thoroughly familiar with the Software and Website and with the City's applicable Configuration. Telephone support, e-mail support, and all other communication shall be delivered in English. Contractor shall provide no-cost support to Customers as set forth in Section 3.7 of Exhibit B, Statement of Work.
- 8.3 Maintenance Services Included. (09/15) Contractor shall keep all Modules and the System conforming to the Specifications and respond to requests by the City. Maintenance shall include the following:
- 8.3.1 Preventative. (09/15) Maintenance shall include the development, release and installation of Updates and Upgrades, and performance monitoring, evaluation, or use of diagnostic applications or tools.
- 8.3.2 Repair. (*) Within the time specified in the table below, Contractor shall Repair the System or Software when an Error has been identified by Contractor or the City. A workaround or Patch which eliminates the symptoms of the particular Error reported, but impairs the City's operations, shall be deemed an interim Repair and cannot last longer than seven (7) Calendar Days, unless otherwise mutually agreed in writing by both Parties.
- 8.4 Updates and Upgrades. (*) Contractor shall automatically install Updates at no additional cost to the City. However, in no event shall modifications, Updates, or Upgrades degrade the core functionality of any individual Module or the Software, or interfere with City's Use of the core functionality of the Software.

If Contractor plans to modify, Update, or Upgrade the Software in a manner that will cause it to no longer conform to the Specifications, Contractor shall provide the City at least ninety (90) days' notice prior to making any such modifications, and agrees to continue supporting the City's System for an additional year if the City is required to purchase new equipment to run the modified, Updated, or Upgraded Software.

- 8.5 Other Standard Services. (09/15) Contractor shall, at no additional cost to the City, provide other standard Services which Contractor offers at no cost to its other customers.

- 8.6 Priority levels, Response and Resolution times. (09/15*) Contractor shall respond to a Maintenance Request from City within the times specified in the tables below. Such Response Times shall be measured from the time the City requests Maintenance support. Contractor shall provide Maintenance as outlined in the table as the Response and Resolution Times set forth for each priority level. The following categories of priority levels shall apply to a Maintenance Request made by the City:

Table 8A: Definitions of System Priority Levels, Response and Resolution Times

Priority Level	Description
1	Critical Problems: If the System is experiencing problems that cause it to go down completely, that lead to data corruption, that cause major functions or features to fail to operate, or that are otherwise significant, material, and substantive. Contractor will provide an Error notice for such problems to the City within fifteen (15) minutes of when Contractor becomes aware of or when a Maintenance Request has been sent concerning such Error and dedicate resources on a continual (24x7), best efforts basis to correct the problem within one (1) hour of receipt of the Error notice. Contractor will provide the City status reports every one (1) hour, or more frequently if requested by the City, until the problem has been corrected.
2	Medium Impact Problems: If the System is experiencing problems that cause significant delays or cause minor functions or features to fail to operate that are substantive, but not material. Contractor shall provide an Error notice to the City for such problems within one (1) hour of when Contractor becomes aware of or when a Maintenance Request has been sent concerning such Error and shall work during normal business hours and use reasonable commercial efforts to correct the problems within six (6) hours of receipt of the Error notice. Contractor will provide the City status reports every one (1) hour, or more frequently if requested by the City, until the problem has been corrected.
3	Low Impact Problems: If the System is experiencing problems that cause minor delays that do not inhibit the ability to use the service that are not substantive and not material. Contractor will provide an Error notice to the City for such problems within one (1) hour of Contractor's becomes aware of or when a Maintenance Request has been sent concerning the Error and shall work during normal business hours and use reasonable commercial efforts to correct the problems within one (1) day of receipt of the Error notice.
4	The City requires information or assistance about System, such as questions about capabilities, installation, Configuration, operation, or cosmetic issues.

Contractor will provide the City status reports every one (1) hour, or more frequently if requested by the City, until the problem has been corrected.

8.7 Response and Resolution Times for Priority 1 Errors. (*)

Table 8B: Priority 1 Error Response and Resolution Commitments

Type of Priority 1 Error	Resolution Time	Resolution Action
Data center down	Less than 30 minutes	Production Environment to switch to Fail-over System.
MPPS down	Less than 30 minutes	System shall be replicated in real time such that if one part of the System goes down, the affected operations will automatically be routed to the Fail-over System
Enforcement System integration down	Less than 30 minutes	If the communication between Contractor and the Enforcement System is down, there will be a Fail-over System (by text or mobile browser) available to be used to lookup valid pay-by-cell parking transactions. It is not Contractor's responsibility if the Enforcement System is down.
Merchant processing gateway and batching mechanism down	Less than 30 minutes	As mutually agreed.

8.8 Patches and Updates Priority Levels and Resolution Actions. (*) Below is a table identifying the Contractor's commitments for the application of Patches and Updates.

Table 8C: Patches and Updates Response and Resolution Commitments

Type of Error	Resolution Action	Priority Level
Contractor Patches, any security Updates defined as "high," "critical," or "urgent" for all System components, and other IT resources affected by threat	Patches, Updates, and any Documentation are reviewed and then applied within 30 Calendar Days. These are applied into Production and Testing Environments to ensure no new issues are introduced before they are applied to the Production Environment.	1
Contractor Patches and security Updates defined as "medium," "moderate," or "important" for all System components and other IT resources affected by threat	Patches, Updates, and any Documentation are reviewed and then applied within 90 Calendar Days. These are applied into Production and Testing Environments to ensure no new issues	2

Type of Error	Resolution Action	Priority Level
	are introduced before they are applied to the Production Environment.	
Contractor Patches and security Updates defined as “low,” “non-essential,” or “non-urgent” for all System components and other IT resources affected by threat	Patches, Updates, and any Documentation are reviewed and then applied within 90 Calendar Days. These are applied into Production and Testing Environments to ensure no new issues are introduced before they are applied to the Production Environment.	3
Security alerts from SANS, CERT, NIST, CIS and all other industry-leading associations	Contractor will evaluate the severity and applicability of the risk highlighted by these organizations on a case-by-case basis to determine both the steps necessary to mitigate the threat and how urgently the solution is needed.	3
Recommendations from all other industry-leading security sources (online forums, email subscriptions to security forums, etc.) regarding threats	Contractor will evaluate the severity and applicability of the risk highlighted by these organizations on a case by case basis to determine both the steps necessary to mitigate the threat and how urgently the solution is needed	3

8.9 Management of Maintenance Requests. (*) All Maintenance Requests will be assigned a unique tracking number by Contractor. This unique tracking number will be referenced in all subsequent communications and status updates to the City. Initial responses for all Level 1 and Level 2 Maintenance Requests will be by telephone. Subsequent status updates may be by phone or email, whichever is deemed most appropriate by the City. Any intent to change the priority of a Maintenance Request, by either the City or Contractor, will require agreement by the other Party. Maintenance Requests will remain open and active until both Parties concur that successful resolution has been achieved.

8.10 Escalation. (*) If the City is unsatisfied with Contractor’s Response or Resolution, the following escalation procedure will apply:

8.10.1 The City shall notify Contractor in writing of its intent to escalate. This notice will be sent to Contractor’s Maintenance contact. Upon receipt of this notice, Contractor will contact the City immediately to acknowledge the request and obtain more information.

8.10.2 If within twenty-four (24) hours after the notice of intent to escalate, the City is not satisfied with the response or resolution, the City will contact the following Contractor executive to resolve the problem:

Brandon Rivard

Vice President, Client Success
(704) 909-7232
brandon.rivard@passportinc.com

- 8.10.3 In the case of a priority Level 1 or Level 2 Error which is not resolved within the Resolution Time stated above, Contractor shall immediately provide expert personnel to resolve the Error, either on-site or by means of secure remote access, at City's option. All costs incurred in connection with on-site or remote support shall be borne by Contractor. Contractor shall work on the solution until the Error is resolved to the satisfaction of the City. If requested by the City, Contractor will provide a Patch or workaround outside the normal release and quality assurance process, including telephone assistance with the implementation of the Patch or workaround.
- 8.10.4 In the case of a Level 3 Error and the next Upgrade is scheduled to be released within ninety (90) Calendar Days of the Maintenance Request, then the Error shall be resolved by the subsequently scheduled release or a mutually agreed upon release schedule. If the Error cannot be resolved by the subsequently scheduled release, or within a mutually agreed upon release schedule, Contractor shall provide expert personnel off-site to resolve the Error. All remote access and off-site assistance shall be at no additional cost to the City. Contractor shall work on the solution until the Error is resolved to the satisfaction of the City. If requested by the City, Contractor will provide a Patch or workaround outside the normal release and quality assurance process, including telephone assistance with the implementation of the Patch or workaround.
- 8.11 Maintenance Remedies.
- 8.11.1 Failure to Meet Response and Resolution Times. (*) In the event Contractor fails to meet the Response and Resolution Times or the requirements for timely status updates within Table 8A for priority Level 1 or 2, or other timelines as mutually agreed by Contractor and the City, the Liquidated Damages in Section 6.3 and Table 6A shall apply.
- 8.11.2 Remedies Not Exclusive. (09/15) In addition to any other remedies provided for in this Contract or at law or in equity, the City shall have the right to obtain one or more of the following non-exclusive remedies in the event of any failure of Contractor to meet Maintenance obligations: (a) suspension of dedicated payment obligations for Maintenance accruing during the period for which Contractor did not meet Maintenance obligations; (b) a refund of all Maintenance Fees paid by the City to Contractor for the period during which Contractor did not meet Maintenance obligations; and (c) notice to Contractor of Material Breach.

9 SECTION 9 ACCEPTANCE AND ACCEPTANCE TESTING

- 9.1 Right to Perform Acceptance Testing. (09/15) Prior to Accepting Deliverables, a Module or the System, the City shall have the right to perform Acceptance Testing, or for Deliverables not requiring Acceptance Testing, the City shall have the right to evaluate the Deliverable(s) to ensure they meet Acceptance Criteria. Acceptance Testing will include Contractor's working with the City Treasury to ensure the payment functionality meets all City requirements. Contractor shall cooperate with the City in the development of Acceptance Criteria and the Acceptance Test Plan

that shall codify and set forth the location, date, and other specifications of the test. Acceptance Testing may occur in one or more phases, depending on the integration of contingent products, scalability, performance tuning or other measurable features or milestones.

- 9.2 Procedure and Timetable. (09/15) Unless otherwise specified,
- 9.2.1 The City shall commence Acceptance Testing within a reasonable amount of time after receipt of a Deliverable.
- 9.2.2 Contractor shall provide, at no additional cost, reasonable and appropriate support, assistance, and consultation in order to facilitate Acceptance Testing.
- 9.2.3 The City will make all reasonable efforts to complete Acceptance Testing within the time period specified within the Project schedule mutually agreed upon by the Parties in writing. If an Acceptance Test is successful the City shall issue an Acceptance Certificate, a sample of which is attached as Attachment B-1 in Exhibit B, Statement of Work.
- 9.3 Failure of Acceptance Test. (09/15) The City will notify Contractor if a Deliverable or a portion of a Deliverable fails to pass an Acceptance Test and will specify in reasonable detail the identified failures and possible reasons for failure. After City's notification, Contractor shall correct the failure within ten (10) Business Days and notify the City that the correction has been completed. After Contractor's correction notification, the City shall perform a second Acceptance Test. If the Deliverable or portion of the Deliverable fails to pass the second Acceptance Test, the City shall notify Contractor in writing, and the City may, in its sole discretion: (a) require Contractor to replace the Deliverable or defective portion of the Deliverable at no additional cost to the City, (b) require Contractor to make further corrections to prepare for retesting again; (c) issue an Acceptance Certificate for an "Acceptance with Exception(s), or terminate the Contract."

If the City issues an Acceptance Certificate for an "Acceptance with Exception(s)" the City will list the exception(s) and the date for Contractor's correction of the Error(s). If Error(s) are corrected by the listed date(s) the City agrees to commence further Acceptance Testing of the Deliverable or affected portion(s). If the Deliverable passes the Acceptance Tests, the City will issue an Acceptance Certificate.

If a Deliverable fails a second or subsequent Acceptance Test (or in the event of a single Acceptance Test, *the* Acceptance Test) in no event shall there be an increase to the original price agreed to by the Parties for the Deliverable.

- 9.4 Revocation of Acceptance. (09/15) The City shall have the right to revoke "Acceptance with Exception(s)" if the City granted an "Acceptance with Exception(s)" based on Contractor's commitment to correct the Error within a reasonable period of time, but the Error has not been so corrected. The City shall also have the right to revoke Acceptance if the City accepted the Deliverable without discovery of the Error, and the Acceptance was reasonably induced by Contractor's assurances or by the difficulty of discovery of the Error before Acceptance.

Revocation is effective only if it occurs within a reasonable time after the City discovers or should have discovered the reasons for revocation.

9.5 Termination Based on Failure of Acceptance. (09/15) If the System fails to pass the Final Acceptance Test(s), the City may terminate this Contract, and Contractor will repay all fees paid up to the date of such failure.

9.6 No Waiver. (09/15) Acceptance shall not relieve Contractor from its responsibility under any Warranty. Payment for Products or the System or any portion thereof does not constitute Acceptance nor does it constitute a waiver of any Warranty applicable to the City.

10 SECTION 10 PUBLIC CONTRACTING

10.1 Public Contracts. (09/15) Contractor shall observe all applicable state and local laws pertaining to public contracts. ORS Chapters 279A, 279B and 279C require every public contract to contain certain provisions. Pursuant to those chapters, the following provisions shall be a part of this Contract, as applicable:

10.2 Pursuant to ORS 279B.220, in every public contract, Contractor shall make payment promptly, as due, to all persons supplying to Contractor labor or material for the performance of the work provided for in this Contract; shall pay all contributions or amounts due the Industrial Accident Fund from Contractor or Subcontractor incurred in the performance of the Contract; not permit any lien or claim to be filed or prosecuted against the state or a county, school district, municipality, municipal corporation or subdivision thereof, on account of any labor or material furnished; and pay to the Department of Revenue all sums withheld from employees under ORS 316.167.

10.3 Pursuant to ORS 279B.230(1), in every public contract, Contractor shall promptly, as due, make payment to any person, co-partnership, association or corporation furnishing medical, surgical and hospital care services or other needed care and attention, incident to sickness or injury, to the employees of Contractor, of all sums that Contractor agrees to pay for the services and all moneys and sums that Contractor collected or deducted from the wages of employees under any law, contract or agreement for the purpose of providing or paying for the services.

10.4 Pursuant to ORS 279B.230(2), in every public contract, all subject employers working under the Contract are either employers that will comply with ORS 656.017 or employers that are exempt under ORS 656.126.

10.5 Pursuant to ORS 279B.235(1), persons may not be employed for more than ten (10) hours in any one day, or forty (40) hours in any one week, except in cases of necessity, emergency or when the public policy absolutely requires it. In such cases, the employee shall be paid a) at least time and half pay for all overtime in excess of eight (8) hours in any one day or forty (40) hours in any one week when the work week is five (5) consecutive days, Monday through Friday; or b) for all overtime in excess of ten (10) hours in any one day or forty (40) hours in any one week when the work week is four (4) consecutive days, Monday through Friday; and c) for all work performed on Saturday and on any legal holiday specified in ORS 279B.020.

10.6 Pursuant to ORS 279B.235(3), when performing professional services, the employee shall be paid at least time and a half for all overtime worked in excess of forty (40) hours in any one week, except for individuals under personal services contracts who are excluded under ORS 653.010 to 653.261 or under 29 USC 201 to 209 from receiving overtime.

11 SECTION 11 TRAVEL

11.1 No travel is anticipated or reimbursable under this Contract. However, in the event that the City requests any travel to the City's facilities or any other location more than one hundred miles from Charlotte, North Carolina, the City will reimburse Contractor for all reasonable expenses incurred by Contractor employees in traveling at the City's request, in accordance with the City's travel reimbursement policies, which shall be added to this Contract by Amendment, in the event travel is required.

This Contract constitutes the entire agreement between the City and Contractor and supersedes all proposals, oral and written agreements, between the Parties on this subject, and any different or additional terms on a City purchase order or Contractor quotation or invoice.

The Parties agree that they may execute this Contract and any Amendments to this Contract, by electronic means, including the use of electronic signatures.

The Parties hereby cause this Contract to be executed.

CITY OF PORTLAND <u>Christine Moody</u> 1/30/17 Chief Procurement Officer Date <u>Christine Moody</u> Printed Name <i>Approved as to Form</i> <u>A. Kalum Gray</u> 1/27/2017 Office of City Attorney Date	PASSPORT PARKING, INC. (CONTRACTOR)  1/25/17 Authorized Signature Date <u>Christina Gutierrez, CBDO</u> Printed Name and Title Address: <u>1300 S. Mint St, Ste. 200</u> <u>Charlotte, NC 28203</u> Phone: <u>704-909-7181</u>
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EXHIBIT A
CONTRACTOR FEE SCHEDULE
CONTRACT No. 30005152

1. SERVICES AND SOFTWARE

Under this Contract, Contractor will provide the City with Access to and Use of the following Hosted Software and Services.

1.1 Hosted Software

1.1.1 Contractor's Software, the proprietary web-based application that will act as the interface for Customers to input certain data into a mobile device to process a payment for parking.

1.1.2 Web-based Reporting/Administration Tools. Contractor will assign the City secure Access to real-time online reporting tools for the purposes of issuing refunds, researching transactions, generating daily and monthly reports, and reconciling accounts.

1.2 Payment Processing Services.

1.2.1 Contractor will provide the City with payment processing services for any credit or debit card with the Visa, American Express, or MasterCard logo. Other branded cards can be accepted by written mutual consent of both Parties.

1.2.2 Contractor shall collect the entire amount of the Fees (the Customer Convenience Fee and the City's Payment Gateway Fee) as set forth in the next section, along with the parking charge, in a single transaction. Contractor shall deposit all the funds directly in the City's bank through Contractor's payment gateway.

1.2.3 City will provide Contractor with the merchant ID to process transactions.

2. FEES

2.1 Set-up fees – Contractor will charge the City a one-time set-up fee of \$ 0.00 (ZERO) at Contract signing. There will be no charges to the City for Services.

2.2 Software and Services. Contractor will charge the City a per-transaction Fee for Access to and Use of the Software and Services (the Payment Gateway Fee). Fees will start on the day that the Service is "live" in full production Use, not testing. Per-transaction Fees shall be collected from Customers as set forth in Section 1.2 Payment Processing Services and paid to Contractor by the City as set forth in Section 3.7 Payment, of the Master Terms and Conditions.

2.3 Additional Services. In the event City requires additional Services from Contractor beyond those set forth in the Statement of Work, including any other Services that fall within Contractor's general technology platform, City and Contractor shall Amend this Contract and

add a Statement of Work for those specific Services, which shall include any additional fees. Prices for additional Customized Software development and graphic design Services are:

2.3.1 Software Development Services. To the extent that the City requests any Customization or requests that Contractor expedite the development of any planned Upgrade and Contractor determines that it will fulfill such request, City will pay a two-hundred and fifty-dollar (\$250.00) Software development fee per development hour necessary to create such Customization or Upgrade. Nothing in this section shall be deemed to abridge or modify Contractor's right to determine, in its sole discretion, whether, when, and how to create any requested feature.

2.3.2 Custom Design Services. For any custom design services requested by the City with regard to any element of the Software, Passport will provide one proof of concept document and one revision to such document based on the City's feedback. Each additional revision to the proof of concept Document requested by the City and required by the City's making a material and substantial change to the design or functional Specifications originally provided to Passport will incur a one-thousand-dollar fee (\$1,000.00) After the Parties have agreed to the proof of concept document, Passport will provide one final design draft Document and one revision to such draft based on the City's feedback. Each additional revision to the final design draft requested by the City and made necessary by the City's making a material and significant change to the final design draft will incur a one-thousand-dollar fee (\$1,000.00).

2.4 Fee Structure. Fees will be based on the following table:

DESCRIPTION	UNIT OF ISSUE	UNIT PRICE
PARKING CUSTOMERS		
Customer Convenience Fee: Parking Transaction	per transaction	\$0.05
Customer Convenience Fee: Extend Parking Transaction	0	\$0.00
Customer Registration Fee	0	\$0.00
CITY		
City's Fee to use the Contractor's Payment Gateway	per transaction	\$0.05
TOTAL CUSTOMER CONVENIENCE FEE per Parking Transaction		\$0.10
NOTE: The City will pass through the Payment Gateway fee to parking Customers		

2.5 Invoicing. Contractor shall invoice the City monthly for the Customer Convenience Fees and the City's Payment Gateway Fees that were collected the prior month. Invoicing and payment procedures are set forth in Section 3.7 of the Master Terms and Conditions.

2.6 Access, License, Use, and Maintenance Fees Included. The Fees in the table above are all-inclusive and are expressed per transaction. Fees include Access and Use, account set-up, statements, reporting, technical support, Maintenance, Updates, and Upgrades. There are no Software license fees, subscription fees, or other Fees to be charged to the City.

2.7 Declined Transactions. Contractor shall not charge the City a Payment Gateway fee for declined transactions.

2.8 Fees Firm. These Fees shall be valid for the total Term of this Contract and shall not change during the Term.

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EXHIBIT B
STATEMENT OF WORK
CONTRACT No. 30005152

1. Summary and Background

Contractor shall provide and support a contractor hosted Mobile Parking Payment System (MPPS or, the System). The MPPS is a key component to managing the City's paid parking system. During the RFP process (RFP 00000110), the City requested the successful proposer utilize the City's payment gateway, however, the City has subsequently requested and been granted permission to utilize the Contractor's Payment Gateway. Consequently, all transactions shall be processed real-time to the City's payment processor (Elavon), gross revenues shall be deposited directly to the City's bank account (Wells Fargo), and City shall be the merchant-of-record on all transactions. The City has over 1,800 Cale brand pay stations and some single space meters controlling over 14,000 on-street parking spaces. The MPPS will allow City parking Customers to pay for parking without using the on-street parking meters. Parking Customers will instead use mobile technologies such as voice, mobile device application, web site, or SMS "text" messaging.

2. Scope of Work

Contractor shall provide the following:

1. A System which provides multiple platforms for mobile parking payments including voice, mobile device application, SMS "text" messaging, and a web based solution.
2. Interfaces from the System to the City's pay station contractor (Cale America, Inc.).
3. A Payment Gateway to process parking payment transactions received through the System. All transactions shall be processed real-time (through Converge) to the City's payment processor (Elavon), gross revenues shall be deposited directly to the City's bank account (Wells Fargo), and City shall be the merchant-of-record on all transactions.
4. Timely accommodation of changes to the City's pay station contractor, parking enforcement handheld contractor, or the City's payment processor or bank as requested. Any request to Contractor to change the payment processor or bank shall not be accepted by Contractor unless it is authorized by the City Treasurer. After change in bank information transactions will be tested to ensure proper fund flow.
5. A System which reflects the City's current parking rate and time limits for existing parking meters along with the functionality to allow for future parking rate and time limit adjustments.
6. Assistance to the City with developing parking zones that benefit the Customer experience but retain key information for the City such as, but not limited to, the revenue generated by each parking zone.
7. Assistance to the City with developing signage to inform parking Customers of the mobile payment options provided by the System. The City shall approve notices to Customers that appear during the transaction. The City's bank will also need to approve the website and all refund language prior to issuing a Merchant ID.
8. Marketing of the System to parking Customers.
9. Live telephone support to Customers.

10. Technical support and assistance to City staff.
11. The System as a white label application, without any branding, advertisements or other markings associated with the Contractor.

3. Tasks and Deliverables

The individual Deliverables are described in more detail below:

3.1. Information Transfer, System Requirements Confirmation

Once the Project starts, Contractor's Project Team (see Section 8 of this Exhibit B: Statement of Work, below) will contact the City's Project Manager and request all Specifications and other information that is needed to begin building out the System. This information shall include, but not be limited to:

3.1.1 Rate and Time Limits.

Contractor shall:

- a. Obtain rate and time limit information from the City to charge paid parking Customers accurate rates and limit parking durations according to City established limits.
- b. Define the process for updating rates and time stays, and Configure the System accordingly.

3.1.2 System Administration

The City shall determine the levels of access for a System Administrator. Either Contractor or the City shall set the levels of access during the implementation phase. Contractor recommends the following levels of access for the system administrator:

- a. System configuration, i.e., set access permissions for new and existing Users
- b. Customer service access
- c. Account reconciliation in financial transactions
- d. Reporting

3.2 Marketing, Signs, and Stickers

While Contractor's Project Team is Configuring and implementing the System for Use, Contractor shall assist the City in creating the necessary signage and marketing content needed to publicize the System. In this task the Contractor shall provide the following Deliverables:

- 3.2.1 **Deliverable 1:** Provide a document containing suggested marketing content (print and social media). Print and social media shall incorporate the City designated "white label" brand. The City shall approve prior to dissemination.
- 3.2.2 **Deliverable 2:** Provide a FAQ content document for the City's website. The City shall approve all content prior to dissemination.
- 3.2.3 **Deliverable 3:** Create a Customer awareness action plan. Contractor will work with the City to build out the brand and action plan. The City shall approve prior to implementation.
- 3.2.4 **Deliverable 4:** Implement the approved Customer awareness action plan. Contractor will work with the City to determine the most efficient methodology and plan for installation of marketing materials and public outreach.

Acceptance Criteria for Deliverables 1 through 4: These Deliverables shall be Acceptable if they are approved by the City's Project Manager in terms of content and form. Marketing materials to utilize the City approved "white label" brand and PBOT color palette. After Acceptance of these Deliverables, an Acceptance Certificate shall be issued by the City.

3.3 Interfaces

Contractor shall provide the following Deliverables:

- 3.3.1 **Deliverable 5:** Complete Interface with City's pay station contractor (Cale America) to include detailed Transaction Data sent real-time and viewable through Cale Web Office 2 and real-time parking session details for parking enforcement.

Acceptance Criteria for Deliverable 5. These Deliverables shall be Acceptable if they pass Acceptance Testing by City Users designated by the City's Project Manager, and the City's Project Manager has confirmed with Cale America and Schweers that the Interfaces are working as described in the Specifications. The City shall verify that mobile payment transactions are viewable on Cale Web Office and that parking session details sent to Cale and then Schweers are viewable from Schweers parking enforcement handheld devices. After Acceptance of these Deliverables, an Acceptance Certificate shall be issued by the City.

3.4 Payment Gateway and Settlement Functionality

Contractor's payment gateway shall be utilized in order to facilitate parking payment. Contractor shall create any necessary Interfaces and configure its payment gateway so that it shall:

3.4.1 **Deliverable 7: Configured payment gateway:** Obtain merchant account setup information from City, and provide PCI certified credit card payment gateway services as directed by City. With prior written permission from the City Treasurer, Contractor may change the designated payment gateway for this Contract, but any payment gateway designated shall possess the following features:

- a. Ensure the City is the merchant-of-record on all transactions
- b. Provide the City the lowest possible interchange rates for transactions
- c. Be PCI DSS certified.
- d. Be certified to the City's payment processor (Elavon).

- 3.4.2 **Deliverable 8: Software's direct Interface with City payment processor:** All transactions shall be processed real-time to the City's payment processor (Elavon)

- 3.4.3 **Deliverable 9: Real time Revenue deposit.:** Gross revenues shall be deposited directly and timely to the City's bank account (Wells Fargo)

- 3.4.4 **Acceptance Criteria for Deliverables 7 through 9.** These Deliverables shall be Acceptable if they pass Acceptance Testing by City Users designated by the City's Project Manager, and the City's Project Manager has confirmed with City Treasurer and Elavon that the Interfaces are working as described in the City's Specifications. After Acceptance of these Deliverables, an Acceptance Certificate shall be issued by the City.

3.5 Deliverable 10: The Configured System with Multiple Platforms for Payments

Contractor shall provide a System which shall enable Customers to pay for parking using multiple platforms.

- 3.5.2 **Acceptance Criteria for Deliverable 10:** This Deliverable shall be Acceptable if it meets the Acceptance Criteria below, and passes Acceptance Testing by City Users designated by the

City's Project Manager. After Acceptance of this Deliverables, an Acceptance Certificate shall be issued by the City.

- a. Customers can complete a paid parking transaction with voice commands.
- b. Customers can complete a paid parking transaction with a mobile device application.
- c. Available in App store for iPhone, and Google Play store for Android. Contractor shall be responsible for all App developer licenses, and other requirements related to the creation and distribution of the App to the public.
- d. Customers can complete a paid parking transaction using SMS (text) commands.
- e. Customers can complete a paid parking transaction using mobile Web. Web browsers supported shall include but not be limited to Internet Explorer, Firefox, Safari, and Google Chrome.
- f. Payment platforms are available in English and Spanish.

3.6 Deliverable 11: Transaction Sequence, Functionality, Customer Interface conform to Technical Specifications.

Acceptance Criteria: This Deliverable shall be Acceptable if it meets the Acceptance Criteria in the Acceptance Test Plan, Attachment B-3 to this Statement of Work, and passes Acceptance Testing by City Users designated by the City's Project Manager. After Acceptance of this Deliverable, an Acceptance Certificate shall be issued by the City.

3.7 Ongoing Customer Support

Contractor shall:

- a. Provide live telephone support for Customers as required in the RFP.
- b. Provide monthly summaries of Customer questions and responses.

3.8 Training, Ongoing Technical Support and Assistance

Contractor shall:

- 3.8.1 Provide training to City personnel on the following:
 - a. Contractor's back office software (Opps Man) from a general accounting/finance perspective and for Parking Enforcement.
 - b. How to use the System from a Customer perspective. Demonstrate all payment methods available in the Configured System.
- 3.8.2 Provide ongoing technical support to City personnel as required in the RFP and Contract Section 8.11.9.

4. Project Schedule

The detailed Project schedule is shown in the table below. Due dates are given as the number of Business Days after the Effective Date of this Contract:

Table 4A Project Schedule

#	Title	Description	Due Date
1	Information Request:	Once the Project starts, Contractor will request information needed to begin building out the System for the City.	5 Business Days
2	Rate Import	Once the City's rate structure for each location has been received, Contractor will import all rate information into their system and test for location accuracy.	10 Business Days
3	Marketing	Contractor marketing team will work with the City to build out the brand and Customer awareness action plan.	30 Calendar Days
4	Integrations	Contractor will work to make the necessary integrations with City's existing parking technology.	45 Calendar Days
5	System Delivery	Contractor will deliver a complete and fully functional System to the City ahead of the Go-Live date to allow for Acceptance Testing and sign off of the feature set, feel and overall functionality of the System.	90 Calendar Days
6	Marketing Installation	Contractor will work with the City to determine the most efficient methodology and plan for installation of the chosen marketing materials.	104 Calendar Days
7	Go-Live	Go-Live: Contractor will be onsite for the City's launch to support the City and provide technical support. Contractor will assign a dedicated team manager to oversee the launch and work with the City. Note that City may delay launch due to holiday moratorium on work in the City's right-of-way.	120 Calendar Days
8	Final Acceptance	The City has determined that the Acceptance Criteria have been met for all Deliverables, and the System has successfully completed the reliability test by operating continuously for ninety (90) continuous Calendar Days without a priority level 1 or 2 Error as detailed in Contract Section 8. The 30-day Reliability Test period resets if an Error of either level occurs.	210 Calendar Days
9	Post Go-Live Service	Contractor's dedicated team manager will continue to oversee the launch and work with the City on any post Go-Live follow-up items and support.	Ongoing after Final Acceptance

The Project, and all outstanding tasks and Deliverables shall be completed no later than January 31, 2017.

5. Status Reports

Contractor and the City shall utilize Asana, a product licensed to Contractor, to track and summarize activities under this Contract in weekly (prior to and during System Launch), transitioning to monthly status reports after Go-Live. The status reports are due one day prior to the scheduled weekly conference call and shall include summaries and updates on all open items.

6. Place of Performance

The work shall be performed at the Contractor’s locations and at the City’s facilities, as designated by the City’s Project Manager.

7. Project Management

The City’s Project Manager will be Michelle Roach.

Name: Michelle Roach
Title: Parking Operations Division Project Manager
Address: 1120 SW 5th Ave., Suite 800 Portland, OR 97204
e-mail: michelle.roach@portlandoregon.gov

For Interface work, the City’s Project Manager will be Malisa McCreedy

Name: Malisa McCreedy
Title: Transportation Division Manager
Address: 1120 SW 5th Ave., Suite 800 Portland, OR 97204
e-mail: malisa.McCreedy@portlandoregon.gov

Contractor’s Project Manager shall be:

Name: Moyo Orekoya
Title: Project Implementation Manager
Address: 1300 South Mint Street, Charlotte, NC 28203
e-mail: moyo.orekoya@passportinc.com

8. Contractor’s Project Team

The following Contractor personnel shall be working on this Project.

Name	Title/Role
Nathan Berry	Sales Contact
Moyo Orekoya	Project Implementation Manager
Dan Bliley	Director of Marketing
TBD	Client Success Manager

9. Incorporation of the Project plan, Acceptance Criteria and Acceptance Test Plan

The Acceptance Criteria in this Exhibit B: Statement of Work, are the baseline upon which a Deliverable may be determined to be Acceptable by the City’s Project Manager. A preliminary Acceptance Test Plan is included in this Statement of Work as Attachment B-3. This preliminary Acceptance Test Plan may be subsequently modified by the written agreement of the City and Contractor and the modified Acceptance Test Plan shall be incorporated into this Contract by reference.

The remainder of this page intentionally left blank.

Attachment B-1
Sample Acceptance Certificate
Exhibit B: Statement of Work
Contract No. 30005152

ACCEPTANCE CERTIFICATE

(09/15)

On this ____ day of _____, 20__, the City certifies Acceptance of (name of System or Deliverable(s)), in accordance with that certain Contract No. _____ for Procurement of _____ with an Effective Date of _____ ("the Contract"). This Certificate of Acceptance is issued subject to and in accordance with the Contract, all defined terms having the meanings as set forth in the Contract, and without prejudice to any claims which subsequently may arise in connection with Errors/defects in the System (*or combination of Products therefore*) described herein.

--- OR ---

ACCEPTANCE CERTIFICATE WITH EXCEPTIONS

On this ____ day of _____, 20__, the City certifies Acceptance of (name of System or Deliverable(s)), in accordance with that certain Contract No. _____ for Procurement of _____ with an Effective Date of _____ ("the Contract"). This Certificate of Acceptance is issued subject to the following exceptions:

- 1.
- 2.
- 3.

Exceptions must be completed by DATE. If Exceptions are not completed by DATE, the City may revoke Acceptance of the System.

This Certificate of Acceptance is issued subject to and in accordance with the Contract, all defined terms having the meanings as set forth in the Contract, and without prejudice to any claims which subsequently may arise in connection with Errors/defects in the System or Deliverable(s) described herein.

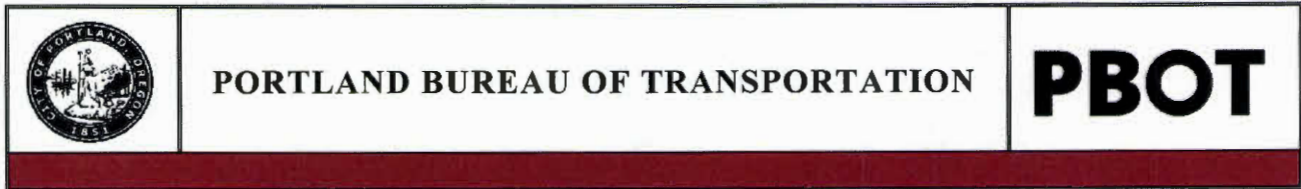
CITY OF PORTLAND

Authorized Signature Date

Printed Name

Title

Attachment B-2
Sample Change Order
 Exhibit B: Statement of Work
 Contract No. 30005152



SAMPLE CHANGE ORDER

Contractor	XX	Project Title	XX
Contract No.	XX	Change Order No.	*SAMPLE*
Contract Date	XX	Change Order Date	XX

Complete Summary Table below.

Select	Type	Description and Reason for Change	Modification to:
<input type="checkbox"/>	Time		Project Schedule and/or Contract
<input type="checkbox"/>	Scope or Specifications		Statement of Work Acceptance Test Plan
<input type="checkbox"/>	Deliverables		Statement of Work Acceptance Test Plan
<input type="checkbox"/>	Price		Statement of Work and/or Contract
<input type="checkbox"/>	Terms and Conditions		Request Amendment to Contract
<input type="checkbox"/>	Other		

The following are typical Change Order options. Please select and complete the applicable options. Attach modified documents where needed.

1. Additional time is necessary and the Project Schedule for the Statement of Work or a specific Deliverable is hereby extended through (insert new end date) or modified as shown on the attached Project Schedule.
2. Additional work or a change in work or Specifications is necessary: (identify changes to the Statement of Work, Deliverables and/or the Acceptance Test Plan)

3. A price adjustment is necessary for the following Deliverables. These changes will NOT affect the total not-to-exceed value of the Contract. (identify price changes, showing the original price and the modified price)

4. An Amendment to the Contract is requested for the following reasons: (Any change to the total value of the Contract, the term or ending date of the Contract, or the terms and conditions requires an Amendment)

The Change Order is subject to the terms and conditions of the above-referenced Contract.

The rest of the Statement of Work shall remain unchanged and in full force and effect.

CITY OF PORTLAND

CONTRACTOR

 Authorized Signature Date

 Authorized Signature Date

 Printed Name

 Printed Name

 City Project Manager
 Title

 Title

**Attachment B-3
Acceptance Test Plan
Exhibit B: Statement of Work
Contract No. 30005152**

The following tables are the preliminary Acceptance Test Plan for the Project. They may be modified by mutual agreement of the Parties in writing.

1. Acceptance Test Plan for the Transaction Sequence

Transaction Sequence			
Deliverable	Acceptance Criteria	Actual Result	Comments
Login	Customer can sign in with phone number, email, or other approved login mechanisms such as Facebook. (The City will want to verify the identity access controls for credential validation and 'federation' – where non-City credentials are used to confirm a customer's identity. "Password" and phone number, or e-mail address, or Facebook sign-in.)		
Privacy Policy	Customer can view and then accept or decline Privacy Policy (Exhibit D)		
Enter Zone #	Customer can input zone #		
Select Add Vehicle	Customer can add vehicle(s)		
Enter Plate info	Customer can add plate info		
Length of stay	Customer can input length of stay		
Choose payment /add card	Customer can add credit/debit card and pay with Visa, MC, and Amex.		
Confirm Payment	Customer sees "Please confirm" message		
Transaction Complete	Customer sees "transaction complete" message		
Active Session	Customer sees active session screen that tells Customer how long they have parked and payment information		
Reminder	Customer receives a notification 10 minutes before the session expires		

Acceptance Test Plan for Functionality

Functionality			
Deliverable	Acceptance Criteria	Actual Result	Comments
Pre-pay prior to the start of paid parking hours	The System will give Customers the opportunity to prepay for parking prior to the start of paid parking hours		
Restrict the ability to purchase past paid parking hours	The System will not allow people to pay for parking outside of the paid parking hours		
Allow Customer to purchase a parking session up to the posted time stay for that block face.	The System will allow Customer to pay for parking up to the maximum posted time stay for that block face.		
Allow Customer to purchase parking in Event and Restricted Areas	Restricted Parking should restrict the time stay for the Customer. Event District Parking should charge the Customer a different rate during event times.		
Allow Customer the ability to purchase time by inputting their temporary plate	A Customer can purchase time by inputting their license plate, temporary plate, or any other identifying characteristics		

2. Acceptance Test Plan for Customer Interface

Customer Interface			
Deliverable	Acceptance Criteria	Actual Result	Comments
Receive messaging that informs the Customer of their transaction success or failure of purchase attempt	After choosing a zone and either entering a parking spot or a license plate number, Customers will see a "Please Confirm" message pop up. If they select "No," they are taken back to the payment page. If they select "Yes", they are direct to the "Active Session" screen.		
Receive notification, and acceptance of, any Convenience Fees	Convenience fees will be displayed for the Customer on the Please Confirm page, and will remain for the duration of the session on the Active Session screen		

Customer Interface			
Deliverable	Acceptance Criteria	Actual Result	Comments
Have ability to add time (prior to confirming purchase), including the option to purchase the maximum time stay allowed	Customer will have the option to either pay for the maximum parking time allowed during the initial purchase, or choose a personalized amount of time, up to the maximum time allowed.		
Have ability to decrease time purchased before confirmed purchase	If Customers want to decrease parking time, they can return to the Parking Time Screen and change the amount of time on the screen and adjust prior to finalizing the session.		
Have ability to cancel transaction before purchase complete	If a Customer decides they no longer want to start a session, they can choose "No" when presented the Please Confirm message,		
Provide a message to the Customer that indicates either the maximum posted duration has been reached or that a parking restriction for that block face will impact the amount of time available for purchase	Customer will be notified of the maximum time allowed in their location, and will not be given the option to extend.		
Ability to allow the Customer to add time after the initial purchase if the Customer did not purchase the maximum time allowed	If the Customer has the option to extend the parking session (i.e. they did not max out their time on the initial purchase) the message will allow the Customer to extend the session at that time.		

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EXHIBIT C
CONTRACTOR'S TERMS AND
CONDITIONS
CONTRACT No. 30005152

Terms and Conditions

Effective date 12 April 2014 (Last modified 12 April 2014)

These Terms of Use ("Agreement") sets forth a legally binding agreement between you and PassportParking, Inc. ("Company"). This web site or application, including any software (including, without limitation, software, code, files, images, contained in or generated by the software, accompanying data, Boot ROM code and other embedded software), documentation and any accompanying fonts (collectively, the "Platform") is provided pursuant to this Agreement. By accessing this Platform in any way, including, without limitation, browsing this Platform, using any information, and/or submitting information to Company, you agree to and are bound by the terms, conditions, policies and notices contained in this Agreement), including, but not limited to, conducting this transaction electronically, disclaimers of warranties, damage and remedy exclusions and limitations, and a choice of North Carolina law. Please read this Agreement carefully before using this Platform.

From time to time we may update this Platform and this Agreement. Your use of this Platform after we post any changes to this Agreement constitutes your agreement to those changes. You agree to review this Agreement periodically to ensure that you are familiar with the most recent version. Company may, in its sole discretion, and at any time, discontinue this Platform or any part thereof, with or without notice, or may prevent your use of this Platform with or without notice to you. You agree that you do not have any rights in this Platform and Company will have no liability to you if this Platform is discontinued or your ability to access the Platform is terminated. You further agree that Company will not be liable for any modification or suspension of the Platform.

Please read this Agreement carefully before using the Platform. If you do not agree to the terms contained in this Agreement, then you may not use the Platform. Your use of the Platform constitutes your acknowledgement that you have the legal authority to bind yourself or any party you represent to, and your acceptance of, this Agreement. You acknowledge that you have read and agree to be bound by this Agreement and to comply with all applicable laws, regulations and/or rules with regard to your use of the Platform. You represent that you have the legal authority to bind yourself or any party you represent to this Agreement.

YOU MAY NOT USE THE PLATFORM FOR ANY PURPOSE THAT IS UNLAWFUL OR PROHIBITED BY THIS AGREEMENT. YOUR ACCESS TO THE PLATFORM MAY BE TERMINATED IMMEDIATELY IN COMPANY'S SOLE DISCRETION, WITH OR WITHOUT NOTICE, IF YOU FAIL TO COMPLY WITH ANY PROVISIONS OF THIS AGREEMENT AND/OR ADDITIONAL TERMS, OR FOR ANY OTHER REASON, OR NO REASON.

On certain areas of this Platform, you may be given the ability to provide us with personally identifiable information. Please read our [Privacy Policy](#) for more information about our information collection and use practices.

Grant of License

The Platform is licensed to you by Company subject to the terms of this Agreement. Neither title nor any intellectual property rights are transferred to you, but rather remain with Company or its licensors, who own full and complete title, and Company and respective licensors reserve all rights not expressly granted to you. The rights granted herein are non-transferable, and are limited to Company's intellectual property rights in the Platform and do not include any other patents or intellectual property rights. This Agreement does not grant you any rights to use Company proprietary interfaces and other intellectual property in the design, development, manufacture, licensing or distribution of third-party devices and accessories for use with the Platform. Any use of the Platform in any manner not allowed under this Agreement is prohibited. This Agreement does not entitle you to receive and does not obligate Company to provide hard-copy documentation, support, telephone assistance, or enhancements or updates to the Platform. You may not modify, alter, copy, publicly display or perform, distribute, create derivative works, of the Platform.

Your rights under this Agreement will terminate automatically without notice from Company if you fail to comply with any term(s) of this Agreement. Upon the termination of this Agreement, you shall cease all use of the Platform and delete all copies of the Platform from your mobile device and account.

Company Content

Company provides this Platform to you, subject to this Agreement. This Platform, and any services performed, provided or enabled by or through this Platform and all the information, communications, scripting, photos, text, video, graphics, music, sounds, images, trademarks, logos, product and program names, and other materials and complications of the foregoing, that may be provided to you via this Platform (collectively "Content") by Company or its content providers, are the property of Company and its content providers, and is protected in the U.S. and internationally under trademark, copyright, and other intellectual property laws, and are intended for the lawful use by registered users (as applicable) of this Platform. You represent and warrant that you will use the Platform and Content only for the purposes permitted herein, that all information you submit is accurate and otherwise complies with this Agreement, and that you will promptly notify Company if any of your information changes. Company makes no representation that the Platform or Content are appropriate or available for use in particular locations.

You agree not to download, display or use any Content in any other manner that is likely to cause confusion among consumers, that disparages or discredits Company and/or its licensors, that dilutes the strength of Company or its licensors' property, or that otherwise infringes Company or its licensors' intellectual property rights.

Accounts, Security, Passwords

Certain areas of the Platform may require registration or may otherwise ask you to provide information to participate in certain features or access certain content. If you elect not to provide such information, you may not be able to access certain content or participate in certain features of the Platform.

Where the Platform requires you to open an account or otherwise submit information, you must complete the specified process by providing us with current, complete, and accurate information as requested by the applicable registration form. It is your responsibility to maintain the currency, completeness, and accuracy of your registration data, including, without limitation, your name, address, license plate number, mobile telephone number, business details (if relevant), email address and method of payment details. After you have fully completed the registration form, you may be asked to choose a password and a user name. It is entirely your responsibility to maintain the confidentiality of your password and account. Additionally, you are entirely responsible for any and all activities that occur under your account. You agree to notify Company immediately of any unauthorized use of your account. You further agree not to email, post, or otherwise disseminate any user ID, password, PIN, or other information which provides you access to the Platform. Company is not liable for any loss that you may incur as a result of someone else using your password or account, either with or without your knowledge.

You agree that Company may collect and use technical and usage data and related information in compliance with our [Privacy Policy](#). You grant Company the permission to use this information to improve its products or to provide services or technologies to you.

Use of Parking Payment Services

You activate the parking payment services ("Parking Services") by either: (a) using the PassportParking mobile app, (b) calling a phone number provided on Company signage or (c) accessing our website at [GoPassport.com](#) either on your desktop or mobile browser.

You are responsible for correctly entering the relevant parking zone number, which is indicated on the sign on the same side of the street and on the same block where your vehicle is parked. The parking zone number informs us of the rate to charge you for your parking and of any time restrictions on the amount of time you are permitted to park your vehicle in that zone. You are responsible for checking

and verifying the side of the street and the block on which are parked for any permanent or temporary parking restrictions posted. Note that use of the Parking Services does not guarantee you a parking space and you may only activate the Parking Services after you have found an available space.

All notices and signs or directions made by relevant government authorities, traffic attendants or authorized persons (e.g., the suspension of a parking space) shall take precedence over any information that you receive from Company if for any reason the information is inconsistent. All applicable parking regulations apply to you and your use of the Parking Services does not exempt you from following such rules. Parking rates may be subject to change and it is your responsibility to ensure that you are paying at the then current parking rate. You agree to pay all fees for Parking Services provided to you pursuant to this Agreement. Company shall process the parking fee from the funds available in your pre-funded account and/or charging your stored method of payment to replenish your account funds at the time of your parking transaction. You must have a valid method of payment registered and sufficient funds in your pre-funded account, or suspension of Parking Services may occur.

You know that Company has validly accepted your parking transaction when you have received confirmation. You are responsible for ensuring that you have properly activated the Parking Services for the relevant parking zone before you leave your vehicle unattended. You are responsible for any fine, ticket, or penalty charge issued between the time of parking the vehicle and the notification via mobile telephone or Internet that the vehicle is validly parked.

In the event that the Platform is unavailable, you are not excused from paying for parking for time spent in the associated parking stall and facility.

Company is not responsible for any fines, parking tickets, penalty notices and the enforcement of vehicle parking related offenses you incur or receive regardless of whether or not you receive any notification via the Platform that the vehicle is validly parked. You are solely responsible for resolving with the relevant authorities any issues that you may have regarding the issuance of fines, parking tickets, penalty notices or your vehicle being impounded. If you authorize Company to contact the relevant authorities on your behalf regarding the issuance of fines, parking tickets or penalty notices, you acknowledge and agree that in such cases, Company may provide all or a portion of your information collected by Company to the relevant authorities. In addition, in the event that you fail to pay any amounts owing for the Parking Services (whether due to a declined credit card or other circumstances), then Company, upon the reasonable request of the relevant authorities, may provide all or a portion of your information collected by Company to such authorities, which you acknowledge and agree that they may use solely for purposes of collecting or attempting to collect any unpaid amounts owed by you.

If you do not use the Platform account for 2 years, Company may close your account. If your account is closed for any reason including for inactivity, Company will refund any remaining balance after all pending parking transactions are cleared to the payment method on file at the time. In the event a refund cannot be refunded to the payment method, you must contact Company for alternative ways to receive any applicable refund. Please allow up to 6 weeks for refunds to be processed.

Use of the Platform

The following requirements apply to your use of the Platform:

- You will not use any electronic communication feature of the Platform for any purpose that is unlawful, tortious, abusive, intrusive on another's privacy, harassing, libelous, defamatory, embarrassing, obscene, threatening, or hateful.
- You will not use the Platform for any commercial purpose not expressly approved by Company in writing.
- You will not upload or otherwise transmit any material that contains viruses or any other computer code, files, or programs which might interrupt, limit, or interfere with the functionality of any computer software or hardware or telecommunications equipment.
- You will not rent, lease, lend, sell, sublicense, assign, distribute, publish, transfer or otherwise make available the Platform or any features or functionality of the Platform, to any third party for any reason, including by making the Platform available on a network where it is capable of being accessed by more than one device at any time
- You will not make the Platform available over a network where it could be used on multiple devices at the same time.
- You will not remove, delete, alter or obscure any trademarks or any copyright, trademark, patent or other intellectual property or proprietary rights notices from the Platform, including any copy thereof.
- You will not collect or store personal data about other users.

Except as and only to the extent permitted by applicable law, you may not copy, decompile, reverse engineer, disassemble, attempt to derive the source code of, modify, or create derivative works of the Platform or any part thereof. Any attempt to do so is a violation of the rights of Company and its licensors of the Platform. If you breach this restriction, you may be subject to prosecution and damages. By storing content on your device, you are making a digital copy. In some jurisdictions, it is unlawful to make digital copies without prior permission from the rights holder.

Intellectual Property Ownership

There are a number of trademarks, logos, service marks, slogans, product names and designations and other proprietary indicia (collectively "Trademarks") used in the Platform and in the Content. By making

these Trademarks available through the Platform and in the Content, Company is not granting you a license to use them in any fashion, and you are not granted any license under any of Company's or any third party's Trademarks or other intellectual property rights, except as specifically set forth in this Agreement. No Company Trademarks may be used as a username, icon, identifier, hyperlink or in any other manner without Company's prior written permission.

The Platform, Content, and the selection, coordination, and arrangement thereof, is owned either by Company, or its respective licensors. The unauthorized copying, displaying, selling, distributing or other use of any Content or Platform is a violation of the law. You acknowledge having been advised by Company that the Content and Platform is protected in the U.S. and internationally by a variety of laws, including but not limited to, copyright laws and treaty provisions, trademark laws, patent laws and other intellectual property and proprietary rights laws.

Representations, Disclaimer of Warranties, and Limitations of Liability

Company and its parents, subsidiaries, officers, employees, and contractors and each of their officers, employees and agents (collectively, "Company Affiliates") make no representation or warranty whatsoever regarding the completeness, accuracy, timeliness or adequacy of any information, facts, views, opinions, statements or recommendations contained on the Platform. Reference to any product, process, publication or service of any third party by trade name, domain name, trademark, service mark, logo, manufacturer or otherwise does not constitute or imply its endorsement or recommendation by Company or the Company Affiliates.

The Internet may be subject to breaches of security. Company and the Company Affiliates are not responsible for any resulting damage to any user's device or computer from any such security breach, or from any virus, bugs, tampering, unauthorized intervention, fraud, error, omission, interruption, deletion, defect, delay in operation or transmission, computer line failure or any other technical or other malfunction. You should also be aware that e-mail and other submissions over the Internet may not be secure, and you should consider this before e-mailing Company or the Company Affiliates any information or posting information to the Platform. Company and the Company Affiliates make no representation or warranty whatsoever regarding the suitability, functionality, performance, availability or operation of the Platform. This Platform may be temporarily unavailable due to maintenance or malfunction of computer equipment.

THE PLATFORM (INCLUDING ALL APPLICATION PLATFORM UPDATES) AND THE CONTENT ARE MADE AVAILABLE ON AN "AS IS," "AS AVAILABLE" AND "WITH ALL FAULTS" BASIS. COMPANY AND THE COMPANY AFFILIATES SPECIFICALLY DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, WITHOUT LIMITATION, THE WARRANTIES OF MERCHANTABILITY, QUALITY, FITNESS FOR A PARTICULAR PURPOSE AND NON-INFRINGEMENT, WITH RESPECT TO THE PLATFORM AND

THE CONTENT. COMPANY DOES NOT WARRANT THAT THE FUNCTIONS CONTAINED IN OR SERVICES PERFORMED, PROVIDED OR ENABLED BY OR THROUGH THE PLATFORM (INCLUDING ANY APPLICATION PLATFORM UPDATES) WILL MEET YOUR REQUIREMENTS, THAT THE OPERATION OF THE PLATFORM, (INCLUDING ANY APPLICATION PLATFORM UPDATES) WILL BE UNINTERRUPTED OR ERROR-FREE, OR THAT DEFECTS IN THE PLATFORM (INCLUDING ANY APPLICATION PLATFORM UPDATES) WILL BE CORRECTED. No oral or written information or advice given by Company or an authorized representative shall be deemed to alter this disclaimer of warranty, or to create any warranty. Should the Platform prove defective, you assume the entire cost of all necessary servicing, repair or correction.

YOU AGREE THAT COMPANY AND THE COMPANY AFFILIATES ARE NOT LIABLE TO YOU FOR DAMAGES OF ANY KIND, WHETHER BASED IN TORT, CONTRACT, STRICT LIABILITY OR OTHERWISE, INCLUDING, WITHOUT LIMITATION, ANY DIRECT, SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR PUNITIVE DAMAGES ARISING OUT OF OR RELATED TO YOUR USE OF THE PLATFORM., EVEN IF COMPANY OR THE COMPANY AFFILIATES HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

SOME JURISDICTIONS DO NOT ALLOW THE LIMITATION OR EXCLUSION OF CERTAIN WARRANTIES AND CONDITIONS, OR THE DISCLAIMER OF SOME TYPES OF DAMAGES, SO SOME OF THE ABOVE MAY NOT APPLY TO YOU.

BY ACCESSING THIS PLATFORM, REGISTERING WITH THE PLATFORM AND/OR ACCEPTING ANY INFORMATION FROM THIS PLATFORM YOU AGREE TO INDEMNIFY, DEFEND AND HOLD COMPANY AND THE COMPANY AFFILIATES HARMLESS FROM AND AGAINST ANY ACTUAL OR ALLEGED CLAIMS, DEMANDS, CAUSES OF ACTION, JUDGMENTS, DAMAGES, LOSSES, LIABILITIES, AND ALL COSTS AND EXPENSES OF DEFENSE (INCLUDING REASONABLE ATTORNEYS' FEES AND COURT COSTS) ARISING OUT OF OR RELATING TO: (A) YOUR BREACH OF THIS AGREEMENT; (B) YOUR VIOLATION OF ANY LOCAL, STATE, FEDERAL OR INTERNATIONAL LAW, RULE OR REGULATION; (C) ANY MISREPRESENTATION MADE BY YOU; (D) THE THEFT, MISAPPROPRIATION OR DISCLOSURE OF YOUR USERNAME/PASSWORD/PIN; (E) YOUR AUTHORIZATION OF ANYONE ELSE TO USE YOUR PASSWORD. YOU WILL COOPERATE AS FULLY AND AS REASONABLY REQUIRED IN COMPANY'S DEFENSE OF ANY CLAIM. COMPANY RESERVES THE RIGHT, AT ITS OWN EXPENSE, TO ASSUME THE EXCLUSIVE DEFENSE AND CONTROL OF ANY MATTER OTHERWISE SUBJECT TO INDEMNIFICATION BY YOU, AND YOU SHALL NOT, IN ANY EVENT, SETTLE ANY MATTER WITHOUT THE WRITTEN CONSENT OF COMPANY.

Mobile Service, Text Message, Internet and Service Fees

The use of the Platform may require use of a mobile device and phone service, wireless mobile data service, and text messaging capability, which must be obtained from your wireless carrier, and may require Internet access, which must be obtained from your service provider; you are responsible for obtaining and paying for such additional services and obtaining a suitable device, including without limitation all usage charges related thereto. You may be required to send and receive, at your cost, electronic communications related to the Platform, including without limitation, administrative messages, service announcements, and diagnostic data reports, from Company, your mobile carrier or third party service providers.

If you agree to receive text messages from the Platform, the frequency of messages will vary based on your parking activity. Certain texts are required to use the Platform, including verification texts. Message and data rates may apply from your mobile carrier. By providing your consent to participate in this program, you approve any such charges from your mobile carrier. If you do not have an unlimited wireless mobile data plan or text messaging capability, you may incur additional charges from your wireless service in connection with your use of the Platform. You are solely responsible for obtaining any additional subscription or connectivity services or equipment necessary to access the Platform, including but not limited to payment of all third party fees associated therewith, including fees for information sent to or through the Platform.

The Platform may not work with all devices or all mobile carriers. Company makes no representations that the Platform will be compatible with or provided by all mobile carriers. In the event that fees are charged for the Platform, or other third party service providers charge a fee for the products or services they provide, you agree to pay such fee to the respective party in exchange for your continued use of such products or services. Some services may be subject to different or additional terms (including fees), which you will be required to agree to prior to your use of such services.

The information in any Platform message may be subject to certain time lags and/or delays. You are responsible for managing the types of SMS texts you receive. If you have any questions or need help, text HELP to the phone number provided on Company signage. You can deactivate your account at any time at www.gopassport.com.

Users of the Apple Platform

If you download and use the iOS Platform: You, the end-user of the Platform, acknowledge that the Agreement is entered into by and between Company and you and not with Apple, Inc. Notwithstanding the foregoing, you acknowledge that Apple, Inc. and its subsidiaries are third-party beneficiaries of this Agreement and that Apple, Inc. has the right (and is deemed to have accepted the right) to enforce this Agreement. You acknowledge that Apple, Inc. has no obligation whatsoever to furnish any maintenance and support services with respect to the Platform. You acknowledge that you have

reviewed the App Store Terms and Conditions (located online at <http://www.apple.com/legal/itunes/us/terms.html#APPS>). This Agreement incorporates by reference the Licensed Application End User License Agreement (the "LAEULA") published by Apple, Inc. (located online at <http://www.apple.com/legal/itunes/appstore/dev/stdeula/>). For purposes of this Agreement, the Platform is considered the "Licensed Application" as defined in the LAEULA and Company is considered the "Application Provider" as defined in the LAEULA. If any terms of this Agreement conflict with the terms of the LAEULA, the terms of this Agreement shall control. You further acknowledge and agree that in no event will Apple, Inc. be responsible for any claims relating to the Platform (including, without limitation, a third party claim that the Platform infringes that third party's intellectual property rights) or your use or possession of the Platform, including but not limited to: (i) product liability claims; (ii) any claim that the Platform fails to conform to any applicable legal or regulatory requirement; and (iii) claims arising under consumer protection or similar legislation.

Links to Third-Party Websites, Applications, and Services

The Platform may provide connectivity or links to other third-party services, websites, applications, software, and other content from third-party providers such as social media partners, wireless carriers, and third-party software application developers ("Third-Party Services"). The Platform may allow you to add/configure certain Third-Party Services to your device. Company has no control over, makes no representations or warranties whatsoever about any of the Third-Party Services that you may access, is not responsible for the availability of such Third-Party Services, and does not endorse nor is responsible or liable for any content or other materials on or available from such Third-Party Services. Your use of the Third-Party Services may be subject to additional terms, including software license terms, of those third parties.

Users who utilize the Third-Party Services should be aware that account and other personal information held by those third parties may be transmitted through and stored on Company servers and/or applications located in the United States and elsewhere. You understand and agree that the companies that provide the Third-Party Services may access, use and share certain information about you, if you use the Third-Party Services. You understand and agree Company is not responsible for these companies, or their use of any other of your information. Your use of the Third-Party Services is at your own risk.

Assignment

Company may assign this Agreement in whole or in part, at any time with or without notice to you. You may not assign this contract, or any part of it, to any other person. Any attempt by you to do so is void. You may not transfer to anyone else, either temporarily or permanently, any rights to use all or any part

of the Platform. To the extent that you allow a third party to use your device, you shall remain solely responsible for the use of the Platform by others using the device.

General Information

You may also be subject to additional terms and conditions (including, but not limited to, terms and conditions from your wireless carrier or operator) that may apply to your use of the Platform. If any provision of this Agreement is held to be invalid by any law, rule, order or regulation of any government or by the final determination of any state or federal court, such invalidity shall not affect the enforceability of any other provision of this Agreement. The failure of Company to exercise or enforce any right or provision of this Agreement shall not constitute a waiver of such right or provision.

By using the Platform, you agree that the statutes and laws of the United States and the State of North Carolina without regard to conflicts of laws principles, will apply to all matters relating to use of the Platform and the Services, and you agree that any litigation shall be subject to the exclusive jurisdiction of the state or federal courts in Wake County, North Carolina, USA. The United Nations Convention on Contracts for the International Sale of Goods (1980) is hereby excluded in its entirety from application to this Agreement. You agree that regardless of any statute or law to the contrary, any claim or cause of action arising out of or related to use of the Platform or this Agreement must be filed within one (1) year after such claim or cause of action arose or be forever barred. You further agree that any disputes, claims and causes of action arising out of or connected with the Platform and/or this Agreement, will be resolved individually, without resort to any form of class action. The section titles in this Agreement are for convenience only and have no legal or contractual effect.

In the event of a complaint or concern regarding this Agreement or the Platform, or for more information, please contact Company at 704-837-8066 or info@gopassport.com

Privacy Policy

Last modified 12 April 2014

**EXHIBIT D
CONTRACTOR'S PRIVACY
POLICY
CONTRACT No. 30005152**

Introduction

PassportParking, Inc., respects your privacy and is committed to protecting it through our compliance with this policy. This policy describes our privacy practices for our applications and websites where it is posted. This policy does not apply to information we might collect in other situations, like offline or by email. This policy also does not apply to the practices of third parties who may provide services or features on our sites or apps.

Please read this policy carefully to understand our policies and practices regarding your information and how we will treat it. If you do not agree with our policies and practices, do not download, register with or use this application or service. By downloading, registering with or using this application or service, you agree to this privacy policy. This policy may change from time to time. Your continued use after we make changes is deemed to be acceptance of those changes, so please check the policy periodically for updates.

Information We Collect and How We Collect It

Information You Provide to Us

When you download, register with or use this application or website, we may ask you provide information:

- **Personal Information.** By which you may be personally identified, such as name, phone number, mailing address, and email address.
- **Payment information.** If you make purchases or create an account, we might collect your credit card and billing information.
- **Vehicle information.** For example, we might collect your license plate number.
- **Transaction information.** Details of transactions you carry out through the application and of the fulfillment of your orders.

Automatic Information Collection

When you download, access and use our application or website, it may use technology to automatically collect:

- **Website Details.** We may also collect information about the parts of our application or website you use or third party websites you visit when you leave our website. We may work with third parties who collect information about you when you use our apps or website.
- **App Usage Details.** When you access and use the application, we may automatically collect certain details of your access to and use of the app, including location data and other communication data and the resources that you access and use on or through the app.
- **Device Information.** If you download our application, we may collect information from your mobile device, like your device ID.
- **Other information.** We may collect information about your IP address, operating system, browser type, mobile network information and the device's telephone number.
- **Location Information.** Our application collects real-time information about the location of your device to provide you services and to make it easier for you to use our service.

Information Collection Technologies

The technologies we use for automatic information collection may include:

- **Cookies (or mobile cookies).** A cookie is a small file placed on your smartphone. It may be possible to refuse to accept mobile cookies by activating the appropriate setting on your smartphone. However, if you select this setting you may be unable to access certain parts of our application.

You can choose whether or not to share personal information. If you choose not to share, some parts of our sites and some services may be more difficult or impossible to use. Your browser may give you the ability to reject cookies or turn off location-based capabilities. If you choose not to disable these features, some parts of our sites and some services may be more difficult or impossible to use. If you do not want us to collect information about you or your device do not download the application or uninstall it from your device.

How We Use Your Information

We use information that we collect about you or that you provide to us, including any personal information, to:

- **We use information to respond to your requests or questions.** For example we may use your information to help you access your account if you forget your password.

- **We use your information to help us improve our products and services.** We may use information to customize and improve your experience. For example, we might look at usage trends to make sure our sites and apps are easy to use.
- **For security purposes.** We may use information to protect our company, our customers, our websites, or our applications.
- **To provide updates.** For example, we may send you email or push notifications about your account, transactions, or changes to our sites, applications, or policies.
- **For our legitimated business purposes.** We will also use your information to fulfill any other purpose for which you provide it. We may also use information you provide to carry out our obligations and enforce our rights arising from any contracts entered into between you and us, including for billing and collection. We may combine information that we receive about you from third parties with information we already have.
- **As otherwise permitted by law.**

Disclosure of Your Information

We may disclose aggregated information about our users without restriction. In addition, we may disclose personal information that we collect or you provide in the following ways:

- We share information with parking and transit providers in order for you to use their parking and transit services and to support their management and enforcement process.
- **Service Providers.** We share information with contractors, service providers and other third parties we use to support our business.
- **Change in corporate ownership.** We share information with a buyer or other successor in the event of a merger, divestiture, restructuring, reorganization, dissolution or other sale or transfer of some or all of PassportParking, Inc.'s assets, whether as a going concern or as part of bankruptcy, liquidation or similar proceeding, in which personal information is among the assets transferred.
- **To protect rights and safety.** If we believe disclosure is necessary or appropriate to protect the rights, property, or safety of PassportParking, Inc., our customers or others.
- **For legal purposes.** To comply with any court order, law or legal process, including to respond to any government or regulatory request.
- **To our subsidiaries and affiliates.**
- **For any other purpose we disclose when you provide the information.**
- **Otherwise with your consent.**

Your California Privacy Rights

California Civil Code Section 1798.83 permits users of our application that are California residents to request certain information regarding our disclosure of personal information to third parties for their direct marketing purposes. To make such a request, please send an e-mail to info@gopassport.com.

Other Information

Data Security

We have implemented measures designed to secure your personal information from accidental loss and from unauthorized access, use, alteration and disclosure. However, the internet is a public place. We cannot promise that your information will remain secure. We encourage you to use caution when sharing information. Do not share your password with other people and pick secure passwords.

Our sites and servers may be located in the United States. If you are outside of the U.S., your information may be sent to the United States. By using our sites and applications, and by giving us your information, you consent to such transfer. You also understand that the U.S. may not provide you with as much protections as the laws of your country.

The safety and security of your information also depends on you. Where we have given you (or where you have chosen) a PIN or password for access to certain parts of our application, you are responsible for keeping this information confidential. We ask you not to share this information with anyone.

Children under the Age of 13

Our platform is not intended for children under 13 years of age, and we do not knowingly collect personal information from children under 13.

Third-Parties

Our sites and applications may contain links to third party sites. If you click on one of those links, you will be taken to sites we do not control. This policy does not apply to the practices of that site. You should read third party privacy policies carefully.

Changes to Our Privacy Policy

We may update our privacy policy from time to time. If we make material changes to how we treat our users' personal information, we will post the new privacy policy on this page.

Accessing and Correcting Your Personal Information

You can review and change your personal information by logging in and visiting your account profile page.

*To ask questions or comment about this privacy policy and our privacy practices, contact us at:
info@passportinc.com*



MEMORANDUM

DATE: February 13, 2026

TO: Mayor Anne McEnerny-Ogle
Vancouver City Council

FROM: Lon Pluckhahn, City Manager

RE: **Analysis of Mobile Parking Payment Options**

CC: Jeff Towery, Patrick Quinton, Chris Harder, Gabriel Montez

Introduction

This memorandum provides an update on the City’s current use of the Parking Kitty mobile parking payment solution (“Parking Kitty”), along with a comparison of its functionality and cost relative to other leading mobile payment competitors in the market. The background information is intended to assist City Council in reviewing a proposed extension of the City’s relationship with Passport Parking Inc. (“Passport”), the vendor that hosts and manages the Parking Kitty app.

Background

The Parking Kitty mobile payment app was adopted for use by the City in January 2019 following its successful implementation in Portland, Oregon in 2017. Vancouver acquired access to the Parking Kitty app by piggybacking off the contract between the Portland Bureau of Transportation (PBOT) and Passport. PBOT’s contract with Passport is currently being renewed with a new expiration date of 2030. Through this agreement, Vancouver can utilize the app through 2030 under the terms of PBOT’s contract while maintaining a direct relationship with the vendor. The City of Portland and PBOT do not receive any funds from the City of Vancouver or individuals parking in Vancouver through this agreement.

Since its introduction in Vancouver in 2019, Parking Kitty has facilitated 2.7 million transactions from 277,000 unique users in Vancouver (i.e., accounts established in Vancouver). In 2025 alone, more than 800,000 mobile payments were made, accounting for 66% of all paid parking transactions in the Downtown Parking District. In addition,

Parking Kitty is now used at Wintler and Marine Parks, as well as Pearson Airfield to collect parking and day use fees.

Approximately 90% of all Parking Kitty transactions in Vancouver and 80% of unique parkers originate from the Portland metropolitan area, with half of all local users from Washington zip codes and half from Oregon zip codes. This data highlights the predominantly regional use of the Parking Kitty app.

Payment Solution Comparison

In anticipation of an upcoming decision to either extend the City’s relationship with Passport for Parking Kitty or switch to a different provider of mobile parking payment solutions, Parking Services staff performed a comparative analysis of the cost and functionality of Parking Kitty with mobile parking payment applications offered by Passport, ParkMobile, PayByPhone and HonkMobile.

Financial Analysis

Mobile payment solutions earn revenues through two primary sources: 1) transaction fees paid by users and 2) gateway fees tied to credit card transactions and paid by the jurisdiction to the vendor. Vancouver pays Passport a gateway fee of \$.05 per credit card transaction. These fees are typically customized based on volume of transactions and how credit card transactions are handled and are not easily compared across vendors.

While transaction fees vary per contract, staff have assembled the likely fees associated with the primary payment apps through information available on collective purchasing websites, existing contracts in other communities, and conversations with vendors. Below is a comparison of the typical fees associated with each of the payment apps:

	Transaction Fee
Parking Kitty (Passport)	\$0.10
Passport (General)	\$0.30
ParkMobile	\$0.25
PayByPhone	\$0.35
HonkMobile	\$0.25

Because of Portland’s long-standing relationship with Passport and the imbedded base of existing users, Parking Kitty offers a fee per transaction that is not available from other mobile payment applications. As the above table shows, transaction fees negotiated through a new contract with one of the above vendors would likely range from \$0.25 to \$0.35 per transaction. Based on the number of transactions in 2025, this increase in price would result in an additional \$130,000 to \$200,000 paid by local users annually.

Function and Features Analysis

The features available on payment applications vary but most have some combination of the following features:

- **Notifications:** Customers receive notifications when a parking session is about to end.
- **Remote Extension:** Parking sessions can be extended virtually without returning to the vehicle.
- **Receipts/Payment History:** Receipts are available electronically and customers can view their transaction history.
- **Map/Space Finding:** Customers can view available parking zones based on location. Does not cover space availability.
- **Wallet:** Customers can make payments either using payment methods stored in the app or using generic virtual wallets such as Apple, Google, or Samsung Pay.
- **Reservations:** Customers can view off street spaces available for reservation ahead of time. These are often related to events.
- **Business Accounts:** Businesses can create accounts to collectively pay for and manage multiple fleet or employee parking sessions at once.

The table below summarizes the available functions and features in the apps analyzed by staff:

Parking App Features

Application	Notifications	Remote Extension	Receipts/ Payment History	Map/Space Finding	Wallet	Reservations	Business Accounts
Parking Kitty (PDX)	●	●	●	○	○	○	○
Passport (General)	●	●	●	●	●	○	○
ParkMobile	●	●	●	●	●	●	●
PayByPhone	●	●	●	●	●	●	●
HonkMobile	●	●	●	●	●	●	○

As shown above, Parking Kitty offers the fewest features of all the apps studied, instead focusing on the core functions used for day-to-day parking. ParkMobile and PayByPhone are the most feature-rich of the alternatives and include mapping,

wallet and reservation functions. The Parking Kitty app has the ability to link to City parking maps and staff is working with Passport to add that functionality.

Next Generation Payment Options

While mobile parking apps have become the primary payment option for public parking, new mobile payment technologies are being adopted by municipalities, universities, and event venues to improve the ease of payment and user experience. QR code and Text 2 Pay technologies, in particular, are growing in popularity and use. These options allow users to pay for parking via a mobile device without having to download an additional app. Both Text 2 Pay and QR codes directly link a user to a secure payment page, where they can enter credit card info or use a card saved in a standard digital wallet. Alternative payment methods offer a digital solution for payments without the burden of downloading a new app, which is particularly attractive to users who do not want to store payment information on third party apps and visitors who are not familiar with Parking Kitty. The Downtown Access, Mobility and Parking Plan prioritizes the expansion of payment options and staff are focused on implementing these options in 2026.

Besides adding new options for public parking, City staff have been working with private parking operators to promote use of online reservation tools such as SpotHero and ParkWhiz. Staff have also updated the Parking Services online map to allow customers to view types and locations of available parking and payment methods.

Recommendation

Despite the comparative lack of features on Parking Kitty, staff recommend continuing the use of this app through the City of Portland contract for the following reasons:

- Switching to a new app would substantially increase transaction costs without a corresponding increase in value to users;
- Maintaining the Parking Kitty app allows parking app users in Vancouver to park across the region with one common payment option;
- Priority for limited staff resources is to bring online next generation payment options to improve user experience instead of switching to a new payment app; and
- Staff will continue to work with Passport to add new features to the Parking Kitty app.

Given the extension of PBOT's contract with Passport through 2030, the City can continue to utilize the Parking Kitty app through the remainder of the PBOT contract by authorizing increases in the amount of the City's piggyback contract to match increases in activity and resulting pass-through transaction fees. Staff will bring an action to authorize such an increase in March.



CITY OF VANCOUVER
Procurement Services
(360) 487-8430
(360) 487-8433 fax
www.cityofvancouver.us
Federal Tax ID No. 91-6001288

Table with contract details: Contract # C-100069, Start Date Jun 24, 2019, End Date Nov 20, 2026, Total Contract Amount \$475,000.00

Passport Labs Inc.
PO Box 674924
Detroit, MI 48267

Submit all invoices and questions to:

Gabriel Montez / gabriel.montez@cityofvancouver.us

Contract Overview

Piggyback, City of Portland No 30005152. Implement a hosted system which allows members of the public to pay for on-street parking using mobile devices.

Piggyback, City of Portland No 30005152. Amendment 1 extends end date to 11/26/2026. mw

5/12/25: Increase spending limit by \$175,000, to \$475,000. SR 098-25

Terms and Conditions

Visit our website at https://www.cityofvancouver.us/business/procurement-services/#terms to access either the general terms and conditions (Rev. 05/2017) or the Professional Services terms and conditions (Rev. 05/2017), which are applicable if there is no written contract.

Handwritten signature of Nebula Fausse

Authorized Signature

Staff Report: 042-26

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Connecting Housing to Infrastructure Program (CHIP) Agreement Authorization

Key Points

- On January 22, 2025 and January 15, 2026, the City was awarded Connecting Housing to Infrastructure Program (CHIP) grant funds to reimburse waived system development charges (SDCs) and the cost of water, storm, and sewer utility improvements associated with six affordable housing projects.
- Through both awards, the City will accept \$3,566,748.24 from the State and award that amount to the selected developers.

Strategic Plan Alignment

Housing and Human Needs – meeting basic needs and partnering with organizations to support the community

Present Situation

Each year in the fall, the City partners with local affordable housing developers to apply for CHIP grant funds. Each application is specific to an individual affordable housing project. CHIP funds may be used to reimburse the City for waived SDCs and costs associated with water, storm, and sewer utility improvement costs. A CHIP applicant must be a city, county or public utility district in partnership with an affordable housing developer. Projects must meet specific criteria:

- Located in a jurisdiction that imposes an affordable housing sales and use tax and located within the urban growth area boundary.
- A minimum of 25% of units remain affordable to households with low to moderate income for at least 25 years.
- Development must begin construction within 24 months of CHIP award.

On January 22, 2025, the City received the following awards:

Developer	Project	Units	SDC Amount	Utility Amount	Total Amount
Crestwood Development	Crestwood Corner	4	\$15,200	\$256,291	\$271,491
Evergreen Habitat for Humanity	132 nd Ave Cottages	32	\$148,212	\$347,700	\$495,912
Housing Initiative	Claudia’s Place	40	\$189,730	\$452,294	\$642,024

On January 15, 2026, the City received the following awards:

Developer	Project	Units	SDC Amount	Utility Amount	Total Amount
Community Roots	Mill Plain Project	24	\$115,297.92	\$542,399.00	\$657,696.92
Palindrome	Heights – Artifact	109	\$499,624.32	\$0.00	\$499,624.32
Related NW	Heights – VHA Family	80	\$431,905.62	\$568,094.38	\$1,000,000.00

Because these CHIP awards are \$1,000,000 or less, the City Manager has authority to accept them from Commerce without Council approval. However, the City Manager only has authority to award contracts up to \$300,000 without Council approval.

The Crestwood Corner award is under the \$300,000 threshold, so no Council approval is needed.

The Palindrome Heights Artifact award is for an SDC waiver, which City Council authorized in Ordinance M-4397, so no further contract or Council approval is needed.

The other four awards require Council approval in order for the City Manager to negotiate and execute agreements with the developers.

Advantage(s)

Supports development of 289 units of affordable rental and homeownership housing in the City of Vancouver.

Challenge(s)

None

Budget Impact

The City does not fund CHIP and simply acts as a pass-through intermediary to accept awards from the State and grant funds to selected developers. A minimal amount of staff time is dedicated to processing the awards. 2025 awards are included in the budget in Fund 108 and 2026 awards are included in the 2026 Spring Supplemental budget process.

Prior Council Review

None

Action Requested

On Monday, March 2, 2026, authorize the City Manager, or designee, to negotiate and execute agreements associated with the 2025 and 2026 CHIP grant awards; authorize the City Manager to take any legal action necessary to enforce the terms of the same.

Staff Contact

Ian Alger, Housing Project Planner, Ian.Alger@cityofvancouver.us

Attachments:

1. Award Letter - Claudia's Place
2. Award Letter - Crestwood
3. Award Letter - Evergreen Habitat
4. Award Letter - C-Roots

5. Award Letter - Palindrome
6. Award Letter - Related



STATE OF WASHINGTON
DEPARTMENT OF COMMERCE

1011 Plum Street SE • PO Box 42525 • Olympia, Washington 98504-2525 • (360) 725-4000
www.commerce.wa.gov

January 22, 2025

City of Vancouver

415 W 6th St

Vancouver, WA 98660

Delivered via Email to Hayley Woodbridge: housing@cityofvancouver.us

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Vancouver has been awarded \$642,024.00 from the Connecting Housing to Infrastructure Program (CHIP) for the Claudia's Place project. Funding for this program is provided from the State Building Construction Account, and your grant will be governed by those rules.

Commerce is planning to announce these awards in a press release and other communications on January 30, 2025. Please keep news of your award embargoed until Commerce's announcement.

This grant will be administered by the Growth Management Services (GMS) unit of the Washington Department of Commerce. All pre-contracting requirements must be met prior to executing a contract and before drawing down any funds. If not already provided, these may include:

- Proof of site control.
- A project schedule showing affordable housing development be able to begin construction within 24 months of the award.
- Documentation of a program that will monitor affordability of units for a minimum of 25 years or securitization (covenant and/or note and deed of trust for affordable housing units) if no other partner.
- For reimbursement of waived system development charges, documentation of waived charges/fees or a letter of commitment that the fees will be waived and the timeframe for such waiver.
- Documentation of consultation with Department of Archeology and Historic Preservation (DAHP) and affected tribes is completed or in process, consistent with GEO 21-02. With this letter, Commerce delegates consultation authority to the grantee. Please complete the

EZ-1 form and submit to DAHP, and ensure Commerce is included in subsequent communications.

Once all pre-contracting requirements have been met, a contract will be prepared and sent for signature via DocuSign. Once both parties have signed the contract, we will send the fully executed contract. More information is available in the CHIP Handbook located at www.commerce.wa.gov/chip/.

Anne Anderson will be in touch with you to develop the contract(s) and answer any questions you may have. Her email is Anne.Anderson@commerce.wa.gov, and her phone number is (564) 233-9997.

Sincerely,

A handwritten signature in black ink that reads "Dave Andersen". The signature is fluid and cursive, with the first name "Dave" being more prominent than the last name "Andersen".

Dave Andersen, AICP
Managing Director
Growth Management Services

cc:

Anne Fritzel, AICP, Housing Programs Manager, Growth Management Services
Mischa Venables, CHIP Program Manager, Growth Management Services
Anne Anderson, CHIP Contracts Manager, Growth Management Services



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January 22, 2025

City of Vancouver

415 W 6th St

Vancouver, WA 98660

Delivered via Email to Hayley Woodbridge: housing@cityofvancouver.us

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Vancouver has been awarded \$186,232.00 from the Connecting Housing to Infrastructure Program (CHIP) for the Crestwood Corner project. Funding for this program is provided from the State Building Construction Account, and your grant will be governed by those rules.

Commerce is planning to announce these awards in a press release and other communications on January 30, 2025. Please keep news of your award embargoed until Commerce's announcement.

This grant will be administered by the Growth Management Services (GMS) unit of the Washington Department of Commerce. All pre-contracting requirements must be met prior to executing a contract and before drawing down any funds. If not already provided, these may include:

- Proof of site control.
- A project schedule showing affordable housing development be able to begin construction within 24 months of the award.
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Managing Director
Growth Management Services

cc:

Anne Fritzel, AICP, Housing Programs Manager, Growth Management Services
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Anne Anderson, CHIP Contracts Manager, Growth Management Services



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www.commerce.wa.gov

January 22, 2025

City of Vancouver

415 W 6th St

Vancouver, WA 98660

Delivered via Email to Hayley Woodbridge: housing@cityofvancouver.us

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Vancouver has been awarded \$495,912.00 from the Connecting Housing to Infrastructure Program (CHIP) for the Evergreen Habitat for Humanity Cottage Cluster project. Funding for this program is provided from the State Building Construction Account, and your grant will be governed by those rules.

Commerce is planning to announce these awards in a press release and other communications on January 30, 2025. Please keep news of your award embargoed until Commerce's announcement.

This grant will be administered by the Growth Management Services (GMS) unit of the Washington Department of Commerce. All pre-contracting requirements must be met prior to executing a contract and before drawing down any funds. If not already provided, these may include:

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January 15, 2026

City of Vancouver
415 W 6th St
Vancouver, WA 98660
Delivered via Email to Samantha Whitley: housing@cityofvancouver.us

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Vancouver has been awarded \$657,696.92 from the Connecting Housing to Infrastructure Program (CHIP) for the Community Roots Mill Plain project. Funding for this program is provided from the State Building Construction Account, and your grant will be governed by those rules.

Commerce is planning to announce these awards in a press release and other communications. Please keep news of your award embargoed until Commerce's announcement.

This grant will be administered by the Growth Management Services (GMS) unit of the Washington Department of Commerce. All pre-contracting requirements must be met prior to executing a contract and before drawing down any funds. If not already provided, these may include:

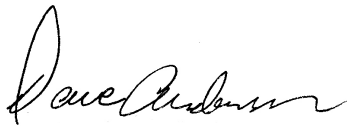
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Sincerely,

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Dave Andersen, AICP
Managing Director
Growth Management Services

cc:

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Anne Anderson, CHIP Contracts Manager, Growth Management Services



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www.commerce.wa.gov

January 15, 2026

City of Vancouver
415 W 6th St
Vancouver, WA 98660
Delivered via Email to Samantha Whitley: housing@cityofvancouver.us

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Vancouver has been awarded \$499,624.32 from the Connecting Housing to Infrastructure Program (CHIP) for the Palindrome Heights Artifact project. Funding for this program is provided from the State Building Construction Account, and your grant will be governed by those rules.

Commerce is planning to announce these awards in a press release and other communications. Please keep news of your award embargoed until Commerce's announcement.

This grant will be administered by the Growth Management Services (GMS) unit of the Washington Department of Commerce. All pre-contracting requirements must be met prior to executing a contract and before drawing down any funds. If not already provided, these may include:

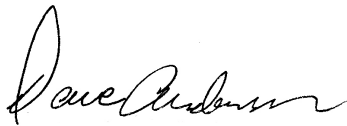
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cc:

Anne Fritzel, AICP, Housing Programs Manager, Growth Management Services
Mischa Venables, CHIP Program Manager, Growth Management Services
Anne Anderson, CHIP Contracts Manager, Growth Management Services
rvelarde@palindromecreates.com, hboyd@palindromecreates.com



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www.commerce.wa.gov

January 15, 2026

City of Vancouver
415 W 6th St
Vancouver, WA 98660
Delivered via Email to Samantha Whitley: housing@cityofvancouver.us

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Vancouver has been awarded \$1,000,000.00 from the Connecting Housing to Infrastructure Program (CHIP) for the Related NW Heights Family Housing project. Funding for this program is provided from the State Building Construction Account, and your grant will be governed by those rules.

Commerce is planning to announce these awards in a press release and other communications. Please keep news of your award embargoed until Commerce's announcement.

This grant will be administered by the Growth Management Services (GMS) unit of the Washington Department of Commerce. All pre-contracting requirements must be met prior to executing a contract and before drawing down any funds. If not already provided, these may include:

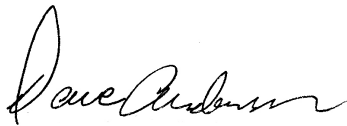
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Managing Director
Growth Management Services

cc:

Anne Fritzel, AICP, Housing Programs Manager, Growth Management Services
Mischa Venables, CHIP Program Manager, Growth Management Services
Anne Anderson, CHIP Contracts Manager, Growth Management Services
acorbray@related.com

Staff Report: 043-26

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Commerce Climate Planning Grant

Key Points

- The City of Vancouver has been awarded a \$275,000 Climate Planning Grant by Commerce.
- The grant will be used to create an EV Infrastructure Implementation Toolkit; to conduct planning and engagement for the 2026 Climate Action Framework Update; and to conduct engagement, education, and process development for implementation of the Green Building Program.
- Normally, a grant of this amount would not have to come to Council for approval; however, Commerce's Climate Planning Grant Agreement is based on the Authority of [RCW 39.34 Interlocal Cooperation Act](#), which the City Attorney's Office has confirmed requires City Council action.

Strategic Plan Alignment

Climate and Natural Systems – environmental stewardship and efforts to address climate change to ensure a sustainable future

Present Situation

The City was awarded \$275,000 through the Commerce Climate Planning Grant program to spend during the 2025-2027 biennium. Having already completed the climate element of the Comp Plan update (as required under the Growth Management Act), the City is eligible to use these funds for non-capital climate initiatives outlined in that climate element.

Normally, due to the smaller dollar amount, City Council action would not be required to enter into the grant agreement with Commerce. However, the grant agreement contains a requirement that Council must approve the agreement. In that circumstance, and pursuant to the City's Grants Delegation Resolution M-4344, this grant award agreement must be approved by City Council before the City Manager may execute the agreement.

Advantage(s)

The City will receive state funding to advance implementation of three key climate initiatives, including community engagement for the Climate Action Framework update and implementation of the EV strategy and Green Building Program.

Challenge(s)

None

Budget Impact

City will receive \$275,000 of funding from the state. The budget for this grant will be appropriated in the next Supplemental Budget process.

Prior Council Review

None

Action Requested

On Monday, March 2, 2026, authorize the City Manager, or designee, to accept a Climate Planning Grant from the WA Dept. of Commerce ("Commerce") and execute the Climate Planning Grant Agreement between the City of Vancouver and Commerce for \$275,000.

Staff Contact

Rebecca Small, Senior Policy Analyst, rebecca.small@cityofvancouver.us

Attachments:

1. Climate Planning Grant Contract



Interagency Agreement with

City of Vancouver

through

Growth Management Services

**Contract Number:
26-2663330-323**

For

2025-2027 Climate Planning Grant

Dated: Date of Execution

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Face Sheet

Contract Number: **26-63330-323**

**Local Government Division
Growth Management Services
2025-2027 Climate Planning Grant**

1. Contractor City of Vancouver CMO PO Box 1995 Vancouver, WA 98668		2. Contractor Doing Business As (as applicable) N/A	
3. Contractor Representative Rebecca Small Policy Analyst 3 360-839-6128 Rebecca.small@cityofvancouver.wa.us		4. COMMERCE Representative Melissa Johnston Senior Planner 360-725-3065 Melissa.johnston@commerce.wa.gov PO Box 42525 1011 Plum St. SE Olympia, WA 98504	
5. Contract Amount \$275,000	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, 2027
9. Federal Funds (as applicable) N/A		Federal Agency: N/A ALN N/A	
10. Tax ID # N/A	11. SWV # SWV 000-8489	12. UBI # 065-001-364	13. UEI # N/A
14. Contract Purpose To create an EV Infrastructure Implementation Toolkit; to conduct planning and engagement for the 2026 Climate Action Framework Update; and to conduct Engagement, Education, and Process Development for Green Building Program Implementation. (Implementation Activities).			
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 DRAFT ONLY - DO NOT SIGN _____ Lon Pluckhahn, City Manager _____ 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. ACKNOWLEDGEMENT OF CLIMATE COMMITMENT ACT FUNDING

This Agreement is funded in whole or in part by the Climate Commitment Act, Grantee agrees that any website, announcement, press release, and/or publication (written, visual, or sound) used for media-related activities, publicity, and public outreach issued by or on behalf of Grantee which reference programs or projects funded in whole or in part with Washington's Climate Commitment Act (CCA) funds under this Grant, shall contain the following statement:

“The WA Department of Commerce climate planning grant is supported with funding from Washington's Climate Commitment Act. The CCA supports Washington's climate action efforts by putting cap-and-invest dollars to work reducing climate pollution, creating jobs, and improving public health. Information about the CCA is available at www.climate.wa.gov.”

The Grantee agrees to ensure coordinated Climate Commitment Act branding on work completed by or on behalf of the Grantee. The CCA logo must be used in the following circumstances, consistent with the branding guidelines posted at [CCA brand toolkit](#), including:

- A. Any project related website or webpage that includes logos from other funding partners;
- B. Any publication materials that include logos from other funding partners;
- C. Any on-site signage including pre-during Construction signage and permanent signage at completed project sites; and
- D. Any equipment purchased with CCA funding through a generally visible decal.

3. 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.

4. COMPENSATION

COMMERCE shall pay an amount not to exceed \$275,000, 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.

5. BILLING PROCEDURES AND PAYMENT

COMMERCE will pay Contractor upon acceptance of deliverables and services 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 parties agree this is a performance-based contract intended to produce the deliverables identified in Scope of Work (Attachment A). Payment of any invoice shall be dependent upon COMMERCE'S acceptance of Contractor's performance and/or deliverable. The invoices and attachments shall describe and document, to COMMERCE's satisfaction, deliverables or a description of the work performed, the progress of the project, and fees. The invoice shall include the Contract Number 26-63330-323. 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.

Contract funds must be used only for work covered by this Agreement. All back-up documents such as consultant or subcontractor/subgrantee invoices, expense reports, and/or staff time and expenses related to contract work, should be provided if requested by Commerce.

Final Invoices

Commerce will provide notification of the end of contract due date.

Grant Timeline

COMMERCE will reimburse the Contractor beginning July 1, 2025, for costs paid performing work as described under this Agreement.

Allowable expenses for the performance of work and submission of completed deliverables to Commerce are eligible for reimbursement under this Contract from July 1, 2025, through the end date listed on the Face Sheet, subject to reimbursement requirements stated herein. Commerce shall not reimburse Grantee expenses for activities outside this period.

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.

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 deliverable (or completion of the project, final report, etc.).

Line Item Modification of Budget

- A. Notwithstanding any other provision of this Contract, the Grantee may, at its discretion, make one-time modification or modifications to line items in the Budget (Attachment B) that will not increase the line item by more than twenty percent (20%).
- B. The Grantee shall notify COMMERCE in writing (by email) when proposing any budget modification to the Budget (Attachments B). Conversely, Commerce may initiate the budget modification approval process if presented with a request for payment under this Contract that would cause reallocation of line item amount to exceed the twenty percent (20%) threshold increase described above.
- C. Any such budget modification or modifications as described above shall require the written approval of COMMERCE (by email), and such written approval shall amend the Budget. Each party to this contract will retain and make any and all documents related to such budget modifications a part of their respective contract file.
- D. Nothing in this section shall be construed to permit an increase in the amount of funds available as set forth in Section 4 of this Contract, nor does this section allow any proposed changes to the Scope of Work, including Tasks/Work Items and Deliverables under Attachment A, without specific written approval from COMMERCE by amendment to this contract.

6. 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.

7. 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.

8. 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.

9. 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.

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Attachment A: Scope of Work

Task/Deliverable	Description	Start/End Date
Section 1	Climate Action Framework Update: Planning and Engagement	01/01/26 – 06/30/27
Task 1.1	<i>Conduct review of recent community engagement findings to shape engagement strategy and maximize community capacity</i>	06/30/26
Task 1.2	<i>Convene a Climate Community Advisory Team</i>	12/31/26
Task 1.3	<i>Establish Public Engagement Strategy and Tribal Engagement Strategy</i>	06/30/26
Deliverable 1.1	A memo summarizing the priorities and recommendations of the Climate Community Advisory Team and outlining the two Engagement Strategies	06/30/26
Task 1.3	<i>Implement Public and Tribal Engagement Strategies</i>	12/30/26
Task 1.4	<i>Update Climate Action Framework (CAF) with community priorities and projects identified during engagement</i>	01/30/27
Deliverable 1.2	A copy of the completed CAF update.	03/30/27
Section 2	Green Building Program Implementation: Engagement, Education, and Process Development	03/01/26 – 06/30/27
Task 2.1	<i>Establish and implement education and outreach program for local development community</i>	06/30/26
Task 2.2	<i>Implement education and outreach program</i>	06/30/27
Deliverable 2.1	A memo summarizing the education and outreach program schedule.	06/30/27
Task 2.2	<i>Develop processes and documentation/evaluation resources for Development Review and provide training on new protocol</i>	06/30/27
Task 2.3	<i>Create permanent resources and reference materials, update development application and permit forms, and review new Building and Land Use code.</i>	06/30/27
Deliverable 2.2	A memo summarizing the processes developed for compliance review and copies of new reference materials.	06/30/27
Section 3	EV Infrastructure Implementation Toolkit	02/01/26 – 06/30/27

Task/Deliverable	Description	Start/End Date
Task 3.1	<i>Develop processes and guidance for development of publicly available EV infrastructure in Vancouver</i>	12/31/2026
Task 3.2	<i>Make recommendations on strategies to streamline and enable private market development</i>	04/30/2027
Task 3.3	<i>Create education and outreach materials for EV charging site hosts and users, property owners and developers, and charger point operators to support EV infrastructure development</i>	04/30/2027
Task 3.4	<i>Coordinate with neighboring SW Washington jurisdictions to promote EV infrastructure development regionally through shared best practices and resources</i>	06/30/2027
Deliverable 3	A copy of completed EV Infrastructure Implementation Toolkit.	06/30/2027

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Attachment B: Budget

Deliverables	Grant Funds
Deliverable 1: Climate Action Framework Update: Public Outreach	\$100,000
Deliverable 2: Green Building Program Implementation: Engagement, Education, and Process Development	\$100,000
Deliverable 3: EV Infrastructure Implementation Toolkit: Development Guidelines and Outreach Materials	\$75,000
Grant Total:	\$275,000

DRAFT

A RESOLUTION of the City Council of Vancouver, Washington, authorizing the establishment of a Small Business Revolving Loan Fund (RLF) to support qualifying small businesses in the City of Vancouver and the Fourth Plain for All Investment Area, and authorizing the City Manager or designee to enter into an agreement with Business Impact Northwest dba Seattle Economic Development Fund to administer the RLF and provide capacity-building support to develop a local community-based Non-Profit CDFI.

Staff Report: 044-26

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Resolution Establishing a Small Business Revolving Loan Fund

Key Points

- The RLF will be initially capitalized using \$1,200,000 originally received from the American Rescue Plan Act (ARPA) to promote inclusive economic development within the Fourth Plain Investment Area.
- Provides affordable, flexible capital for early-stage small businesses that cannot access traditional financing (“no credit elsewhere”).
- Includes a capacity-building component to support a designated local community-based organization (“Local Partner”) in building the systems, processes, and internal controls necessary to pursue nonprofit Community Development Financial Institution (CDFI) certification and eventually manage the Revolving Loan Fund (RLF).
- Utilizes a competitive procurement and performance framework consistent with RCW 35.21.703 and the City’s adopted economic development priorities to select both the established CDFI to manage the RLF and the designated Local Partner to build capacity and evolve into the future manager of the RLF.

Strategic Plan Alignment

Economic Opportunity – a place where a wide variety of businesses of all sizes grow and thrive

Present Situation

In November 2023, Vancouver City Council adopted the Fourth Plain for All Investment Strategy, committing \$25 million in ARPA funds across five investment areas: Housing; Community Building & Public Health; Parks & Public Space; Transportation; and Economic Development. The Revolving Loan Fund is a key deliverable within the Economic Development investment area and is also aligned with the City’s recently adopted 5-Year Economic Development Strategy (Goal 2 Action C: Establish a citywide small business revolving loan fund.)

The Fourth Plain Investment Area is Vancouver’s most diverse district and includes many HUD-designated low-income census tracts. Residents and small businesses face persistent economic disparities, including household income averaging approximately 60% of the City median, a significant share of households in extreme poverty, and significant inequities in income, health, and

access to opportunity. These conditions contribute to barriers in business formation, stabilization, and expansion, particularly for small businesses owned by underserved entrepreneurs.

A major barrier identified through the Fourth Plain for All community and business stakeholder engagement process is limited access to affordable capital. Many early-stage businesses are unable to qualify for traditional lending due to credit score thresholds, short operating histories, limited collateral, or the lack of standard financial documentation. Without access to flexible financing, businesses may be unable to invest in equipment, inventory, working capital, or operational improvements needed to sustain and grow.

To address these gaps, the City proposes establishing a \$1,200,000 Revolving Loan Fund, administered by a qualified nonprofit CDFI partner, to provide financing and technical assistance initially in the Fourth Plain for All Investment Area and, as additional funds are leveraged, expand lending capacity citywide. A distinguishing feature of this effort is the inclusion of capacity-building assistance for a designated Local Partner (a community-based organization) to build long-term local lending capacity and pursue nonprofit CDFI certification, supporting sustainability beyond the initial ARPA capitalization.

Advantage(s)

Establishing the Revolving Loan Fund advances the City's economic development goals by providing a scalable, sustainable mechanism to expand access to capital for businesses most likely to be excluded from traditional financial systems. Anticipated advantages include:

- Improved access to affordable financing for early-stage businesses, particularly underserved entrepreneurs.
- Stronger loan performance and business outcomes through pre-loan and post-loan technical assistance, loan readiness support, and counseling for denied applicants.
- Long-term capacity building of a local community-based organization to facilitate their transition to certified nonprofit CDFI and future lending administration.
- Broader economic impact through business stabilization, expansion, and job creation/retention, aligned with corridor revitalization priorities in Fourth Plain.
- Future scalability by leveraging matching capital.

Challenge(s)

None. Program risks will be managed through underwriting standards, technical assistance requirements, reporting and portfolio monitoring, and performance expectations established through the RFP and contract with the selected CDFI.

Budget Impact

\$1,200,000 originally received from the American Rescue Plan Act (ARPA) Fund 114 to promote inclusive economic development within the Fourth Plain Investment Area.

Prior Council Review

Yes. The Revolving Loan Fund was presented to City Council as a key deliverable of the Fourth Plain for All Investment Strategy, as well as a priority action in the City's Economic Development Strategy. Additionally, staff presented the initial program design of the RLF in a City Council Workshop on October 6, 2025.

Action Requested

On Monday, March 2, 2026, finalize and approve the resolution authorizing the City Manager, or designee, to establishing a Small Business Revolving Loan Fund (RLF) to support qualifying small businesses in the Fourth Plain for All Investment Area (FPIA) and, over time, citywide; and authorizing the City Manager, or designee, to (1) enter into an agreement with Business Impact Northwest to administer the RLF and provide capacity-building support to a local community-based organization to pursue nonprofit Community Development Financial Institution (CDFI) certification, and (2) execute related loan documentation necessary to capitalize and operate the RLF.

Staff Contact

Chris Harder, Deputy Economic Development Director, Victor Saldanha, Small Business & Entrepreneurship Program Manager, chris.harder@cityofvancouver.us, Victor.Saldanha@cityofvancouver.us

Attachments:

1. Presentation
2. Contract
3. Resolution



CITY OF
Vancouver
WASHINGTON

Revolving Loan Fund (RLF) & Product to Market Program

Chris Harder
Deputy Director, EP&H

Victor Saldanha
Small Business &
Entrepreneurship Program
Manager, EP&H

March 2, 2026



Agenda

- Revolving Loan Fund (RLF) Overview
- Product to Market Program Overview
- Strategic Alignment
- Desired Outcomes
- Questions & Discussion





Revolving Loan Fund Overview

\$1.2M (FPFA Allocation)

- Increase access to capital for small businesses unable to secure traditional financing
- Support inclusive entrepreneurship and local wealth-building
- Strengthen long-term small business stability and growth
- Build a locally rooted, community-based CDFI over time



Strategic Alignment

Economic Development Strategy Goal 2 Action C

Fourth Plain For All Investment Strategy (FPFA)

- Access to capital remains a major barrier for many small businesses, particularly early-stage and underserved entrepreneurs
- Many viable businesses struggle to qualify for traditional bank or credit union financing
- Small businesses are critical to Vancouver's economy, supporting jobs, family income, and diverse industries
- Lack of operating capital limits business stability and growth, even when products or services are market-ready
- The City will establish a small business revolving loan fund to expand access to capital and support long-term economic vitality



Desired Outcomes

1. Reduce barriers to access to capital.
2. Create opportunities for generational wealth, especially for underserved communities, by strengthening support for small businesses.
3. Strengthen long-term small business stability and growth.
4. Capacity building of a local community-based organization to become a Community Development Financial Institution (CDFI).
5. Expand lending Citywide with matching funds.





Product to Market Overview

- Secured Funding: \$250,000 (2025–26 Biennial Budget & Spring Supplemental)
- Supports consumer product entrepreneurs, especially from underserved communities
- Focus on multi-channel market access: e-commerce, storefronts, and mobile vending
- Delivered through nonprofit partners via competitive RFP



Strategic Alignment

Economic Development Strategy Goal 2 Action A

- Consumer product entrepreneurs, particularly those from underserved communities, face significant barriers to scaling their businesses
- Product placement with established brick-and-mortar, online retailers, or mobile vendors can help boost sales and brand reputation
- Robust product-to-market programs provide critical support such as market research, packaging design, distribution strategies and access to retail partnerships
- The City will partner with local small business support organizations to launch new, or expand existing product-to-market programs





Desired Outcomes

- Increase sales and brand visibility through placement with established brick-and-mortar and online retailers
- Support consumer product entrepreneurs with market research, packaging, and distribution guidance
- Launch or expand product-to-market programs in partnership with local small business support organizations
- Assess access to co-packing facilities and facilitate retail partnerships with larger retailers

Discussion & Questions





**CITY OF VANCOUVER
SERVICES AGREEMENT
No. C-102173
RFP 27-25 REVOLVING LOAN FUND**

This Services Agreement (“Agreement”), effective on the date last signed below (the “Effective Date”) is entered by the City of Vancouver, Washington, a municipal corporation organized under the laws of the State of Washington (“City”) and Business Impact NW a Nonprofit 501 c3 and CDFI organized under the laws of the State of Washington (“Contractor”). The City and Contractor are collectively referred to as the “Parties” or individually as a “Party”.

RECITALS

- A. The City desires to engage the Contractor to perform Services as described in this Agreement; and
- B. The City advertised and issued a request for proposals, numbered 27-25 (“Solicitation”) and after evaluation of the Contractor’s responsive proposal, found the Contractor capable of performing the required Services.

AGREEMENT

In consideration of the terms and conditions in this Agreement, the Parties agree as follows:

- 1. SCOPE OF SERVICES:** The Contractor agrees to provide the City with all services and materials provided in the Scope of Services, attached as Exhibit A, and in the City’s Solicitation, if any, and the Contractor’s responsive proposal to the City’s Solicitation, if any (the “Services”). Contractor shall obtain City Project Manager’s written approval prior to starting the Services.
- 2. COMPENSATION:** Payment to the contractor for the Services described in this Agreement shall be made pursuant to the compensation structure set forth in Exhibit B. Contractor agrees this compensation is adequate and sufficient for the timely provision of all Services under this agreement

This payment shall be the maximum compensation for all Services including labor, materials, supplies, equipment, and incidentals necessary to complete the Services. And it shall not be exceeded without the City's prior written authorization in the form of a negotiated and executed amendment. Contractor agrees this compensation is adequate and sufficient for the timely provision of all Services under this Agreement.

- 3. PAYMENT FOR CONTRACTOR SERVICES:** The Contractor shall submit monthly invoices to City covering both professional fees and project expenses, if any, from the previous month. Invoices must be submitted to the Project Manager, Victor Saldanha, by email to victor.saldanha@cityofvancouver.us and accpay@cityofvancouver.us or by mail to City of Vancouver, Victor Saldanha, PO Box 1995, Vancouver, WA 98668.

City shall pay Contractor within 30 days of receipt of Contractor's invoice. The City may correct any invoice overpaid in error.

The Parties agree that any amount paid in error by City does not alter the fee schedule. City's contract/purchase order (PO) number on the notice to proceed must be referenced on any invoice submitted for payment.

- 4. TERM OF AGREEMENT:** The term of this Agreement begins on March 16, 2026 and continues until March 15, 2031. The Parties may agree in writing to renew the Agreement for one additional 5- year period. However, the total term, including any renewal(s), shall not exceed 10 years. The term and any renewal term are collectively the "Term."

5. CITY DATA; DATA SECURITY

- 5.1 City Data.** Contractor may obtain and process City Data in connection with the Services. "City Data" means the data City provides to Contractor in connection with the receipt of the Services and any data generated by Contractor in connection with providing the Services to City. City owns all City Data. City licenses City Data to Contractor solely for the purposes of providing the Services to City or improving the Services for City. Contractor shall not use City Data for any other purpose, including as artificial intelligence training data. Contractor acknowledges that compliance with Applicable Laws under Section 17 of the Agreement includes compliance with all applicable federal, state, and local data protection laws in its provision of the Services.

5.2 Data Security. If Contractor maintains City Data on Contractor systems it will comply with the following data security requirements.

5.2.1 Security Practices. Contractor shall develop, implement, and maintain appropriate administrative, physical, and technical safeguards that are designed to ensure the confidentiality, integrity and availability of City Data. Contractor will enact safeguards that are compliant with industry best practices for the specific City Data obtained by Contractor in connection with the Services.

5.2.2 Location of City Data. Contractor shall maintain City Data solely in data centers located in the United States.

5.2.3 Security Breaches. A “Security Breach” is any suspected or actual unauthorized access to or use of City Data in Contractor’s possession.

- a. Notice. Contractor will notify City within 24 hours of any Security Breach. Notice will include details regarding the Security Breach including impacted parties, specific data, and mitigation. Contractor will call 360.487.8888 (if after hours, follow prompt to connect to on-call personnel); email City with a read receipt to help.desk@cityofvancouver.us; and email to the City personnel contact for the Agreement.
- b. Coordination. Immediately after Contractor provides notification of a Security Breach the Parties will begin working together to contain, mitigate, investigate, respond to and remediate the Security Breach. Contractor will cooperate with all City requests in relation to the Security Breach in compliance with Applicable Law.
- c. Root Cause Analysis. As soon as possible following the Security Breach, Contractor will complete a root cause analysis and will provide a plan to City for remediation and prevention.
- d. Third-Party Notice. Contractor will work together with City to ensure compliance with RCW 19.255.010 if necessary and will make no statement or send notice to any third party regarding the Security Breach without City’s prior written consent.
- e. Costs. In addition to its indemnification obligations, Contractor will reimburse City for all costs City incurs associated with any Security Breach, including forensic investigation, costs of providing notice to impacted parties, call centers and credit monitoring as applicable. Contractor will pay or reimburse City for all regulatory fines and other legal costs the City incurs associated with the Security Breach.

6. DELIVERABLES - INTELLECTUAL PROPERTY Contractor may create documents or other work product in connection with providing the Services (“Deliverables”). Contractor assigns and will assign to City all right, title, and interest in and to any Deliverables it creates in connection with providing the Services. Contractor may retain a copy of any Deliverable for its internal business purposes. Contractor’s know-how, methodologies and processes are Contractor intellectual property. Contractor grants City a perpetual, irrevocable, royalty-free, worldwide license to use all Contractor intellectual property in connection with the Deliverables for any City purpose.

7. AUDIT RIGHTS: Contractor shall maintain records of all matters related to this Agreement in accordance with generally accepted accounting principles. Contractor shall provide the records to City or any other governmental agency with jurisdiction for audit, at such reasonable times and places as City designates.

8. PUBLIC DISCLOSURE COMPLIANCE: Records relating to Agreement are subject to the following:

8.1 Confidential Information. Any record of City business, including this Agreement, related records, and City Data, is a public record under the Washington Public Records Act, codified at chapter 42.56 RCW (“PRA”). City may be required to disclose this Agreement or related records, including records in Contractor’s possession, pursuant to a public disclosure request. City will provide third-party notice to Contractor before disclosing records. Public records may be subject to exemptions from disclosure under the PRA. City agrees to withhold its release of the requested records in dispute for a reasonable amount of time (approximately 10 days) to allow Contractor an opportunity to seek judicial protection pursuant to RCW 42.56.540 as adopted or amended.

8.2 Public Disclosure Compliance. City will comply with the PRA in its receipt of and response to any public disclosure request for responsive records related to this Agreement, subject to applicable exemptions. Under RCW 42.56.060, City will have no liability to Contractor for disclosure of Contractor information acting in good faith pursuant to its obligations under the PRA.

8.3 Subpoenas. If either Party receives a subpoena requiring the disclosure of the other Party’s information, that Party will notify the other party and provide a reasonable time for the affected party to obtain a protective order prior to disclosing information. If a Party is prohibited by a court with jurisdiction over the matter from disclosing the subpoena, that Party will provide only the specific information required to be released under the subpoena on the advice of counsel.

8.4 City Data Confidentiality. Notwithstanding Section 8.1-3, Contractor will maintain the confidentiality of all City Data in its possession in conformance with Section 8.

9. STANDARD OF CARE: Contractor shall exercise the degree of skill and diligence normally employed by consultants in the same industry, performing the same or similar services. Contractor will re-perform any Services that breach this provision at no cost to City.

10. DISPUTE RESOLUTION: City and Contractor agree to negotiate in good faith for a period of 30 days from the date of notice of all disputes between them prior to exercising their rights under this Agreement or under law. All disputes between City and Contractor not resolved by negotiation between the Parties may be mediated only by mutual agreement of both Parties. If not mutually agreed to resolve the claim by mediation, the claim will be resolved by legal action. The Parties agree that if litigation is necessary to enforce any of the provisions of this Agreement, each party shall pay all of their own attorney fees and costs related to the litigation.

11. TERMINATION FOR CONVENIENCE: City may terminate this Agreement at any time for convenience. City will pay Contractor for all Services completed up to the date of termination for convenience. A decision by City to terminate for convenience does not waive any legal rights City has to enforce the Agreement.

12. INDEMNIFICATION: Contractor shall indemnify, defend, and hold harmless City and its officers, councilmembers, commissioners, employees, volunteers, and agents, from any claim, liability, loss, cost, expense, suit, and damages, including attorney's fees and consulting fees relating to (a) a third party claim for intellectual property infringement relating to the Contractor's Services or the Deliverables; (b) Contractor's negligence or willful misconduct; (c) Contractor's material breach of the Agreement; (d) Contractor's non-compliance with applicable law; (e) a third-party Washington Public Records Act claim involving Contractor information; and (f) Contractor's court action to enjoin release of Contractor information under the Washington Public Records Act.

City will promptly notify Contractor of a claim under this Section 13 and will provide reasonable cooperation to Contractor in the defense of the claim. Contractor will have control over defense and settlement of the claim, except that Contractor will not enter any settlement or related agreement without City's prior written consent. Notwithstanding the preceding sentence, City may participate in the defense or settlement of any claim with counsel of its own choosing.

Solely for negligence indemnification claims under (b) above, if Contractor is providing architectural, landscape architectural, engineering, or land surveying services as the Services under this Agreement, and Contractor and City are concurrently negligent, then Contractor will be required to indemnify City only to the extent of Contractor's negligence and will have no obligation to indemnify City for City's sole negligence, pursuant to RCW 4.24.115.

If Contractor or Contractor's employee is a licensed architect, professional engineer, land surveyor, or landscape architect and the Services are related to a construction project, Contractor expressly waives its industrial insurance immunity under the Washington Industrial Insurance Act Title 51 RCW. Contractor acknowledges this waiver has been mutually negotiated and the Parties desire to incorporate this waiver pursuant to RCW 4.24.115(1)(b).

- 13. INSURANCE:** Contractor shall maintain liability insurance for all claims for damages to the City, persons or property that arise from Contractor's performance during the Term of this Agreement.

Contractor shall maintain the following insurance coverage.

COVERAGE	LIMITS OF LIABILITY
I. Commercial General Liability:	
Policy shall include Bodily Injury, Property Damage, Personal Injury and Broad Form Contractual Liability	
Each Occurrence	\$1,000,000
General Aggregate Per Occurrence	\$2,000,000
Products & Completed Operations Aggregate	\$2,000,000
Personal and Advertising Injury	\$1,000,000
Blanket Contractual Liability	\$1,000,000
III. Workers' Compensation (applicable to the State of Washington)	
Per Occurrence	
Employer's Liability	\$1,000,000
Disease Each Employee	\$1,000,000
Disease Policy Limit	\$1,000,000
Each Claim	\$1,000,000
Annual Aggregate	\$1,000,000
VII. Cyber	
Policy shall include coverage for claims related to intellectual property infringement, privacy violations, data breaches,	\$2,000,000

information theft, damage to or destruction of City Data, intentional and/or unintentional release of City Data, and alteration of City Data, extortion, and network security.	
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In addition to the coverage and limits listed above the Contractor’s insurance must all contain the following:

- a. Fidelity/Employee Dishonesty Bond - Contractor shall obtain and maintain during the Term a Fidelity/Employee Dishonesty Bond in the amount of at least \$10,000 that covers Contractor and its subcontractors for any fidelity/employee dishonesty related claim.
- b. Compliance with other Insurance Policies - Contractor will remain compliant with all other insurance obligations it may have pursuant to its personnel or applicable law.
- c. Coverage Trigger - Contractor’s insurance must be on an “occurrence” basis rather than claims made. This type of coverage must be indicated on the Certificate of Insurance.
- d. Additional Insured Requirement - The City of Vancouver, its Agents, Representatives, Officers, Directors, Elected and Appointed Officials, and Employees must be named as additional insureds where permissible under applicable law. The required Additional Insured endorsements shall be at least as broad as ISO CG 20 10 11 85, or its equivalent CG 20 10 07 04 and CG 20 37 07 04 must be included with the Certificate of Insurance.
- e. Certificates - The City of Vancouver shall be listed on the Certificate of Insurance as the Certificate Holder. Contractor will provide the Certificate of Insurance to City upon request on an ACORD or comparable form.

All policies shall be issued by an insurance company authorized to do business as an insurance company in the State of Washington.

14. RELATIONSHIP OF THE PARTIES. The relationship of the Parties under this Agreement is that of independent contractors. Contractor is solely responsible for the manner, method, and means of providing the Services. Contractor and its employees are not City employees and will not be entitled to or receive any benefits under this Agreement. Contractor will pay all Contractor personnel and pay all

taxes, contributions, and benefits that may be required related to its personnel. Neither Party may bind the other except as expressly stated in this Agreement.

- 15. SUBCONTRACTING:** Contractor may subcontract for Services with City's prior written approval in its sole discretion. Contractor is solely responsible for its subcontractors' compliance with this Agreement and will pass through the terms of this Agreement to all subcontractors.
- 16. COMPLIANCE WITH APPLICABLE LAW:** Contractor shall comply with all applicable federal, state, and local laws, rules, and regulations ("Applicable Laws"). Contractor shall modify the Services as necessary to comply with Applicable Laws.
- 17. E-VERIFY:** Contractor shall enter into and register a Memorandum of Understanding with the Department of Homeland Security E-Verify program within 60 days of executing this Agreement. Contractor shall ensure all Contractor employees and any subcontractors assigned to perform Services under this Agreement are eligible to work in the United States. Contractor shall provide compliance verification upon City's request.
- 18. TITLE VI COMPLIANCE:** Depending on the Services Contractor provides, the City may use federal funds to compensate Contractor. If federal funds are used, the City, Contractor, and any approved subcontractor must comply with the provisions of Title VI of the Civil Rights Act of 1964, (78 Stat. 252, 42 U.S.C. 2000d to 2000d-4) (CRA) and the Civil Rights Restoration Act of 1987, Pub. L. No. 100-259, 102 Stat. 28 (1988) (CRRRA). Contractor must confirm with City whether Title VI is applicable under this Agreement.
- 19. EQUAL EMPLOYMENT OPPORTUNITY:** The City is an equal opportunity employer. Contractor shall not discriminate against any of its employees or applicants for employment on the basis of race, color, creed, religion, sex (including gender identity, sexual orientation, and pregnancy), national origin, citizenship or immigration status, age (40 or older), the presence of any sensory, mental, or physical disability or the use of a trained dog guide or service animal by a person with a disability, genetic information, honorably discharged veteran or military status, or any other class protected by federal, state, or local employment discrimination laws.

20. ANTI-KICKBACK. City officers and employees shall not have or acquire an interest in the Agreement or solicit, accept, or give any item of value from a person or entity with an interest in this Agreement.

21. PERMITS, LICENSES, AND CERTIFICATIONS. Contractor is solely responsible for any license, permit or certificate that may be required by any federal, state or local law in connection with the performance of Contractor's obligations under this Agreement, including any business license. Contractor may contact the State of Washington Business License Service (BLS) at: 800-451-7985, www.bls.dor.wa.gov/cities/vancouver.aspx or visit the City's website found at www.cityofvancouver.us/businesslicense for assistance with the determination.

22. COOPERATIVE PURCHASING: The Washington State Interlocal Cooperation Act, chapter 39.34 RCW, authorizes public agencies to cooperatively purchase goods and services if all parties agree. By executing this Agreement, Contractor agrees that other public agencies may purchase goods and services under this Agreement at their own cost. City will have no liability or obligation related to Contractor related to that separate agency agreement. Therefore, City agrees to allow other public agencies to purchase services under this Agreement so long as City is not held financially or legally liable for any separate agency services received pursuant to the Agreement, and that any public agency purchasing under this Agreement file a copy of it in accordance with RCW 39.34.040.

23. DEBARMENT: Contractor certifies that it is not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from covered transactions by any federal, state or local department or agency.

24. NOTICES: All notices will be hand delivered, certified mail, or sent by electronic mail if agreed by the Parties. Notice will be effective when received if hand delivered, on the delivery date if certified mail, or when an email is sent. Notice must be addressed to the Parties at:

For the City:
Anna Vogel
City of Vancouver
415 W 6th Street
P O Box 1995
Vancouver WA 98668-1995
Email: anna.vogel@cityofvancouver.us

For the Contractor:
Joe Sky-Tucker
President & CEO
12720 Gateway Drive South, Ste 207
Tukwila, WA 98168
Email: joes@businessimpactnw.org

Either Party may update its address for notice by giving written notice to the other Party.

25. ASSIGNMENT. Contractor shall not assign this Agreement without the express written consent of City. Any assignment in violation of this subsection is void. All terms of this Agreement are binding on any assignee.

26. ORDER OF PRECEDENCE: If there is a conflict between the terms of any document, the order of precedence is as follows: Amendments to this Agreement; this Agreement; Contractor's responsive proposal to City's solicitation; and City's solicitation. The Parties agree that terms included on any Purchase Order or other document provided by Contractor are not part of this Agreement.

27. SURVIVAL. Sections 15 - 34 will survive any termination of this Agreement.

28. WAIVER. A Party's waiver of any term of this Agreement must be in writing and signed by the Party waiving compliance.

29. THIRD PARTY BENEFICIARIES. There are no third-party beneficiaries under this Agreement.

30. GOVERNING LAW: This Agreement is governed by the laws of the State of Washington without regard to its conflicts of laws provisions. Venue for any action arising under this Agreement will be the state or federal courts for Clark County, Washington. The Parties waive any claim of inconvenient forum.

31. SEVERABILITY. If a court with jurisdiction over the matter determines any clause of this Agreement is unenforceable, it shall revise the clause to reflect the intent of the Parties as closely as possible. If revision is not possible, the Court shall strike the clause and the remainder of the Agreement will remain in full force and effect.

32. AMENDMENTS: Any amendments to this Agreement must be in writing and signed by all Parties to this Agreement.

33. ENTIRE AGREEMENT: This Agreement, together with any amendments, is the entire agreement between the Parties, and supersedes any other agreement or discussion between them, whether written or oral in nature.

34. COUNTERPARTS. This Agreement may be signed in counterparts. Each counterpart will be deemed an original and together the separate parts will form one Agreement.

City and Contractor enter the Agreement as of the Effective Date.

CITY OF VANCOUVER
A municipal corporation

CONTRACTOR:
Business Impact NW

Lon Pluckhahn, City Manager

Signature

Date

Printed Name /Title

Attest:

Date

Anthony Glenn, Deputy City Clerk

Approved as to form:

Nena Cook, City Attorney

EXHIBIT "A":
Scope of Work

The Contractor shall perform duties as a Community Development Financial Institutions (CDFIs) to administer a Revolving Loan Fund (RLF) aimed at promoting economic development in underserved communities, initially within the Fourth Plain Investment Area, but eventually citywide.

The City of Vancouver, in alignment with RCW 35.21.703, intends to launch a RLF to support small businesses in alignment with the City's Fourth Plain for All Investment Strategy and the recently adopted 5-Year Economic Development Strategy. The RLF will be initially capitalized using \$1,200,000 originally received from the American Rescue Plan Act (ARPA) to promote inclusive economic development within the Fourth Plain Investment Area in Vancouver, WA. Over time, the City will work with the selected nonprofit CDFI to leverage additional resources to expand the RLF citywide. The RLF's primary purpose is to increase access to capital for businesses unable to secure traditional financing.

A key requirement of the selected nonprofit CDFI will be to provide capacity-building support to a local community-based organization ("Local Partner"), assisting them in building the necessary infrastructure, skills, and resources to become a certified nonprofit CDFI. The long-term goal of the program is for the Local Partner to manage the RLF independently.

Program Details:

1. Revolving Loan Fund Administration

The nonprofit CDFI will:

- Administer the RLF to provide financing for small businesses, initially in the Fourth Plain Investment Area.
- Help secure one-to-one matching capital to expand lending capacity citywide.
- Develop loan criteria, application processes, and repayment schedules.
- Manage and monitor the loan portfolio and ensure compliance with terms.
- Report on outcomes, disbursements, repayments, and community impact.
- Provide technical assistance to loan recipients as needed.
- Assist the City in the identification and selection of the Local Partner.

2. Capacity Building of Local Partner

The nonprofit CDFI will support the transition of the Local Partner into a certified nonprofit CDFI by:

- Conducting a needs assessment.
- Providing technical assistance in financial management, governance, compliance, and fundraising.
- Guiding the Local Partner through the formal CDFI certification process.
- Offering ongoing administrative support to build sustainability and long-term operations.
- Assisting with loan disbursement, monitoring, and repayment processes.
- Contributing to program marketing, outreach, and education efforts to promote awareness of the RLF.

3. Expected Program Deliverables and Outcomes

- Selection of an experienced nonprofit CDFI capable of leveraging the City's \$1.2M contribution into at least \$2M in lending capacity.
- Capacity building and transition of Local Partner to a nonprofit CDFI.
- Local Partner assumes lending responsibility long-term.
- Technical assistance and loan readiness support to lending applicants.
- Regular impact reports on fund utilization, business outcomes, and job creation.
- Increase access to capital for small businesses initially in the Fourth Plain Investment Area and eventually citywide as additional funds are raised.

Fund Structure & Proposed Lending Framework

1. Promissory Note/Loan to Nonprofit CDFI

- City will lend \$1.2M for 5 years, extendable to another 5 years.
- Funds expected to revolve up to twice over 10 years.
- Funds restricted initially to Fourth Plain Investment Area; additional capitalization may be used citywide.
- 1% annual interest returned to the City; revenue used to support capacity-building and help cover loan administration fees.
- Loans are capped at \$100,000 per business with max 10-year term (final terms to be finalized with nonprofit CDFI Partner).
- Quarterly outreach events with Local Partner required.
- Loan guarantees up to 20% per loan, capped at \$120,000 aggregate of all losses.

2. Lending Capital Requirements

- Loan term \leq 10 years.
- Eligible uses: equipment, working capital, debt consolidation (if \geq 10% cashflow improvement).
- Must pass “No Credit Elsewhere” test.
- Ineligible businesses listed in.
- Rates within 2% of Small Business Administration microloan rates.

3. Reporting Requirements

- Quarterly Closing Reports (loans closed, demographics, AMI, use of funds, etc.).
- Annual Portfolio Report (loan status/health).
- Business Success Outcomes (impact and testimonials).

4. Technical Assistance & Loan Readiness Requirements

CDFI Partner and Local Partner must provide (as needed):

- Pre-loan and post-loan technical assistance.
- Offer of credit counseling support for denied applicants.
- Loan-readiness support (financials, documentation).
- Training or certification course for approved borrowers.

EXHIBIT "B":
COMPENSATION

The City shall provide revolving loan fund capital in an amount not to exceed \$1,200,000.00 (the "City Capital"), which shall be made available to Contractor and lent at a fixed interest rate of one percent (1.0%) per annum pursuant to this Agreement and any related loan documents. The City Capital constitutes program funding and shall not be considered compensation to Contractor.

Contractor's sole compensation for the Services under this Agreement shall be limited to the interest rate spread (the "Spread") earned on eligible small-business loans originated and serviced by Contractor using City Capital. The Spread is defined as the difference between:

- a. the interest rate charged by Contractor to each small-business borrower; and
- b. the one percent (1.0%) per annum interest rate payable by Contractor to the City on the outstanding principal balance of City Capital actually deployed and outstanding in such small-business loans.

Compensation shall accrue only on the outstanding principal balance of City Capital deployed in active small-business loans, and no compensation shall be earned on undisbursed, idle, reserved, or repaid City Capital. For clarity, Contractor shall not receive compensation based on the total committed City Capital amount, but solely on the portion of City Capital that is borrowed, deployed, and outstanding in eligible loans at any given time.

Except for the Spread described above, Contractor shall not be entitled to any additional fees, charges, or payments from the City for labor, materials, supplies, equipment, servicing, administration, or other costs associated with performance of the Services, unless expressly authorized in advance by a written amendment executed by the City. Contractor acknowledges and agrees that the Spread constitutes full, adequate, and sufficient consideration for the timely and proper performance of all Services under this Agreement.

Principal repayments of City Capital shall remain program funds of the revolving loan fund and shall not be deemed compensation. Contractor shall account for and report all Spread income and outstanding loan balances in accordance with the financial reporting and program income provisions of this Agreement.

1. Promissory Note / Loan to Nonprofit CDFI

- City will lend up to \$1.2M to the selected nonprofit CDFI for an initial 5-year term, extendable up to an additional 5 years.

- City funds will be disbursed to the CDFI on a reimbursable basis, proportionate to eligible small-business loans originated and deployed by the CDFI, rather than as an upfront lump-sum capitalization.
- Funds are expected to revolve up to twice over the 10-year period.
- Funds restricted initially to Fourth Plain Investment Area; additional capitalization may be used citywide.
- 1% annual interest returned to the City; revenue used to support capacity-building and help cover loan administration fees.
- Loans capped at \$100,000 per business with maximum 10-year term (final terms to be finalized with nonprofit CDFI Partner).
- Quarterly outreach events with Local Partner required.
- The City's loan loss guarantee shall not exceed twenty percent (20%) of the principal amount of any individual loan originated by the CDFI. The City's total cumulative liability for all guaranteed loans under this Agreement shall not exceed One Hundred Twenty Thousand Dollars (\$120,000) in the aggregate.

3/2/2026

RESOLUTION NO. M- [Resolution Number]

A RESOLUTION of the City Council of Vancouver, Washington, authorizing the establishment of a Small Business Revolving Loan Fund (RLF) to support qualifying small businesses in the City of Vancouver and the Fourth Plain for All Investment Area, and authorizing the City Manager or designee to enter into an agreement with Business Impact Northwest dba Seattle Economic Development Fund to administer the RLF and provide capacity-building support to develop a local community-based Non-Profit CDFI.

WHEREAS, the City of Vancouver, Washington (“City”), has adopted the Fourth Plain for All Investment Strategy to promote equitable economic development in historically underserved communities in the City of Vancouver, and

WHEREAS, the Fourth Plain Investment Area is recognized as a culturally rich and economically diverse neighborhood, with many residents and small businesses facing significant barriers to accessing traditional capital, and

WHEREAS, the Fourth Plain Investment Area experiences significant economic inequality, with household income at only 60% of the city median, 24% of residents living below the poverty line, and approximately one-quarter in extreme poverty, and

WHEREAS, many small businesses in the Fourth Plain Investment Area are operated by underserved and BIPOC entrepreneurs who face disproportionate barriers to capital, infrastructure, and long-term stability, despite strong entrepreneurial interest and community commitment, and

RESOLUTION - 1

WHEREAS, the Revolving Loan Fund will remove barriers for access to capital for many of the historically underserved small businesses in the Fourth Plain Investment Area and when expanded, throughout the City of Vancouver, and

WHEREAS, small businesses in the Fourth Plain Investment Area, many of which are owned by entrepreneurs from historically underserved communities, face significant barriers in accessing affordable capital through traditional lenders, and

WHEREAS, the establishment of a Revolving Loan Fund administered by Business Impact NW will provide microenterprises and early-stage businesses with critical financing and technical assistance, enabling them to start, sustain, and grow operations, and

WHEREAS, by pairing lending with capacity-building support for a local community-based organization to become a certified Non-Profit Community Development Financial Institution (CDFI) the program will strengthen long-term local lending infrastructure, expand access to citywide capital, and promote inclusive economic development, and

WHEREAS, Washington State Law (RCW 35.21.703) recognizes that “it shall be in the public purpose for all cities to engage in economic development programs. In addition, cities may contract with non-profit corporations in furtherance of this and other acts relating to economic development.”, and

WHEREAS,) in furtherance of the Fourth Plain for All Investment Strategy and pursuant to its allocation of American Rescue Plan Act (ARPA) funds now City General funds the City seeks to invest \$1,200,000 to establish a sustainable Revolving Loan Fund (RLF) to provide affordable, flexible capital to microenterprises and early-stage small businesses located in the Fourth Plain Investment Area and, over time, citywide, and

RESOLUTION - 2

WHEREAS, the City intends to contract with Business Impact NW to administer the RLF, leverage additional capital, and provide technical assistance and loan readiness services to prospective borrowers, and

WHEREAS, Business Impact NW shall also be responsible for providing capacity-building assistance to a designated local community-based organization (“Local Partner”) to support their future certification as a CDFI and ability to independently administer the RLF, and

WHEREAS, the City anticipates that the RLF will serve to promote economic development, address systemic disparities in access to credit, foster entrepreneurship, promote inclusive economic growth, promote the creation and retention of jobs in the Fourth Plain Investment Area and the City of Vancouver, and support the long-term sustainability of small businesses in Vancouver, and

WHEREAS, in order to achieve the public purposes and objectives set forth above, Business Impact NW will be required to adhere to a comprehensive scope of work, evaluation metrics, technical assistance requirements, and lending and reporting standards as set forth in the contract which is attached as Exhibit A.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY OF VANCOUVER:

Section 1. Findings. The City Council adopts and incorporates the recitals set forth above as Findings. City Council further finds that establishment of a Revolving Loan Fund will achieve the public purposes of promoting economic development, strengthening small business resilience, and advancing equitable access to market opportunities within the City of Vancouver.

RESOLUTION - 3

Section 2. The City Council Hereby approves the creation of a \$1,200,000 Loan Fund to support microenterprises and small businesses in the Fourth Plain for All Investment Area; and expansion of the RLF using Business Impact NW funds.

Section 3. the City Manager or designee is authorized to negotiate and execute a contract between the City and Business Impact NW, attached hereto as Exhibit A, and any other necessary agreements and documents to implement and administer the Revolving Loan Fund consistent with this resolution.

Section 4. The City Manager or designee is authorized to negotiate and execute a loan agreement in the form of a promissory note loaning \$1,200,000 to Business Impact NW to implement the Revolving Loan Fund. Pursuant to the contract between the City and Business Impact NW the promissory note will include interest rates, repayment terms, draw periods, eligible uses of funds, and loan eligibility criteria that are reasonably calculated to achieve the objectives and public purposes described in this resolution.

Section 5. The City Manager or designee is directed to ensure that the performance of the contract and loan fund operation is monitored through quarterly and annual reporting, technical assistance benchmarks, and impact evaluations on small business outcomes.

Section 6. This resolution shall be effective immediately upon adoption.

ADOPTED at a Regular Meeting of the Vancouver City Council this _____, of _____, 20__.

Anne McEnery-Ogle, Mayor

Attest:

Anthony Glenn, Deputy City Clerk

Approved as to form:

Nena Cook, City Attorney

APPENDIX A

Fourth Plain Investment Area:

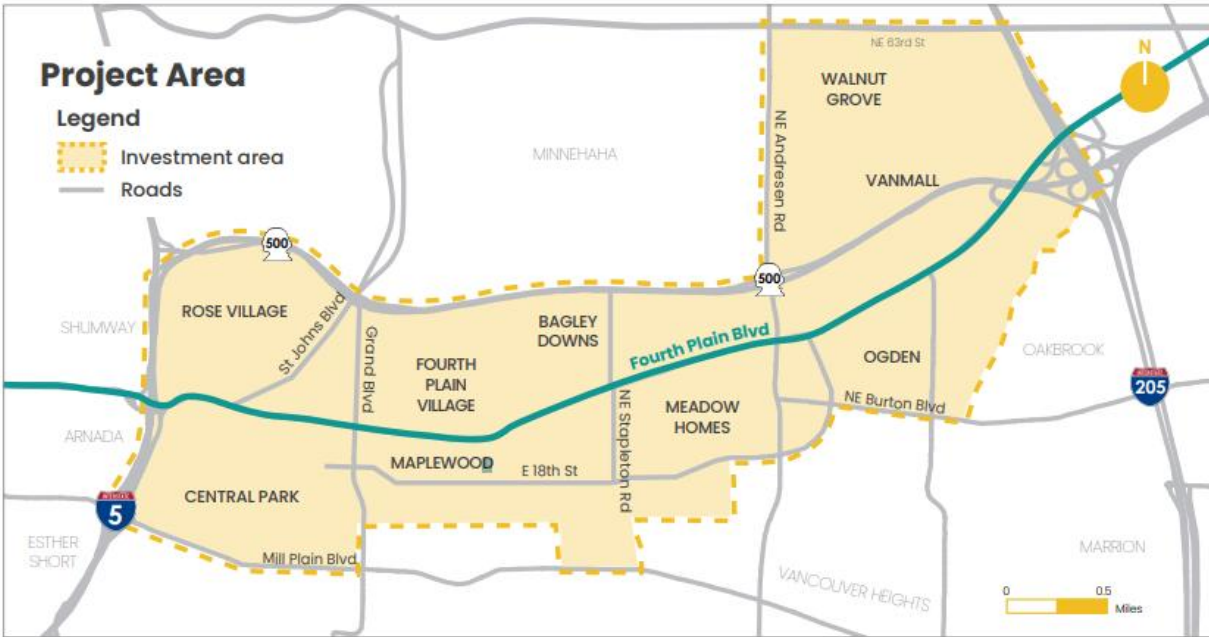


Figure 1. Fourth Plain for All Investment Area

APPENDIX B

Ineligible Businesses (Alignment with SBA eligibility for CDFI Lending):

- Any business engaged in illegal practices
- Companion, escort and dating services.
- Massage parlors
- Sexual encounter clubs, organizations, and websites
- Sexual in nature businesses such as bikini barista stands
- Growth, processing or retailing of cannabis
- Gun shops
- Lotteries or raffles
- Pornographic material
- Pyramid schemes, multi-level sales, etc.
- Gambling establishments or casinos
- Pawnshops
- Check cashing, pay day lending
- Non-Profit or any business that is not for profit

APPENDIX C

No Credit Elsewhere - Client must employ less than 50 people and meet at least one criterion below to be considered eligible for a loan:

- 100% or less of Average Median Income for at least one business owner of 20% or greater ownership.
- Credit Score lower than 640 for at least one owner of 20% or greater ownership.
- New business of less than 2 years in operation, which cannot meet the requirements of providing financials to support a traditional loan.
- Attestation of denial of credit from a bank or credit union.

A RESOLUTION of the City Council of Vancouver, Washington, establishing the Product to Market Program to support small businesses and consumer product entrepreneurs in accessing markets, production resources, and multi-channel retail opportunities through partnerships with community-based organizations, educational institutions, and business development providers.

Staff Report: 045-26

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Resolution Establishing Product to Market Program

Key Points

- Allocates \$250,000 from the 2025–26 Biennial Budget and 2025 Spring Supplemental to support consumer product entrepreneurs.
- Advances equitable access to brick-and-mortar retail, e-commerce, and mobile vending opportunities.
- Provides cohort-based training, technical assistance, and infrastructure access for underserved entrepreneurs.
- Supports long-term business growth, regulatory compliance, and community wealth building.

Strategic Plan Alignment

Economic Opportunity – a place where a wide variety of businesses of all sizes grow and thrive

Present Situation

The Product to Market Program is a key implementation action under Goal 2, Action A of the City's Economic Development Strategy: Enhance product-to-market opportunities for local consumer product entrepreneurs. This effort is authorized under RCW 35.21.703, which affirms the City's role in supporting economic development through partnerships with nonprofit service providers.

Vancouver continues to experience strong population growth and increased consumer demand for locally produced goods. However, many consumer product entrepreneurs, particularly those from underserved communities, face significant barriers to scaling their businesses. These barriers include limited access to commissary kitchens, co-packing facilities, distribution networks, and specialized technical assistance needed to transition from informal or early-stage sales opportunities into sustainable and growth-oriented market channels.

Entrepreneurs often begin with home-based production, cottage food operations, temporary pop-ups, or small-scale e-commerce platforms but lack clear pathways to expand into retail storefronts, farmers markets, restaurants, or mobile vending. While the Greater Portland Region is recognized as a consumer product hub, Vancouver entrepreneurs have comparatively fewer support resources and less established infrastructure than neighboring communities. Additionally, multiple Vancouver neighborhoods are designated as HUD low-income census tracts, and persistent economic disparities

underscore the importance of targeted investments that reduce barriers to entry and ensure inclusive access to growth opportunities.

The Product to Market Program is designed to address these challenges by providing coordinated, cohort-based support across three primary pathways—E-Commerce, Brick-and-Mortar/Farmers Markets, and Mobile Vending—while aligning entrepreneurs with infrastructure, partners, and regulatory guidance necessary for successful scaling.

Advantage(s)

The Product to Market Program strengthens Vancouver’s small business ecosystem by creating structured, equitable pathways for consumer product entrepreneurs to enter and expand across multiple sales channels. The program is expected to:

- Increase market access for local products through retail, online, and mobile platforms.
- Improve business readiness through training in branding, packaging, compliance, and operations.
- Reduce regulatory and operational barriers for early-stage and underserved entrepreneurs.
- Strengthen peer networks and mentorship relationships.
- Promote long-term business sustainability and community wealth building.

Collectively, these outcomes support the City’s broader vision of inclusive economic growth and neighborhood-based revitalization.

Challenge(s)

None identified. Program risks are mitigated through a competitive selection process, clear performance metrics, and ongoing City oversight.

Budget Impact

\$250,000 funded through the 2025–26 Biennial Budget and 2025 Spring Supplemental.

Prior Council Review

Yes. The Product to Market Program was presented to the City Council in workshops on October 6, 2025, and is aligned with the Council's adopted 5 Year-Economic Development Strategy Goal 2, Action A: Enhance product-to-market opportunities for local consumer product entrepreneurs.

Action Requested

On Monday, March 2, 2026, finalize and approve the resolution authorizing the City Manager, or designee, to negotiate and issue a Request for Proposal (RFP) and enter into a contract with one or more qualified nonprofit community-based organizations to administer the Product to Market Program, using \$250,000 in 2025-26 Biennial Budget and 2025 Spring Supplemental support, in accordance with city procurement rules.

Staff Contact

Chris Harder, Deputy Economic Development Director, Victor Saldanha, Small Business & Entrepreneurship Program Manager, chris.harder@cityofvancouver.us, Victor.Saldanha@cityofvancouver.us

Attachments:

1. Presentation

2. Resolution
3. Product to Market RFP Scope & Program Details



CITY OF
Vancouver
WASHINGTON

Revolving Loan Fund (RLF) & Product to Market Program

Chris Harder
Deputy Director, EP&H

Victor Saldanha
Small Business &
Entrepreneurship Program
Manager, EP&H

March 2, 2026



Agenda

- Revolving Loan Fund (RLF) Overview
- Product to Market Program Overview
- Strategic Alignment
- Desired Outcomes
- Questions & Discussion





Revolving Loan Fund Overview

\$1.2M (FPFA Allocation)

- Increase access to capital for small businesses unable to secure traditional financing
- Support inclusive entrepreneurship and local wealth-building
- Strengthen long-term small business stability and growth
- Build a locally rooted, community-based CDFI over time



Strategic Alignment

Economic Development Strategy Goal 2 Action C

Fourth Plain For All Investment Strategy (FPFA)

- Access to capital remains a major barrier for many small businesses, particularly early-stage and underserved entrepreneurs
- Many viable businesses struggle to qualify for traditional bank or credit union financing
- Small businesses are critical to Vancouver's economy, supporting jobs, family income, and diverse industries
- Lack of operating capital limits business stability and growth, even when products or services are market-ready
- The City will establish a small business revolving loan fund to expand access to capital and support long-term economic vitality



Desired Outcomes

1. Reduce barriers to access to capital.
2. Create opportunities for generational wealth, especially for underserved communities, by strengthening support for small businesses.
3. Strengthen long-term small business stability and growth.
4. Capacity building of a local community-based organization to become a Community Development Financial Institution (CDFI).
5. Expand lending Citywide with matching funds.





Product to Market Overview

- Secured Funding: \$250,000 (2025–26 Biennial Budget & Spring Supplemental)
- Supports consumer product entrepreneurs, especially from underserved communities
- Focus on multi-channel market access: e-commerce, storefronts, and mobile vending
- Delivered through nonprofit partners via competitive RFP



Strategic Alignment

Economic Development Strategy Goal 2 Action A

- Consumer product entrepreneurs, particularly those from underserved communities, face significant barriers to scaling their businesses
- Product placement with established brick-and-mortar, online retailers, or mobile vendors can help boost sales and brand reputation
- Robust product-to-market programs provide critical support such as market research, packaging design, distribution strategies and access to retail partnerships
- The City will partner with local small business support organizations to launch new, or expand existing product-to-market programs





Desired Outcomes

- Increase sales and brand visibility through placement with established brick-and-mortar and online retailers
- Support consumer product entrepreneurs with market research, packaging, and distribution guidance
- Launch or expand product-to-market programs in partnership with local small business support organizations
- Assess access to co-packing facilities and facilitate retail partnerships with larger retailers

Discussion & Questions



3/2/2026

RESOLUTION NO. M- [Resolution Number]

A RESOLUTION of the City Council of Vancouver, Washington, establishing the Product to Market Program to support small businesses and consumer product entrepreneurs in accessing markets, production resources, and multi-channel retail opportunities through partnerships with community-based organizations, educational institutions, and business development providers.

WHEREAS, the City of Vancouver is committed to promoting equitable economic opportunity and supporting small businesses, particularly those owned by individuals from underrepresented and underserved communities, and

WHEREAS, many Vancouver-based consumer product entrepreneurs face significant barriers to accessing markets, scaling production capacity, securing retail partnerships, obtaining capital, and navigating licensing and regulatory requirements critical to long-term business sustainability, and

WHEREAS, the Product to Market Program is designed to create a comprehensive multi-channel product development and distribution pipeline-including ecommerce, farmers' markets, mobile vending, co-packing and production services, and brick and mortar retail opportunities to help Vancouver entrepreneurs bring products successfully to market, and

WHEREAS, implementation of the program will occur through partnerships with educational institutions, business development organizations co-packing and food infrastructure providers, mobile vendor networks, and other public and private entities to provide technical assistance, training, mentorship, business licensing and compliance support, and access to distribution pathways, and

RESOLUTION - 1

WHEREAS, the program aligns with the City's Fourth Plain for All Investment Strategy and Economic Development Strategy, advancing inclusive entrepreneurship, small business development, and community wealth-building across Vancouver's diverse entrepreneurial ecosystem, and

WHEREAS, the program includes a cohort-based learning structure with targeted implementation for e-commerce, retail readiness, and mobile vending, along with a robust branding and packaging assistance, market research tools, and program evaluation to ensure accountability, data tracking, and continuous improvements, and

WHEREAS, these efforts will strengthen local business capacity, expand revenue opportunities for Vancouver entrepreneurs, foster public-private retail partnerships, and contribute to equitable economic growth and neighborhood vitality.

NOW, THEREFORE,

BE IT RESOLVED BY THE CITY OF VANCOUVER:

Section 1. Findings. The City Council adopts and incorporates the recitals as findings. The City Council further finds that the establishment of the Product to Market Program will achieve the public purposes of promoting economic development, strengthening small business resilience, and advancing equitable access to market opportunities within the City of Vancouver.

Section 2. The City Council Hereby approves the creation and implementation of a Product to Market Program with \$250,000 in funding approved for this purpose in the current biennial budget to support Vancouver based small businesses through contracting with a non-profit community-based organization.

RESOLUTION - 2

Section 3. The City Manager or designee is authorized to identify and select Product to Market Program partners through a competitive selection process and negotiate and execute any agreements necessary for the administration, delivery, and funding of the program

Section 4. Program Objectives.

The Product to Market Program shall:

- Provide product development, production, and market access resources across e-commerce, farmers markets/traditional retail, and mobile vending.
- Deliver targeted cohort-based learning, mentorship, and individualized technical assistance.
- Support entrepreneurs in obtaining required licensing, certifications, and regulatory approval.
- Strengthen partnerships with community-based organizations, co-packing facilities, mobile vendor networks, and other partners to provide wraparound services.
- Promote inclusive entrepreneurship and expand opportunities for divers, low-income, and underrepresented business owners.

Section 5. City staff shall report annually on program participation, demographic reach, partnerships, and community impact.

Section 6. This resolution shall be effective immediately upon adoption.

ADOPTED at a Regular Meeting of the Vancouver City Council this _____, of _____, 20__.

Anne McEnery-Ogle, Mayor

Attest:

Anthony Glenn, Deputy City Clerk

Approved as to form:

Nena Cook, City Attorney

Product to Market RFP Scope & Program Details

Secured Project Funding:

\$250,000 from 2025-26 Biennial Budget and 2025 Spring Supplemental

Introduction

In alignment with RCW 35.21.703, which affirms the role of cities in supporting economic development efforts, including through partnerships with nonprofit providers, the City of Vancouver is seeking proposals from qualified organizations to administer a newly established Product to Market Program. This program is designed to help consumer product entrepreneurs, especially those from underserved communities, expand their businesses through multi-channel product-to-market sales opportunities. The program, as currently envisioned, will enhance access to brick-and-mortar retail, e-commerce, and mobile vending sales channels while providing specialized training, mentoring, and technical assistance services.

Background

Launching a Product to Market Program is a key initiative (Goal 2 Action A) in the City's Economic Development Strategy. The need for a dedicated program to help early-stage consumer product startups scale was identified through conversations with entrepreneurs and local small business support organizations, along with analysis of economic trends. Below are some high-level findings:

- Vancouver's growth creates demand for diverse consumer goods but also heightens competition for local entrepreneurs to compete with larger brands or national businesses.
- Entrepreneurs, particularly those from underserved communities, often begin in informal settings—home-based production, cottage food sales, temporary pop-ups, etc.—but lack pathways to larger sales opportunities.
- The region is considered a consumer product hub. However, compared to communities in the Greater Portland Metro on the Oregon side, Vancouver entrepreneurs face limited access to key infrastructure such as commissary kitchens, co-packing facilities, distribution networks, and specialized business technical assistance to help them scale.
- Multiple Vancouver neighborhoods fall within Housing and Urban Development (HUD) designated Low-Income Qualifies Census Tracts and significant economic disparities

To request other formats, please contact:

Victor Saldanha | 360-487-0739 | TTY: 711 | victor.saldanha@cityofvancouver.us
P.O. Box 1995 | Vancouver, WA 98668-1995 | cityofvancouver.us

exist within the community, reinforcing the importance of targeted support toward businesses and entrepreneurs most at risk of being excluded from growth.

Program Objectives

The Product to Market Program is structured to:

- Support Inclusive Entrepreneurship – Provide targeted support to underserved businesses.
- Enable Market Access – Build multiple retail sales channels for consumer product small businesses (e-commerce, brick-and-mortar retail, and food trucks)
- Strengthen Business Capacity – Offer technical assistance in branding, compliance, operations, and funding.
- Scale Local Products – Connect entrepreneurs with co-packing, production, and distribution infrastructure.
- Promote Community Wealth Building – Create pathways for generational wealth and long-term business sustainability.

To achieve program objectives, participants will get access to specialized services, such as:

- Cohort-based learning models.
- Market research and product development services with local partners, including enhanced access to commissary kitchens, co-packing, and mobile vending resources.
- Access to retail partnerships and networks, e-commerce onboarding services, and mobile vending/food truck opportunities.
- Packaging, branding, and digital marketing workshops.
- Business coaching, permitting/licensing navigation, and funding application support.

Potential Cohort-Based Learning & Mentoring Pathways

Pathway 1: E-Commerce

Purpose: Enable entrepreneurs to launch, improve, or scale online sales channels.

Target Participants: Existing consumer-product businesses in growth stage.

Required Outcomes:

- Operate an owned or third-party online storefront
- Acquire customers through digital marketing
- Manage fulfillment, inventory, and payments
- Access suppliers and growth capital

Required Features:

- Platform onboarding (Shopify, Etsy, Amazon, etc.)
- SEO, advertising, and analytics training
- Fulfillment and shipping systems
- Pricing, margin, and scale-up coaching

To request other formats, please contact:

Victor Saldanha | 360-487-0739 | TTY: 711 | victor.saldanha@cityofvancouver.us

Pathway 2: Brick-and-Mortar, Farmers Market & Wholesale

Purpose: Enable entrepreneurs to sell through physical retail, markets, and wholesale buyers.

Target Participants: Ready-to-launch consumer-product businesses and cottage food producers.

Required Outcomes:

- Placement on store shelves
- Successful farmers market sales
- Wholesale or restaurant sales readiness

Sample Learning Tracks:

- Retail: UPCs, packaging, labeling, wholesale pricing, buyer outreach
- Farmers Market: Booth design, POS systems, sampling rules
- Restaurant & Wholesale: Food safety, bulk pricing, B2B fulfillment

Pathway 3: Mobile Vending

Purpose: Enable food entrepreneurs to launch and scale mobile vending businesses.

Target Participants: Existing food vendors in growth stage.

Required Outcomes:

- Legal operation and compliance
- Access to vending locations and events
- Commissary kitchen utilization

Required Features:

- Food cart or pop-up locations
- Health department permitting support
- Commissary kitchen access
- Licensing, insurance, and compliance toolkit

Potential Key Partnerships and Roles

A successful product to market program will require the coordination of various support organizations. A successful applicant and partner will need to demonstrate the ability to align services and partners. Below are examples of potential partners and roles:

To request other formats, please contact:

Victor Saldanha | 360-487-0739 | TTY: 711 | victor.saldanha@cityofvancouver.us

Proposers must demonstrate a formalized network of operating partners that connect entrepreneurs to the full commercialization pipeline. Partnerships must be active and supported by Letters of Commitment or Memorandum of Understanding (MOUs).

Required partnership categories include:

- Kitchens, co-packers, and food production facilities
- Retailers, markets, and distributors
- E-commerce and digital sales platforms
- Events, pop-ups, and mobile vending operators
- Business development, education, and community networks

MOUs must specify participant access, pricing or discounts, duration, data sharing, and equity commitments.

Potential Program Impact Goals

To be finalized alongside selected Program partner(s)

- Increase visibility of local products across multiple channels.
- Expand food truck and mobile vending presence in Vancouver.
- Build long-term sustainable revenue for local small businesses.
- Increased number of underserved entrepreneurs successfully launching or scaling their businesses.
- Measurable improvements in business readiness, including packaging, branding, licensing, and compliance with regulatory requirements.
- Strengthened peer-to-peer networks and mentorship opportunities.
- Growth in local consumer product visibility.

Partner(s) Selection Process and Evaluation Criteria

Proposals will be evaluated on demonstrated ability to design, operate, and sustain a market-anchored Product to Market Program.

1. Organizational Capability & Track Record (20 Points)

- Consumer-product and underserved entrepreneur experience (10)
- Operational readiness and program management capacity (10)

2. Product to Market System Design (15 Points)

- End-to-end commercialization pathway (5)
- Infrastructure and market integration (5)
- Revenue-focused design (5)

3. Track-Specific Design & Delivery (30 Points)

- E-Commerce (10)

To request other formats, please contact:

Victor Saldanha | 360-487-0739 | TTY: 711 | victor.saldanha@cityofvancouver.us

- Brick-and-Mortar / Farmers Market / Wholesale (10)
- Mobile Vending (10)

4. Partnerships & Ecosystem Strength (15 Points)

- Quality of partnerships (8)
- Integration and coordination (7)

5. Equity, Inclusion & Community Wealth Outcomes (10 Points)

- Targeting underserved entrepreneurs (5)
- Wealth-building and long-term outcomes (5)

6. Budget, Sustainability & Track Rotation (20 Points)

- Budget quality and cost effectiveness (10)
- Sustainability, rotation, and pro forma planning (10)

To request other formats, please contact:

Victor Saldanha | 360-487-0739 | TTY: 711 | victor.saldanha@cityofvancouver.us

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Approval of the Claim Vouchers

Action Requested

Approve claim vouchers for March 2, 2026.

Attachments:

1. March 2, 2026 Claim Vouchers

VOUCHER APPROVAL

We, the undersigned council members of the City of Vancouver, Clark County, Washington, do hereby certify that the merchandise or services hereinafter specified have been received and that the vouchers listed below are approved for payment in the amount of:

\$ 4,419,987.38 this 2nd day of March 2026.

MAYOR

COUNCILMEMBER

AUDITING OFFICER

COUNCILMEMBER

DATE	INCLUSIVE CHECK NUMBERS	CHECK TOTAL
February 16, 2025 - February 22, 2026	Accounts Payable Checks (see attached)	\$ 4,416,710.25
February 16, 2025 - February 22, 2026	Hansen City Payments (see attached)	\$ 3,178.13
February 16, 2025 - February 22, 2026	Visa Refunds (see attached)	\$ 99.00
February 16, 2025 - February 22, 2026	Payroll Checks (see attached)	\$ -
TOTAL		\$ 4,419,987.38

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Transaction Reference</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Memo</u>
Miscellaneous Payment	Check	29934	2/18/2026	145.00	Delta Management	Refund duplicate payment to INV #77083194
Miscellaneous Payment	Check	29935	2/18/2026	5,154.53	MAJ MAV LLC	CMI-382050 (jobsite: 13205 NE 4th ST C)
Miscellaneous Payment	Check	29936	2/18/2026	75,000.00	Ron Kramer	CLAIM PAYMENT - DOI: 09/02/2024 - RISK
Miscellaneous Payment	Check	29937	2/18/2026	50.00	Sofia Bautista	Damage deposit refund
Miscellaneous Payment	Check	29938	2/18/2026	476.00	TEP Producers RealtyU LLC	Refund overpayment
Miscellaneous Payment	Check	29939	2/18/2026	153.00	Vancouver Veterans Residences, LP	Refund duplicate payment to INV #77080538 & 77080648
Ad Hoc Payment	Check	29940	2/18/2026	178.14	Boltz,Megan	3801 NE 159TH AVE ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	29941	2/18/2026	25.98	Durrent,Jacob	11401 NE 23RD ST ,VANCOUVER,WA,98684
Ad Hoc Payment	Check	29942	2/18/2026	2,128.84	Grocery Outlet Inc	5920 NE 162ND AVE ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	29943	2/18/2026	161.81	Heppler,Lance C	11112 SE 10TH ST ,VANCOUVER,WA,98664
Ad Hoc Payment	Check	29944	2/18/2026	22.81	Jordan,Dominique	5616 NE 59TH WAY ,VANCOUVER,WA,98661
Ad Hoc Payment	Check	29945	2/18/2026	188.32	Kathryn or Justin Hansen	3802 E MCLOUGHLIN BLVD ,VANCOUVER,WA,98661
Ad Hoc Payment	Check	29946	2/18/2026	74.62	Lutz, Everlyne or Andrew	8800 NE 82ND ST ,VANCOUVER,WA,98662
Ad Hoc Payment	Check	29947	2/18/2026	209.53	McKibbin,William or Maria	17707 NE 38TH WAY ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	29948	2/18/2026	136.53	Mills,Wendell R	12310 NE 32ND ST ,VANCOUVER,WA,98682
Ad Hoc Payment	Check	29949	2/18/2026	1,966.54	Mocanu,Valentina	7705 NE 105TH CT ,VANCOUVER,WA,98662
Ad Hoc Payment	Check	29950	2/18/2026	12.26	Skeele,Kristina or Peter	2507 NE 59TH ST ,VANCOUVER,WA,98663
Ad Hoc Payment	Check	29951	2/18/2026	112.52	The Weekley Group of Companies	18107 NE 17TH ST ,VANCOUVER,WA,98684
Ad Hoc Payment	Check	29952	2/18/2026	231.02	William or Cheryl Thomson	316 MEMPHIS WAY ,VANCOUVER,WA,98664
Supplier Payment	Check	29953	2/18/2026	180.00	Allegiance Benefit Plan Management Inc (COBRA)	
Supplier Payment	Check	29954	2/18/2026	19,398.00	Allegis Group Holdings Inc -Remit-To: TekSystems Inc -Atlanta	
Supplier Payment	Check	29955	2/18/2026	1,196,086.77	Association of Washington Cities Employee Benefit Trust	
Supplier Payment	Check	29956	2/18/2026	6,506.24	Axon Enterprises Inc	
Supplier Payment	Check	29957	2/18/2026	11,101.39	Brown & Wilson Partnership LLC	
Supplier Payment	Check	29958	2/18/2026	486,738.12	Clark County Public Utility District No. 1	
Supplier Payment	Check	29959	2/18/2026	1,846.34	Clark County Public Utility District No. 1	
Supplier Payment	Check	29960	2/18/2026	573.38	Clark County Title Company	
Supplier Payment	Check	29961	2/18/2026	22,443.22	Columbia Resource Company	
Supplier Payment	Check	29962	2/18/2026	118.61	Comcast Holdings Corporation - Remit-To: Comcast Business - City of Industry	
Supplier Payment	Check	29963	2/18/2026	2,027.32	Cummins Inc	
Supplier Payment	Check	29964	2/18/2026	816.00	EMS Technology Solutions LLC	
Supplier Payment	Check	29965	2/18/2026	90.00	Express Scripts Inc	
Supplier Payment	Check	29966	2/18/2026	3,866.89	Greystone Partners, Inc	
Supplier Payment	Check	29967	2/18/2026	848.90	Harold LeMay Enterprises	
Supplier Payment	Check	29968	2/18/2026	13,699.00	James Schram	
Supplier Payment	Check	29969	2/18/2026	13,699.00	Jerry Schram	
Supplier Payment	Check	29970	2/18/2026	34,572.57	Life Insurance Company of North America	
Supplier Payment	Check	29971	2/18/2026	600.00	Nagra & Atwal Corporation	
Supplier Payment	Check	29972	2/18/2026	5,358.34	National Park Service - Remit-To: National Park Service - Pearson Lease	
Supplier Payment	Check	29973	2/18/2026	5,500.00	Southwest Washington Equity Coalition	
Supplier Payment	Check	29974	2/18/2026	47.00	State of Washington Department of Licensing - Remit-To: DOL - Seattle Remit	
Supplier Payment	Check	29975	2/18/2026	25,692.21	State of Washington Department of Transportation - Remit-To: WADOT - PO Box 47339	
			Checks	1,938,236.75		
Expense Payment	Direct Deposit	EFT-00337960	2/19/2026	249.54	Brian Flory	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00337961	2/19/2026	189.82	Kyle Cahoon	Employee Reimbursement
Cash Advance Payment	Direct Deposit	EFT-00337962	2/19/2026	354.75	Robb Milano	Travel Advance
Expense Payment	Direct Deposit	EFT-00337963	2/19/2026	228.43	Ethan Autrey	Employee Reimbursement
Cash Advance Payment	Direct Deposit	EFT-00337964	2/19/2026	354.75	Darrin Deming	Travel Advance

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

INVOICE PAYMENTS REPORT

<u>Payment Category</u>	<u>Payment Type</u>	<u>Transaction Reference</u>	<u>Payment Date</u>	<u>Payment Amount</u>	<u>Payment Payee</u>	<u>Memo</u>
Expense Payment	Direct Deposit	EFT-00337965	2/19/2026	111.90	Curtis Erwin	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00337966	2/19/2026	150.57	Heladio Cardenas de	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00337967	2/19/2026	216.28	Chad Eiken	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00337968	2/19/2026	155.03	Douglas Messner	Employee Reimbursement
Expense Payment	Direct Deposit	EFT-00337969	2/19/2026	83.53	Tyler Chavers	Employee Reimbursement
			Direct Deposit	2,094.60		
Supplier Payment	EFT	EFT-00337970	2/19/2026	2,241.28	Avolve Software Corp	
Supplier Payment	EFT	EFT-00337971	2/19/2026	7,981.24	Northwest Staffing Resources Inc - Remit-To: Northwest Staffing Resources	
Supplier Payment	EFT	EFT-00337972	2/19/2026	9,959.45	Vancouver Housing Authority	
Supplier Payment	EFT	EFT-00337973	2/19/2026	1,218.41	PC Specialists Inc - Remit-To: TIG - San Diego	
Supplier Payment	EFT	EFT-00337974	2/19/2026	10,174.92	Contract Land Staff LLC	
Supplier Payment	EFT	EFT-00337975	2/19/2026	394,103.90	Jeffrey D. Barrar, PS	
Supplier Payment	EFT	EFT-00337976	2/19/2026	11,757.20	Jackman & Brooks Contracting LLC	
Supplier Payment	EFT	EFT-00337977	2/19/2026	2,441.84	Level 3 Financing, Inc	
Supplier Payment	EFT	EFT-00337978	2/19/2026	213,204.99	Brown and Caldwell - Remit-To: Brown & Caldwell - San Francisco	
			EFT	653,083.23		
Supplier Payment	Manual Wire		2/17/2026	846,698.58	State of Washington Department of Retirement Systems (DRS)	
Supplier Payment	Manual Wire		2/18/2026	922.69	JP Morgan Chase Bank, N.A.	
Supplier Payment	Manual Wire		2/19/2026	125.00	KFPro, Inc	
Supplier Payment	Manual Wire		2/19/2026	79.80	Washington Dental Service	
Supplier Payment	Manual Wire		2/19/2026	1,448.25	Blue Cross Blue Shield of Oregon	
Supplier Payment	Manual Wire		2/19/2026	54,284.88	Liberty Mutual Group Inc.	
Supplier Payment	Manual Wire		2/19/2026	919,736.47	Clark County - Remit-To: Clark County - Treasurer Vancouver	
			Manual Wire	1,823,295.67		
			Checks	1,938,236.75		
			Direct Deposit	2,094.60		
			EFT	653,083.23		
			2/23/2026	3,178.13	City Payments	Posted 02-09-26 - 02-15-26
			Hansen Total	3,178.13		
			2/23/2026	99.00	Miscellaneous	Parks Class Refunds FCC 02-16-26 - 02-22-26
			VISA Total	99.00		
			Payroll Total	0.00		
			GRAND TOTAL	4,419,987.38		

*Please contact Procurement Services if you would like to review the justification for EMERGENCY procurement.

AN ORDINANCE relating to Comprehensive Plan and Zoning for the City of Vancouver; amending the zoning map designation from R-22 to R-35 at a 1.6 acre property at 7711 and 7809 NE 58th Street, tax lots 107971000 and 107982000; providing for severability; and establishing an effective date.

Staff Report: 037-26

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Ordinance for the 58th Street Rezone Reapplication

Key Points

- Following fall 2025 denial of a request for R-50 zoning, the applicant reapplied for less intensive R-35 zoning, which was recommended for approval by the Planning Commission at a November 18, 2025, public hearing, and generally supported by City Council members at a December 1, 2025, Communications discussion.
- Several City Council and Planning Commission members voiced support for a Development Agreement (DA), to ensure future development is consistent with the proposed R-35 zoning and does not utilize an otherwise allowed 25% density bonus, and to ensure that applicant pledges regarding tree retention and building placement are realized.
- The applicant has declined to enter into a DA, citing a potential desire for future development to utilize the allowed density bonus, and not be subject to the City Green Building Policy, and the fact that more intensive zoning without a DA is envisioned to be applied by the City through the anticipated June 2026 Comprehensive Plan update.

Strategic Plan Alignment

Housing and Human Needs – meeting basic needs and partnering with organizations to support the community

Safe and Prepared Community – a safe place to live, work, learn and play

Present Situation

The 1.6-acre rezone site contains two existing single-family homes. To the north across 58th Street is Raymond Shaffer Park, zoned Park. East and west are larger single family homesites zoned R-22. South and southeast is a City of Vancouver stormwater facility also zoned Park. Shaffer Park is undeveloped but is currently undergoing master planning, with construction anticipated later in 2026, including frontage improvements and sidewalks on the north side of 58th Street. Park construction is not tied to the outcome of the rezone proposal.

The applicant has provided a conceptual site plan indicating the proposed apartment building will be located in the northeast corner of the site, and has indicated an intent to retain all mature trees at the southern border of the rezone site, and most mature trees on the western border.

City transportation staff has indicated that future development of the site under either existing R-22 zoning or the proposed R-35 would require crosswalk improvements on 58th Street linking the rezone site to Shaffer Park to the north, and construction of a 5-foot wide asphalt path on the south side of 58th Street along the frontage of the two adjacent properties east and west of the rezone site. The paths would extend approximately 100 and 130 feet to east and west of the rezone site and be located in the right-of-way and would not require negotiation with the neighboring properties.

The recently endorsed draft Preferred Alternative of the pending Comprehensive Plan and zoning code update identifies the rezone site as Medium Scale Neighborhood (MSN), a new designation which would allow multi-family housing and various commercial uses up to 75 feet in height. The current R-22 zone allows buildings up to 50 feet. The requested R-35 zone allows buildings up to 60 feet.

The applicant has included a non-binding conceptual site plan envisioning future development under the proposed R-35 zone of a three-story, 54-unit apartment building, but has also indicated they may seek the 25% density bonus allowed under the VMC 20.540, Transit Overlay District (TOD), which would allow up to 68 units.

Advantage(s)

The proposed rezone to R-35 would allow for shorter-term construction of 54 housing units under base zoning, or up to 68 units with the density bonus. Either would provide more and smaller housing units than the current R-22 zone, which would allow only 36 units and is unlikely to be developed in the short term given that it has not developed thus far.

Challenge(s)

1. The proposed rezone to R-35 now would allow future site plan development under differing standards than those envisioned in the pending city Comprehensive Plan and zoning code update.
2. The absence of a Development Agreement could result in shorter-term development that exceeds the baseline density allowances of the R-35 zone (because it utilizes the TOD density bonus) and does not include the tree retention pledges on the rezone site's southern and western borders.

Budget Impact

No significant direct impacts are anticipated

Prior Council Review

December 1, 2025 – Communications

Action Requested

On Monday, February 23, 2026, advance the ordinance to consider the proposed rezone to R-35 setting the date for the second reading and public hearing for March 2, 2026.

Staff Contact

Bryan Snodgrass, Principal Planner, bryan.snodgrass@cityofvancouver.us

Attachments:

1. Ordinance
2. Presentation



CITY OF
Vancouver
WASHINGTON

58th Street Rezone Reapplication City Council Public Hearing

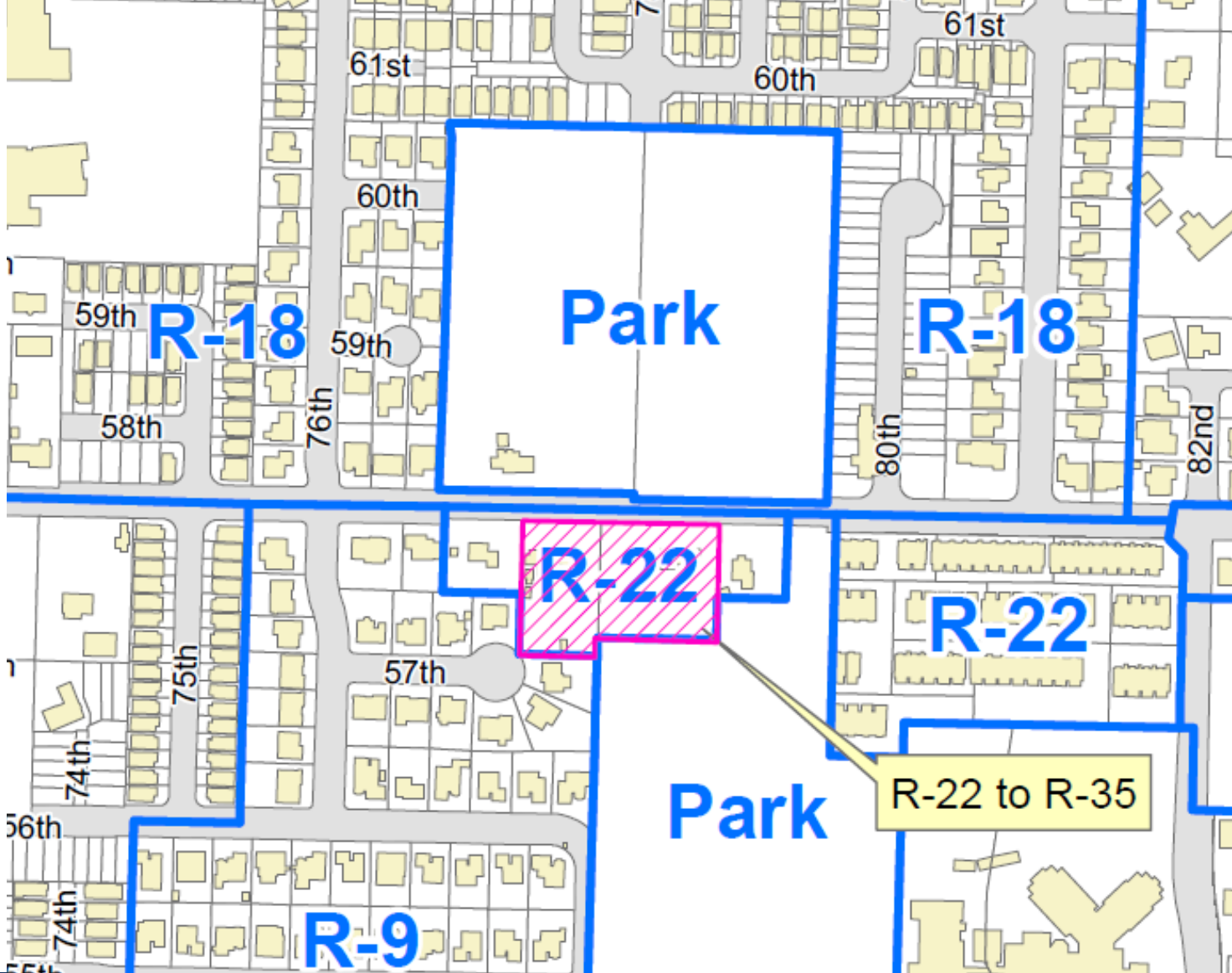
Bryan Snodgrass
Principal Planner
Community Development Department
March 2, 2026



Agenda

- Staff review of project proposal and history
- City Council questions, applicant and public testimony, and Council deliberation and decision

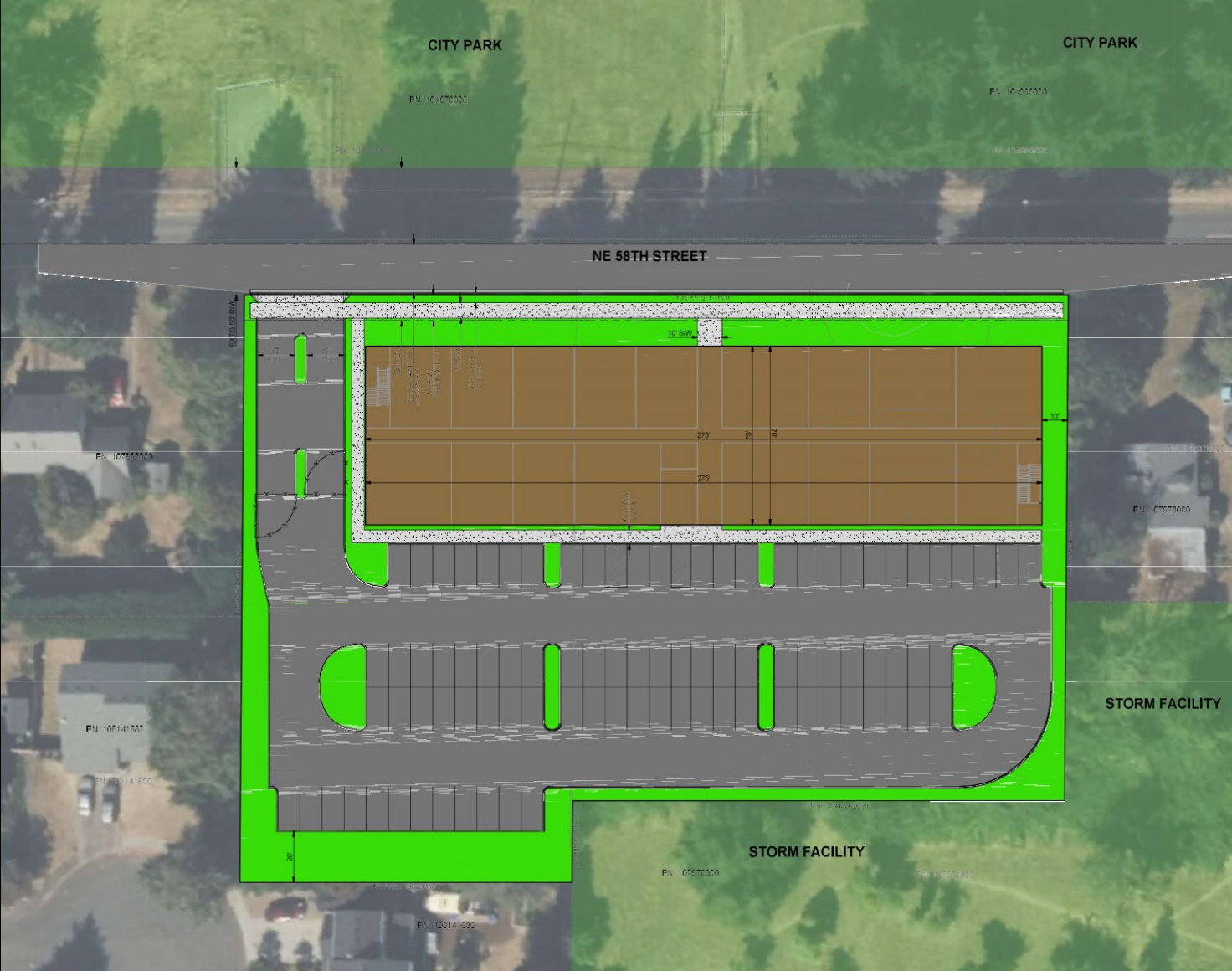




Area Zoning

- Applicant has reapplied for R-35 zoning after R-50 denied by City Council in August 2025.
- R-35 recommended by Planning Commission on November 18, 2025 by 5-2 vote.
- Medium Scale Neighborhood designation envisioned in draft Preferred Alternative map





Conceptual Site Plan

- Same off-site improvements to be required as previously described - crosswalk to park, asphalt paths to east and west along south side of 58th Street
- Same applicant pledges as previous – place building in NE corner, retain all existing trees on south property line, and some on west property line, including at the SW corner



Building Concept

- Three story, 50 foot high, 54-unit apartment envisioned
- Applicant indicates they want to retain option to utilize 25% density bonus currently allowed under Transit Overlay District if site plan submitted before spring 2026 update
- Applicant has declined to enter into Development Agreement as suggested by various City Council and Planning Commission members



	Allowed under R-22	Allowed under R-35	Allowed under Medium Scale Neighborhood
Number of units	36 (45 with TOD density bonus)	57 (70 with TOD density bonus)	Maximum determined by height. No density bonus
Maximum building height	50 feet	60 feet	75 feet

Allowed Density and Height under Potential Zoning Scenarios





Return to City Council

- Recommended Action - Consider ordinance for approval of rezone from R-22 to R-35



Thank You



bryan.snodgrass@cityofvancouver.us

360-487-7946





CITY OF
Vancouver
WASHINGTON

58th Street Rezone

Reapplication

City Council Public Hearing

Bryan Snodgrass

Principal Planner

Community Development Department

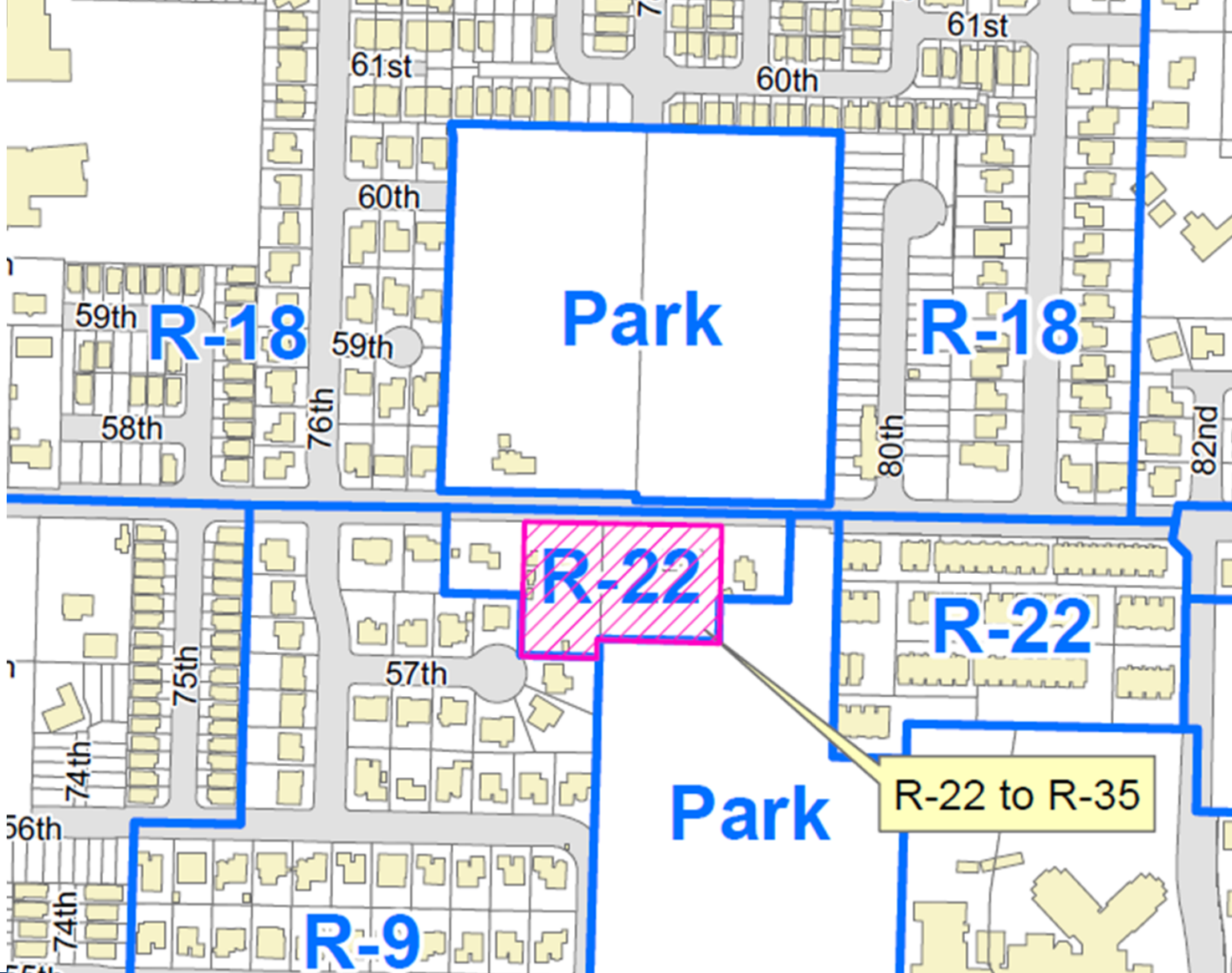
March 2, 2026



Agenda

- Staff review of project proposal and history
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	Allowed under R-22	Allowed under R-35	Allowed under Medium Scale Neighborhood
Number of units	36 (45 with TOD density bonus)	57 (70 with TOD density bonus)	Maximum determined by height. No density bonus
Maximum building height	50 feet	60 feet	75 feet

Allowed Density and Height under Potential Zoning Scenarios





Return to City Council

- Recommended Action - Consider ordinance for approval of rezone from R-22 to R-35



Thank You



bryan.snodgrass@cityofvancouver.us

360-487-7946



AN ORDINANCE of the City of Vancouver relating to changes to the Bylaws of the Downtown Redevelopment Authority (“DRA”); adopting an amendment to Section 2.09 of the Bylaws clarifying the employment status of the Executive Director.

Staff Report: 038-26

To: Mayor and City Council
From: City Manager
Date: March 2, 2026

Subject

Amendment to Downtown Redevelopment Authority Bylaws

Key Points

- The Downtown Redevelopment Authority (DRA) was established by City Council in 1997 and led the development of the Vancouver Convention Center (“Convention Center”) and Hilton Hotel (“Hotel”).
- The Executive Director of DRA historically has been an at-will employee of the City.
- The City controls and oversees operations of the DRA for the sole purpose of correcting any deficiency and assuring that the purposes of the DRA are reasonably accomplished pursuant to RCW 35.21.745 and VMC 2.73.230.
- The DRA bylaws must be clarified to reflect that the Executive Director will be an at-will employee of the City subject to appointment and removal by the City Manager.

Strategic Plan Alignment

Economic Opportunity – a place where a wide variety of businesses of all sizes grow and thrive

High Performing Government – a government that is reliable, fiscally responsible, equitable, and open to compromise

Present Situation

The City established DRA in 1997 pursuant to RCW 35.21.730-759. Cities, counties and towns in Washington can establish public development authorities under State law to carry out specific projects and programs and limit a municipality’s liability for any debts or obligations. DRA was established to develop and own the Convention Center and Hotel, two critical assets for the economic health and vitality of downtown Vancouver.

DRA has primarily been staffed and supported by the City since its formation. An at-will City employee has served as Executive Director for all but two years of DRA’s existence and all administrative support for the operations of DRA has been provided by the City through an Interlocal Agreement for Administrative Services. Nearly 70 public development authorities have been established in Washington State since 1970, and the governance and operations of PDAs vary widely. While many PDAs operate with separate staff and operational infrastructure, a comparable number of PDAs depend entirely on the sponsoring city or county for all staffing and administrative support.

While PDAs are intended to limit liability to the sponsoring municipality, RCW 35.21.745 requires that any city that establishes a PDA control and oversee the PDA's operation and funds to ensure that the PDA is reasonably accomplishing its purpose and correct any deficiencies. A 2013 audit of PDAs by the State Auditor's Office cited a lack of oversight by sponsoring cities as a top concern for the State in monitoring the health and operations of established PDAs.

In addition to the operational overlap between the City and DRA, the City provides financial support to DRA through a debt service guaranty on DRA-issued revenue bonds with a maturity date of January 2044 and the pledge of lodging taxes paid to the City to pay debt service on DRA-issued tax revenue bonds with a maturity date of January 2034. These financial obligations are tied to the above bonds and terminate upon repayment on the debt for each set of bonds. This financial support expands the amount of debt available to DRA to fund capital investments in the Convention Center and Hotel and lowers interest costs for DRA.

The DRA is planning a major expansion of the Convention Center that will increase visitors to downtown Vancouver and help transform a vacant lot and building in the heart of Vancouver's central city. Additionally, the City is collaborating with the DRA on two potentially transformative redevelopment projects in downtown Vancouver:

1. The redevelopment of properties owned by the City behind City Hall and adjacent to the Convention Center into a mixed-use development and active public space; and
2. A proposed performing arts center that may be located on City-owned property behind the Convention Center and will require substantial investment by the City.

The City will likely be required to provide credit enhancements including but not limited to a debt service guaranty and allocation of lodging tax revenues for future debt offerings by DRA to finance the projects highlighted above.

Because the City is responsible under State law for overseeing and correcting deficiencies in the DRA's operations, including board governance lapses, and to ensure that DRA performs its required fiduciary responsibilities without interruption, the City proposes to amend DRA bylaws to clarify the employment requirements of the DRA Executive Director.

Based on the testimony given during the first read of this Ordinance, staff requests Council consider a motion removing the word "all" in the following whereas clause:

WHEREAS, since its inception, the City has provided all staff and administrative support for DRA, including staffing the Executive Director position through an Interlocal Agreement for Administrative Services between DRA and the City;

The City Attorney's Office has advised this change is not a "change of substance" under Vancouver City Charter 2.15 that would require the amended ordinance to be republished and renoticed and therefore this amended ordinance could pass on 3/2 after the public hearing, if that is the will of Council.

Advantage(s)

1. Ensures that existing approach to DRA operations continues.
2. Protects the financial interests of the DRA and the City.
3. Maintains collaborative relationship between the City and DRA, which protects the long-term

viability of the Convention Center and Hotel.

Challenge(s)

This ordinance amends Section 2.09 of the DRA bylaws, which DRA amended by resolution on February 19, 2026. The DRA took this action despite the City's formal request that it table the proposed resolution due to noncompliance with its charter, bylaws, and certain financial obligations.

Budget Impact

None

Prior Council Review

City Council adopted Ordinance M-3302 in 1997 to establish DRA. The DRA Charter and bylaws have been subsequently amended by Ordinances M-3517, M-3738 and M-3939.

Action Requested

On Monday, March 2, 2026, upon second reading and a public hearing, finalize and approve the ordinance amending the bylaws for the Downtown Redevelopment Authority (DRA).

Staff Contact

Jeffrey Towery, Deputy City Manager, Jeff.Towery@cityofvancouver.us

Attachments:

1. Ordinance
2. Presentation

2/23/26 (Date of First Reading)
3/2/26 (Date of Public Hearing)

ORDINANCE NO. M- [Ordinance Number]

AN ORDINANCE of the City of Vancouver relating to changes to the Bylaws of the Downtown Redevelopment Authority (“DRA”); adopting an amendment to Section 2.09 of the Bylaws clarifying the employment status of the Executive Director.

WHEREAS, the City Council of the City of Vancouver (“City”) adopted Ordinance M-3302, effective May 19, 1997, creating the DRA as a public authority organized pursuant to the laws of State of Washington, RCW 35.21.730 through RCW 35.21.759; and

WHEREAS, pursuant to RCW 35.21.745 any city that creates a public authority shall provide for its organization and operations and shall control and oversee its operation and funds in order to correct any deficiency and to assure that the purposes of each program undertaken are reasonably accomplished; and

WHEREAS, the Charter and Bylaws of the DRA were subsequently amended by City Council pursuant to Ordinances M-3517, M-3738 and M-3939; and

WHEREAS, since its inception, the City has provided all staff and administrative support for DRA, including staffing the Executive Director position through an Interlocal Agreement for Administrative Services between DRA and the City; and

WHEREAS, the DRA was established to construct, own, and manage the Vancouver Convention Center (“Convention Center”) and Hilton Hotel (“Hotel”), two critical assets for the economic health and vitality of downtown Vancouver; and

WHEREAS, the DRA issued the City Downtown Redevelopment Authority Conference Center Project Revenue Bonds in 2013 (“Project Revenue Bonds”) and the City Downtown

ORDINANCE - 1

Redevelopment Authority Conference Center Sales and Lodging Tax Revenue Bonds in 2013 (“Tax Revenue Bonds”) to refund existing debt and finance improvements to the Hotel and Convention Center; and

WHEREAS, the City provided a debt service guaranty through an Amended and Restated Payment Agreement between DRA and the City in 2013 that provided the necessary security to issue the Project Revenue Bonds in a cost-effective manner; and

WHEREAS, the City has pledged a certain amount of lodging taxes paid to the City to the DRA to help fund required debt service payments on the Tax Revenue Bonds; and

WHEREAS, the DRA is planning a major expansion of the Convention Center that will increase visitors to downtown Vancouver and help transform a vacant lot and building in the heart of Vancouver’s central city; and

WHEREAS, the DRA is collaborating with the City and the City Center Redevelopment Authority (“CCRA”) to redevelop properties owned by the City behind City Hall and adjacent to the Convention Center into a mixed-use development and active public space; and

WHEREAS, the DRA is collaborating with the City on a proposed performing arts center that will require substantial investment by the City and may be located on City-owned property behind the Convention Center; and

WHEREAS, the City will likely be required to provide credit enhancements including but not limited to a debt service guaranty and allocation of lodging tax revenues for future debt offerings by DRA to finance the expansion of the Convention Center and other adjacent capital projects; and

ORDINANCE - 2

WHEREAS, effective collaboration between DRA and the City on both current DRA operations and planned future projects requires regular coordination between DRA and City leadership and staff; and

WHEREAS, Section 2.09 of the Bylaws stated that the Executive Director was an employee at-will; and

WHEREAS, the DRA amended Section 2.09 of the Bylaws by resolution at its February 19, 2026 meeting, effective immediately, to, in part, make it permissible for the Executive Director to be an employee-at-will or an independent contractor and to give the Board sole discretion to remove the Executive Director;

WHEREAS, the DRA did not receive prior written consent from City Council in connection with amending Section 2.09 of the Bylaws in contravention of Article 7 Section 11 of the Amended and Restated Trust Indenture dated as of June 1, 2013 (effective June 27, 2013) (“Indenture”);

WHEREAS, the City desires to clarify that the Executive Director is an employee-at-will of the City; and

WHEREAS, City employees at-will are appointed and removed by the City Manager pursuant to City Charter Section 3.03;

WHEREAS, City Council desires that any other amendments to the DRA bylaws are not implemented without the prior written consent of the City in conformance with Article 7 Section 11 of the Indenture;

WHEREAS, pursuant to VMC 2.73.130 (C), the City Council may amend the Bylaws of the DRA by ordinance and pursuant to the Indenture to Article 7 Section 11 may amend this Bylaw as stated below because the amendment will not result in the inclusion of interest on any

ORDINANCE - 3

bonds in gross income for federal tax purposes or materially adversely affect the interest of the owners of the bonds.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF VANCOUVER:

Section 1. **Recitals Adopted as Findings.** The City Council hereby adopts and incorporates by reference the above recitals as findings in support of this Ordinance.

Section 2. **Amendment.** Downtown Redevelopment Authority Bylaws Section 2.09 entitled “Executive Director” as initially codified by Ordinance Ord. M-3302 and amended by Ordinances M-3517, M-3738, M-3939, and amended by the DRA at its February 19, 2026 meeting and made effective immediately is hereby amended as follows:

Section 2.09 Executive Director. The Executive Director shall be the chief administrative officer of the Authority responsible for the day-to-day operations of the Authority and for carrying out the policies and directives of the Board. The Executive Director shall be appointed by the Vancouver City Manager after receiving input from the Board. The Executive Director shall make recommendations to the Board on practices, policies and programs of the Authority. ~~He or she~~ The Executive Director shall have such powers and perform such duties as may be prescribed from time to time by the Board. The Executive Director must be a City employee, ~~may be as provided in the Authority Charter, or may be~~ is an employee at-will ~~or an independent contractor. The Executive Director~~ and as such, may be removed, with or without cause, by the ~~Board in the Board’s sole discretion~~ Vancouver City Manager.

Section 3. **Effective Date.** This ordinance shall be effective five days after the date of passage.

DATE OF FINAL PASSAGE by the Vancouver City Council:

SIGNED this _____ day of _____, 2026.



Downtown Redevelopment Authority (DRA) Bylaws Amendment

Jeff Towery
Deputy City Manager
March 2, 2026



Agenda

- Public Development Authorities
- DRA Background and History
- City – DRA Relationship
- Future Collaboration
- Proposed Action





Public Development Authorities (PDAs)

- RCW 35.21.730-759 allows cities to establish PDAs to carry out specific projects and programs and limit a municipality's liability for any debts or obligations.
- Governance and operations of PDAs vary widely across the state.
 - Many PDAs operate with separate staff and operational infrastructure.
 - Some PDAs depend entirely on the sponsoring city or county for all staffing and administrative support.



Downtown Redevelopment Authority (DRA) History

- City Council established DRA in 1997 as a public authority organized pursuant to the laws of State of Washington.
- The Convention Center and Hotel opened in 2005.
- DRA charter was amended by City Council in 2006 to focus on the development and management of Convention Center and Hotel.
- The Convention Center and Hotel are owned and managed by DRA.





DRA Governance & Operations

- DRA is governed by a seven-person board of directors appointed by City Council.
- DRA Executive Director has historically been an at-will City employee except for two-year period.
- All staffing and systems for DRA, including administrative support, financial management, IT, and project management, are provided by the City.



Financial Support for DRA

City support expands the amount and lowers the cost of DRA debt

The City provides ongoing financial support to DRA through:

- A debt service guaranty on DRA-issued project revenue bonds;
- A pledge of lodging taxes paid to the City to pay debt service on DRA-issued tax revenue bonds.

	Maturity	City Obligation
2013 Project Revenue Bonds	January 1, 2044	Debt Service Guaranty
2013 Tax Revenue Bonds	January 1, 2034	Pledge of 2% Lodging Taxes



Proposed DRA/City Projects

The City and DRA are collaborating on a series of planned or proposed redevelopment projects in Downtown Vancouver:

- Convention Center expansion to grow capacity and attract more events and visitors;
- The redevelopment of properties owned by the City behind City Hall and adjacent to the Convention Center into a mixed-use development and active public space; and
- A proposed performing arts center that may be located on City-owned property behind the Convention Center and will require substantial investment by the City.



City Oversight of DRA

- Pursuant to State law, the City is responsible for overseeing and correcting deficiencies in the DRA's operations, including board governance lapses.
- City Council has amended the charter of DRA three previous times to refine mission, address changes to DRA operations and manage risk to the City.



Requested Action

Adopt ordinance amending the bylaws for the Downtown Redevelopment Authority clarifying the employment status of the DRA Executive Director.



Thank You

