

PORT OF BREMERTON
BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

A G E N D A

December 14, 2021
10:00 AM

Remote Access Only
Zoom Meeting ID: 335 903 0010
Zoom Call-In: (253) 215-8782
BKAT Live Stream

Call to Order

Approval of Agenda

Consent Items

All matters listed under Consent Items have been distributed to each member of the Commission for reading and study, are considered to be routine, and will be enacted by one motion of the Commission with no separate discussion. If separate discussion is desired, that item may be removed from the Consent Items and placed under Action Items by request.

- A. Minutes of the regular business meeting of November 23, 2021.
- B. Payment of checks #901453 and #901454 through #901456 and #901457 through #901460 and #901461 and #901462 and #E00768 and #83122 through #83128 and #E00769 through #E00770 from the General Fund for \$68,146.46.

Information Items

1. Redistricting Proposed Boundary Map Presentation to the Public
2. Recap of 2021 Bremerton Motorsports Park User Activity

Citizen Comments: *Open to the public for comment. Speakers are asked to keep their comments to less than 3 minutes. Please feel free to submit further comments in writing to the Clerk of the Board.*

Action Items

1. Final Acceptance of Boat Fire Repair Project with Aqua Dive Services, LLC
2. Stormwater Utility Easement with ALM Bremerton
3. Lease Amendment with Waste Management of Washington, Inc.

4. Airport Rates and Fees
5. Design, Bid Services, and Construction Management Agreement with Century West Engineering Corporation (Task Order #16) for the Airfield Lighting LED Precision Approach Path Indicator (PAPI) Installation Project
6. Bid Authorization for the Airfield Lighting LED PAPI Installation Project
7. Bid Award to Contractor's Roof Service, Inc. for the 5650 Imperial Way Roof Replacement & Facility Upgrades Project
8. Bid Award to Henderson Partners for the Hangar 7 Stormwater Repair Project

Staff Reports

Commission Reports / New Business

Executive Session *(if necessary)*

Adjournment

Regular business and other meetings that may be attended by members of the Board

| <u><i>Date</i></u> | <u><i>Time</i></u> | <u><i>Meeting</i></u> |
|--------------------|--------------------|--|
| <i>12/14</i> | <i>10:00 am</i> | <i>*Commission Regular Meeting via ZOOM</i> |
| <i>12/14</i> | <i>11:00 am</i> | <i>Kitsap Regional Coordinating Council (KRCC) Executive Committee</i> |
| <i>12/24</i> | <i>Friday</i> | <i>Christmas Eve – Port Offices Closed</i> |
| <i>12/25</i> | <i>Saturday</i> | <i>Christmas Day – Port Offices Closed</i> |
| <i>12/28</i> | <i>6:00 pm</i> | <i>*Commission Regular Meeting via ZOOM (cancellation possible)</i> |

Meetings are subject to change or cancellation

**Denotes events in which two (2) or more Commissioners may attend*

PORT OF BREMERTON
BOARD OF COMMISSIONERS
REGULAR BUSINESS MEETING

MINUTES

November 23, 2021
6:00 PM

Remote Access Only
Zoom Meeting ID: 335 903 0010
Zoom Call-In: (253) 215-8782
BKAT Live Stream

Commissioners and Staff Present

Commissioners

Cary Bozeman
Axel Strakeljahn
Gary Anderson

Staff Members

Jim Rothlin
Fred Salisbury
Arne Bakker
James Weaver
Warren Hendrickson
Ginger Waye
Taylor Korizon
Anne Montgomery, Atty

Call to Order

President Bozeman called the meeting to order at 6:00 p.m.

Approval of Agenda

It was moved by BOZEMAN, seconded by STRAKELJAHN to:

Approve the Agenda as presented.

MOTION CARRIES, 3-0

Consent Items

- A. Minutes of the regular business meeting and executive session of November 9, 2021.
- B. Payment of checks #901443 and #901444 and #901445 through #901448 and #901449 and #E00738 and #83054 and #83057 through #83071 and #E00739 through #E00743 and #E00744 and #E00745 from the General Fund for \$352,251.22; #83055 through #83056 from the Construction Fund for \$37,097.46. Void Check #901411
- Payment of checks #E00746 and #83072 through #83080 and #E00747 through #E00752 from the General Fund for \$31,508.70.
- Payment of checks #901450 through #901452 and #E00753 and #E00754 and #83081 and #83086 through #83121 and #E00755 through #E00767 from the General Fund for \$103,105.69; #83082 through #83085 from the Construction Fund for \$12,536.75.

It was moved by BOZEMAN, seconded by ANDERSON to:

Approve the Consent Items as presented.

MOTION CARRIES, 3-0

Information Items

1. Hazardous Substance Tax / Petroleum Products Tax (HST/PPT) Impact on State Airport Revenue – Chris Herman, Washington Public Ports Association (WPPA)

CEO Jim Rothlin introduced Chris Herman, WPPA's Senior Director, Trade & Transportation.

Mr. Herman provided a presentation on the 2022 aviation legislative priorities of WPPA and the Washington State Aviation Alliance (WSSA) related to the HST/PPT and its diversion from aviation to the state's general fund which puts the state in non-compliance with federal requirements for use of those taxes which are supposed to be used to benefit aviation. He detailed the investment needs in Washington and the economic impact from airport-related activities in the state which contributes \$851M in tax revenue to the state's general fund. He listed the aviation funding lost due to this diversion of revenue highlighting the importance of passing legislation requiring the state to come into compliance. WPPA and WSSA will continue to work this legislative agenda.

Work Study Session

1. Redistricting of Port Commissioner Districts – Gavin Jaravata, FLO Analytics.

Ginger Waye, Executive Assistant, provided a timeline for the redistricting process culminating with an anticipated public hearing and boundary approval at the January 11, 2022 meeting. She introduced Gavin Jaravata, FLO Analytics GIS Technician.

Mr. Jaravata described the redistricting requirements and population balance explaining that the deviation range between commissioner districts must be below 10%; should be below 5%; and always aspire toward 0%. He provided the overall population change which increased from 105,572 in 2010 to 116,533 in 2020:

District 1 – 38,478

District 2 – 37,992

District 3 – 40,063

The overall population deviation range between the three districts is 5.3%. Three map scenarios were provided: Scenario 0 with boundaries remaining the same; Scenarios 1 and 2 both provide for deviation ranges of 0.6% with minor differences in the boundary lines changes with Districts 1 and 2 reaching into District 3. After discussion, Scenario 1 was chosen as the map to provide to the public for comment.

Citizen Comments - None

Action Items

1. Final Budget for Calendar Year 2022

Presented by Jim Rothlin, Chief Executive Officer

1.1 Budget Presentation

CEO Rothlin provided the budget presentation highlighting the criteria used in developing the budget and noting the only change from the Preliminary Budget was the move of \$2,000 from the Future Economic Development Opportunities line item to a Commission requested sponsorship of the Recreational Boating Association of Washington.

1.2 Public Hearing

President Bozeman opened the public hearing at 6:51 p.m. No public comments were received, and the public hearing was closed at 6:52 p.m.

1.3 Action Items

- a. Resolution 2021-04 providing for a regular property tax levy and all allowable levies for calendar year 2022.

It was moved by STRAKELJAHN, seconded by BOZEMAN to:

Approve Resolution 2021-04 with no tax increase in the general tax levy.

MOTION CARRIES, 3-0

- b. Resolution 2021-05 providing a limit factor for the regular levy for the 2022 calendar year to determine future years' levies and to enable the Port to bank excess levy capacity.

It was moved by ANDERSON, seconded by STRAKELJAHN to:

Approve Resolution 2021-05 providing a limit factor for the regular levy for the 2022 calendar year to determine future years' levies and to enable the Port to bank excess levy capacity.

MOTION CARRIES, 3-0

- c. Resolution 2021-06 adopting the final budget for calendar year 2022.

It was moved by STRAKELJAHN, seconded by ANDERSON to:

Approve Resolution 2021-06 adopting the Final 2022 Budget.

MOTION CARRIES, 3-0

- d. Resolution 2021-07 filing the final budget and submitting request for tax levies for calendar year 2022 with the Clerk of the Board of County Commissioners.

It was moved by ANDERSON, seconded by BOZEMAN to:

Approve Resolution 2021-07 filing the final 2022 budget documents and submitting request for tax levies in the amounts indicated with the County Clerk of the Board of County Commissioners and the Kitsap County Assessor's Office.

MOTION CARRIES, 3-0

2. Final Acceptance of the South Hangar Site Phase 1 Development Construction Project with Nordland Construction NW, Inc.

Presented by Warren Hendrickson, Airport Manager

Following presentation and discussion;

It was moved by BOZEMAN, seconded by ANDERSON to:

Approve as final the South Hangar Project Phase 1 construction contract with Nordland Construction NW, Inc. in the amount of \$2,402,766.80.

MOTION CARRIES, 3-0

3. Bid Authorization for Hangar Building 7 Stormwater Repair Project

Presented by Warren Hendrickson, Airport Manager

Following presentation and discussion;

It was moved by BOZEMAN, seconded by STRAKELJAHN to:

Authorize Port staff to proceed with the bid call for the Hangar 7 Stormwater Repair Project.

MOTION CARRIES, 3-0

Staff Reports

Jim Rothlin, Chief Executive Officer

- The Port is interested in getting some of the federal infrastructure package resources directed toward the Port Orchard Marina Breakwater Replacement project. Although we are currently applying for grants we are also in discussions with a federal lobbyist as it would be beneficial to have someone with “boots on the ground” to assist. He provided background on the lobbyist and will report back if it is determined this is something his firm can help with.
- Provided an overall Port presentation to Kitsap Commercial Investment Brokers (KCIB) and have upcoming presentations scheduled with Leadership Kitsap; Bremerton Rotary; and Kitsap Economic Development Alliance (KEDA).

- The Port will be participating more heavily this year in the Port Orchard Festival of Chimes and Lights noting it will be a modified celebration due to Covid. Director of Marine Facilities, James Weaver, provided detail on the Port's participation.
- Next month, December 14 may be the only Commission meeting. It will be determined at that time if the December 28 meeting will be cancelled.

Commission Reports / New Business

Commissioner Strakeljahn

- Reported on the Kitsap Regional Coordinating Council (KRCC) TransPOL meeting.
- Discussed the importance of the upcoming KRCC legislative reception in getting Kitsap recognized and becoming a higher priority with the state.
- Puget Sound Regional Council just completed a Space Study and its economic impact on the Puget Sound region; would like to schedule an overview of that at an upcoming Commission meeting after the first of the year.

Commissioner Anderson

- Was glad to see CEO Rothlin at KCIB – the Port is a good barometer on the economic health of the community. Would like for Mr. Rothlin to consider making a presentation to Port Orchard Bay Street Association (POBSA).

Commissioner Bozeman

- Discussed his displeasure with the crisis the ferry system is experiencing and would appreciate if KRCC would have a good conversation about getting legislators and the governor involved. Commission Strakeljahn suggested Commissioner Bozeman bring it up at the KRCC legislative reception.
- Happy Thanksgiving to all – stay well, stay happy!

Executive Session - None

Adjournment

There being no further business before the Board, the meeting was adjourned at 7:40 p.m.

Submitted,

Approved,

Jim Rothlin
Chief Executive Officer
December 9, 2021

Gary Anderson
Commission Secretary
December 14, 2021

PORT OF BREMERTON
AGENDA SUMMARY

Agenda Item No: Action Item 1
Subject: Final Acceptance: Port Orchard Marina Boat Fire Repairs (03-20-0304)
Exhibits: None
Prepared By: James Weaver, Marine Facilities Director
Meeting Date: December 14, 2021

Summary:

On July 13, 2021, the Port Commission awarded the Port Orchard Marina Boat Fire Repairs project to Aqua Dive Services, LLC. This project consisted of the roof repair to one section of the D dock covered moorage that was damaged during a 2020 boat fire and the replacement of 2 purloins and 2 upright posts at the location of the boat fire. On November 19, 2021, the structure was inspected by the City of Port Orchard and determined by the Port to be substantially complete.

The awarded project cost, including WA State sales tax was \$105,730.00.

Fiscal Impact:

The construction funds of \$105,730.00 was temporarily allocated from the 2021 Capital Budget for the North Breakwater emergency dock repairs fund with fund reimbursement from the Port liability insurance.

Strategic Purpose:

This action conforms with the Port's strategic plan in Goal 6. Develop and fund a 20-year asset replacement/major maintenance schedule.

Recommendation:

Accept as final the contract with Aqua Dive Services, LLC in the amount of \$105,730.00. The Port will release retainage once all applicable documentation is received.

Motion for Consideration:

Move to approve as final the contract with Aqua Dive Services, LLC. In the amount of \$105,730.00

PORT OF BREMERTON
AGENDA SUMMARY

Agenda Item No: Action Item 2
Subject: Utility Easement with ALM Bremerton, LLC
Exhibits: Stormwater Gallery
Prepared By: Arne Bakker, Dir. Of Business Development
Meeting Date: December 14, 2021

Summary:

In January 2020, ALM Bremerton, LLC (ALM) purchased property north of Bremerton National Airport and constructed a 127,000-sf distribution facility for their client. At this time, ALM also entered a land lease with the Port of Bremerton for a 2.67-acre parcel for the period of 50 years in order to comply with the City of Bremerton’s landscaping requirements. After completion of the distribution facility, it was found that the underground stormwater detention facility that was built for this project had insufficient infiltrative capacity and ALM was required by the City of Bremerton to correct the deficiencies.

To resolve and correct the flooding issue in the WSDOT right-of-way and on Airport property caused by these deficiencies, ALM has constructed 1,734 linear feet of stormwater detention conveyance piping on airport property. This will alleviate any flooding on the Airport property.

ALM wishes to enter a Utility Easement with the Port of Bremerton. This agreement runs simultaneously with the ALM land lease that will expire on December 31, 2069. With this agreement, ALM will have non-exclusive easement for the underground stormwater conveyance and dispersion of stormwater. ALM will be solely responsible for the construction, improvements, maintenance, and repair of the underground facility.

This Utility Easement has been written, reviewed, and approved by legal.

Fiscal Impact:

A onetime payment of \$23,500 to the Port of Bremerton

Strategic Purpose:

This action conforms with the Port’s strategic plan through Goal 1. Be a significant leader in promoting the local economy and job growth both on and off Port assets.

Recommendation:

Staff recommends approval of the Utility Easement with ALM Bremerton, LLC as presented.

Motion for Consideration:

Move to approve the utility easement with ALM Bremerton, LLC

Filed for Record at the request of:
CHMELIK SITKIN & DAVIS P.S.
1500 Railroad Avenue
Bellingham, WA 98225

UTILITY EASEMENT

Grantor: PORT OF BREMERTON

Grantee: ALM BREMERTON, LLC.

Abbreviated Legal: PTN. NW ¼ AND SW ¼ OF NW ¼, SEC. 12, TWN. 23N, R1W, W.M.

Assessor's Parcel Numbers:
Grantor: 122301-2-009-1003
Grantee: 122301-2-007-1005; 122301-2-030-1006

Reference Numbers: N/A

THIS UTILITY EASEMENT (this "Agreement") is made as of this ____ day of _____ 2021, by and between the **PORT OF BREMERTON**, a Washington municipal corporation ("Grantor"), and **ALM BREMERTON, LLC**, a Delaware limited liability company (collectively "Grantee").

WHEREAS, Grantor owns the real property referred to by Kitsap County Tax Parcel Number 122301-2-007-1005 (the "Leased Premises), which Leased Premises are leased to Grantee pursuant to the Bremerton National Airport Land Lease Agreement dated on or about December 10, 2019, as amended by that certain First Amendment to Lease Agreement dated December 30, 2019 (the "Lease"). Grantee was assigned all right title and interest as Lessee under the Lease pursuant to that certain Assignment and Assumption of Lease and Option Agreement dated January 14, 2020. The Leased Premises are legally described as follows:

THAT PORTION OF THE NORTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 12, TOWNSHIP 23 NORTH, RANGE 1 WEST OF THE WILLAMETTE MERIDIAN, IN KITSAP COUNTY, WASHINGTON, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF THE SAID NORTHEAST QUARTER OF THE NORTHWEST QUARTER; THENCE NORTH

75 FEET ALONG THE WEST LINE THEREOF; THENCE NORTHEASTERLY, PARALLEL WITH THE STATE ROAD NO. 14, A DISTANCE OF 410 FEET, MORE OR LESS, TO THE NORTHEASTERLY LINE OF THE PROPERTY CONVEYED TO H. H. LAKE UNDER DEED RECORDED OCTOBER 27, 1944 AS RECORDING NO. 399001; THENCE SOUTHEASTERLY, ALONG THE SAID NORTHEASTERLY LINE, 500 FEET, MORE OR LESS, TO THE SOUTH BORDER OF SAID NORTHEAST QUARTER OF THE NORTHWEST QUARTER AT A POINT 660 FEET EAST OF THE POINT OF BEGINNING; THENCE WESTERLY, ALONG THE SAID SOUTH LINE, 660 FEET TO THE POINT OF BEGINNING.

WHEREAS, Grantor owns the real property referred to by Kitsap County Tax Parcel Number 122301-2-009-1003 and legally described as follows (the "Servient Property"):

THAT PORTION OF THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 12, TOWNSHIP 23 NORTH, RANGE 1 WEST, WILLAMETTE MERIDIAN, KITSAP COUNTY, STATE OF WASHINGTON, LYING SOUTHERLY OF THE SOUTHEASTERLY RIGHT OF WAY LINE FOR STATE HIGHWAY NO. 3.

SITUATE IN KITSAP COUNTY, WASHINGTON.

WHEREAS, the Servient Property is located immediately west of, and adjacent to, the Leased Premises;

WHEREAS, Grantee owns the real property referred to by Kitsap County Tax Parcel Number 122301-2-030-1006 and legally described as follows (the "Grantee Property"):

NEW PARCEL A, OF KITSAP COUNTY BOUNDARY LINE ADJUSTMENT, RECORDED December 17, 2019, UNDER RECORDING NO. 201912170121, KITSAP COUNTY, WASHINGTON.

WHEREAS, Grantee desires an easement under the Servient Property for a stormwater conveyance and dispersion system in order to dispose of stormwater from the Leased Premises and the Grantee Property;

WHEREAS, Grantor desires to grant a temporary (with the potential to become permanent as set forth below) utility easement in gross to Grantee for the duration of the Lease over, under, and across the Servient Property as set forth herein.

NOW, THEREFORE, in exchange of good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Grantor and Grantee do hereby grant, impose, and convey the easement described herein, and depicted on the exhibits hereto, on the following terms and conditions:

TERMS AND CONDITIONS

1. **UTILITY EASEMENT**. Grantor hereby grants to Grantee a non-exclusive easement in

gross (the "Easement") on, across, under, and over that twenty foot (20') wide portion of the Servient Property, legally described on Exhibit A and depicted on Exhibit B hereto (the "Easement Area"), for underground stormwater conveyance and dispersion purposes. Grantee shall be entitled to construct, improve, reconstruct, maintain, and repair underground stormwater conveyance and dispersion facilities (the "Utilities") serving the Leased Premises and the Grantee Property and certain adjacent privately owned property defined below in this Section 1 within the Easement Area at Grantee's sole cost and expense, consistent with plans approved by Grantor in writing. The rights granted in this Section 1 include without limitation the right to convey and disperse underneath the Easement Area stormwater that was previously discharged onto the Grantee Property from other properties defined as "Lot C," "Lot 4" and "Lot 5" pursuant to that certain Declaration of Covenants, Conditions, Easements, and Restrictions dated January 14, 2020, recorded in Kitsap County, Washington, under recording number 202001140264.

a. Repair of Servient Property: No later than fourteen (14) days after completion of any activity on the Servient Property related to or arising out of Grantee's rights under the Easement, Grantee shall return the Servient Property as close to its immediately preceding condition as reasonably practical at Grantee's sole cost and expense, including, but in no way limited to, restoring any grass, shrubs, and/or fencing disturbed by such activity.

2. **RELOCATION RIGHTS.** Grantor shall be entitled, at its sole cost and expense, and subject to approval by the City of Bremerton, to re-route the Utilities to another location on the Servient Property at its sole discretion, so long as such action does not materially impair the functionality of the Utilities or materially increase Grantee's costs associated with the Utilities. In the event that Grantor relocates some or all of the Utilities on the Servient Property, then the Easement Area shall be deemed automatically amended to be that twenty foot (20') wide portion of the Servient Property centered on the new location of the Utilities.

a. Relocation Notice: In the event that Grantor exercises its relocation rights herein, Grantor shall provide Grantee no less than ten (10) days' advance written notice (the "Relocation Notice") prior to the Utilities being disconnected and reconnected to accommodate the Utilities relocation. The existing Utilities installed by Grantee shall not be disconnected until such time as the Utilities relocated by Grantor are complete and operational.

b. Waiver of Damages: Grantor shall take commercially reasonable actions to limit the length of any interruption of Utilities during such relocation. Notwithstanding the foregoing, Grantee expressly waives, releases, and agrees to hold Grantor harmless from any damages related to or arising out of any interruption of Utilities services during such relocation.

3. **INDEMNITY AND HOLD HARMLESS.** Grantee agrees that it will defend (with legal counsel reasonably acceptable to Grantor), indemnify, and hold harmless Grantor, its commissioners, officers, employees, and agents (the "Grantor Indemnitees") from any and all demands, claims, judgments, or liability for loss or damage (collectively, "Claims") arising as a result of accidents, injuries, or other occurrences on the Easement Area or on the Servient Property (i) occasioned by either the negligent or willful conduct of Grantee, its agents, or invitees; or (ii) made by any person or entity holding under Grantee, or any person or entity on the Easement Area or on the Servient Property as a result of Grantee's activities, regardless of who the injured party may be. This indemnification and hold harmless shall not apply to the

extent that the Claims were caused by the negligence or willful misconduct of Grantor, or its agents or employees.

FOR PURPOSES OF THE FOREGOING INDEMNIFICATION PROVISION ONLY, AND ONLY TO THE EXTENT OF CLAIMS AGAINST GRANTEE BY GRANTOR INDEMNITEES UNDER SUCH INDEMNIFICATION PROVISION, GRANTEE SPECIFICALLY WAIVES ANY IMMUNITY IT MAY BE GRANTED UNDER THE WASHINGTON STATE INDUSTRIAL INSURANCE ACT, TITLE 51 RCW. THE INDEMNIFICATION OBLIGATION UNDER THIS AGREEMENT SHALL NOT BE LIMITED IN ANY WAY BY ANY LIMITATION ON THE AMOUNT OR TYPE OF DAMAGES, COMPENSATION OR BENEFITS PAYABLE TO OR FOR ANY THIRD PARTY UNDER WORKERS' COMPENSATION ACTS, DISABILITY BENEFIT ACTS, OR OTHER EMPLOYEE BENEFIT ACTS.

The foregoing provision was specifically negotiated and agreed upon by the parties hereto.

Grantor's Initials _____

Grantee's Initials _____

4. **TERM OF EASEMENT.** This Agreement, and the Easement granted herein, shall be deemed an easement in gross to Grantee and any Occupant (as defined in Section 4(a) below). This Agreement, and the Easement granted herein, shall automatically terminate on the expiration or earlier termination of the Lease. Notwithstanding the foregoing, should Grantee purchase the Leased Premises pursuant to the Option Agreement attached to the Lease as Exhibit C (the "Option"), this Agreement and the Easement granted herein shall convert to a permanent easement appurtenant that runs with the land and benefits the Leased Premises and the Grantee Property and burdens the Servient Property so long as the Grantee timely pays the Easement Option Payment set forth in Paragraph 5(a), below.

a. *Occupant:* Should Grantee default under the terms of the Lease giving rise to Grantor's right to terminate the Lease, then any party occupying the Grantee Property ("Occupant") may request that the Grantor allow Occupant to attorn to Grantor as landlord under and pursuant to the terms of the Lease, which attornment will be at the Grantor's sole discretion and may be conditioned upon the Occupant curing the Grantee's default under the Lease. In the event Grantor allows such attornment, this easement will be deemed to be in gross to said Occupant and Grantor shall record a memorandum or amendment to this Agreement recognizing the same in the records of Kitsap County.

b. *Termination for Breach:* Notwithstanding the foregoing, Grantor can terminate this Agreement for any breach of Grantee's obligations herein if Grantee fails to cure any such breach within thirty (30) days' written notice from Grantor. However, if the cure cannot reasonably be completed within such 30 day period, Grantor may not terminate this Agreement unless Grantee fails to commence the cure within thirty (30) days' written notice from Grantor and thereafter diligently pursue such cure to completion, but in no case shall the cure take longer than ninety (90) days, unless, despite such diligent pursuit, completion is delayed due to work stoppages not caused by or limited to Grantee, or its contractors or subcontractors; natural

disasters; governmental restrictions, regulations or controls; or delay in obtaining or inability to obtain labor, materials or reasonable substitutes, or governmental permits or approvals.

c. *Grantee's Exclusive Remedy:* Grantee's sole and exclusive remedy in the event Grantor breaches any provision of this Agreement will be injunctive relief. Grantee expressly and unequivocally waives any claims for damages it may have related to, or arising out of, any breach of this Agreement by Grantor, including, but not limited to, direct, indirect, or consequential damages of any kind or nature.

5. **CONSIDERATION.** Grantor grants this Easement to Grantee for and in consideration of Twenty-Three Thousand Five Hundred Dollars (\$23,500), plus any applicable taxes and fees (the "Easement Fee"). The Easement Fee shall be paid within thirty (30) days after mutual execution of this Easement.

a. If Grantee desires this Agreement and the Easement granted herein to convert to a permanent easement upon Grantee's purchase of the Leased Premises pursuant to the Option, then Grantee shall: i) provide written notice to the Grantor of Grantee's intent to convert this Agreement and the Easement granted herein to a permanent easement concurrent with Grantee's written notice to the Grantor exercising the Option and ii) pay the Grantor the total sum of Ninety-Four Thousand Dollars (\$94,000) less any portion of the Easement Fee previously paid to Grantor, plus any applicable taxes and fees (the "Easement Option Payment"). The Easement Option Payment shall be due to the Grantor on or before the closing date of the sale of the Leased Premises to the Grantee pursuant to the Option.

6. **COMPLIANCE WITH LAWS.** Grantee shall conform to and abide by all lawful rules, codes, laws, regulations, and Grantor's written policies in connection with its use of the Easement Area, and shall not permit the Easement Area to be used in violation of any lawful rule, code, law, regulation, Grantor's written policy, or other authority with jurisdiction. Grantee covenants and agrees that it will defend, indemnify, and hold harmless Grantor from any fine, penalty, or damage which may be imposed by any lawful authority or arise as a result of Grantee's failure to comply with the obligations of this paragraph, including Grantor's reasonable attorneys' fees and costs related thereto.

7. **NON-EXCLUSIVE EASEMENT.** The rights granted by this Agreement are not, and shall not be deemed, exclusive to Grantee. This Agreement shall not in any manner prohibit Grantor from granting other and further easements, licenses, covenants, or rights over, upon, and along the Easement Area for the same rights and uses granted herein, or for any other rights or uses which do not materially interfere with Grantee's use of the Easement granted herein.

8. **ASSIGNMENT.** Grantee shall not assign its rights under this Agreement without Grantor's prior written approval, which approval will not be unreasonably withheld, conditioned, or delayed.

9. **LIENS.** Grantee agrees to keep the Easement Area described herein free and clear of all liens and charges whatsoever. Grantee shall not allow any mechanic's and materialmen's

liens, or other liens, to be placed upon the Servient Property. If such a lien is placed or recorded, Grantee shall cause it to be discharged of record, at its own expense, within ten (10) days of Grantor's demand. Failure to comply with Grantor's demand within ten (10) days shall be a default under the terms of this Agreement.

10. **INSURANCE**. Without limiting the liabilities or indemnification obligations of Grantee, Grantee will, at all times during the term of this Agreement, carry and maintain at its expense the following insurance from insurers with minimum Best's ratings of "A-VII," authorized to do business in the state where the Servient Property is located: (a) Workers' Compensation insurance in accordance with the law of the state where any work under this Agreement is being performed, including Employer's Liability insurance with limits not less than One Million Dollars (\$1,000,000) each accident; (b) Commercial General Liability Insurance with an occurrence limit of not less than One Million Dollars (\$1,000,000) and an aggregate limit of not less than Two Million Dollars (\$2,000,000) covering personal injury, bodily injury, death, property damage, products/completed operations, and contractual liability; and (c) Commercial Automobile Liability with limits not less than One Million Dollars (\$1,000,000) combined single limit per occurrence covering bodily injury and property damage for all owned, non-owned, and hired vehicles used in connection with the performance of this. Grantor, as well as the Commissioners, officers, directors, employees, and agents of all such entities will be included as endorsed additional insureds on the policies described in subsections (b) and (c) above. The coverage described in subsections (b) and (c) will be: (i) primary and not contributory to insurance which may be maintained by Grantor, subject to the indemnification provisions of this Agreement; (ii) expressly provide that such insurance may not be materially changed, amended, or canceled with respect to Grantor except upon thirty (30) days' prior written notice from Grantee or the insurer to Grantor; (iii) contain an express waiver of any right of subrogation by the insurance company against Grantor, its Commissioners, employees, or agents; (iv) expressly provide that the defense and indemnification of Grantor as an "additional insured" will not be affected by any act or omission by Grantee which might otherwise result in a forfeiture of said insurance; (v) contain a separation of insured's provision such that the policy applies separately to each insured that is the subject of a claim or suit; and (vi) not contain a cross-claim, cross-suit, or other exclusion that eliminates coverage by one insured against another.

11. **NOTICES**. Any notices required under this Agreement shall be in writing and shall be provided by certified mail, return receipt requested, or personal delivery to the parties at the addresses set forth in the Lease.

12. **SEVERABILITY**. If any term, provision, condition, or portion of this Agreement shall be held to be invalid, such invalidity shall not affect the validity of the remaining portions of this Agreement which shall continue in full force and effect.

13. **INTERPRETATION**. This Agreement has been submitted to the review of the parties hereto and their counsel, if desired. In any dispute between the parties, the language of this Agreement shall, in all cases, be construed as a whole according to its fair meaning and not for or against either party. If any provision is found to be ambiguous, the language shall not be construed against either of the party solely on the basis of which party drafted the provision.

14. **NON-WAIVER**. Failure of Grantor to declare any breach or default under this Agreement, or any such delay in taking action, shall not waive such breach or default, and

Grantor shall have the right to declare any such breach or default at any time. Failure of Grantor to declare one breach or default does not act as a waiver of Grantor's right to declare another breach or default.

15. **COUNTERPARTS**. This Agreement may be signed in counterparts.

16. **SURVIVAL**. All obligations of Grantee, as provided for in the Agreement, shall not cease upon the termination of this Agreement and shall continue as obligations until fully performed.

17. **GOVERNING LAW**. This Agreement, and the right of the parties hereto, shall be governed by and construed in accordance with the laws of the State of Washington.

18. **JURISDICTION AND VENUE**. Any dispute arising out of or relating to this Agreement shall be resolved exclusively in Kitsap County Superior Court. The substantially prevailing party in any litigation arising out of or related to this Agreement shall be entitled to an award of its attorneys' fees and costs. The parties expressly waive their rights to a trial by jury.

19. **ENTIRE AGREEMENT**. The entire agreement of the parties hereto relating to the Easement is contained in this Agreement.

[Signatures and Notary Blocks on Following Pages]

GRANTEE:

ALM BREMERTON, LLC

**By: LM Logistics REIT,
a Texas Real Estate Investment Trust,
Its Sole Member**

By: _____
Name: _____
Title: _____
Date: _____

STATE OF TEXAS §
 §
COUNTY OF BEXAR §

Personally appeared before me, _____, Notary Public, _____, with whom I am personally acquainted, and who acknowledged that he executed the within instrument for the purposes therein contained, and who further acknowledged that he is the _____ of LM Logistics REIT, a Texas real estate investment trust, sole member of **ALM BREMERTON, LLC**, a Delaware limited liability company, and is authorized to execute this instrument.

WITNESS my hand, at office, this ____ day of _____, 2021.

Notary Public
My Commission Expires: _____

EXHIBIT A

DESCRIPTION OF EASEMENT AREA

THAT PORTION OF THE NORTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE NORTHWEST QUARTER OF SECTION 12, TOWNSHIP 23 NORTH, RANGE 1 WEST, WILLAMETTE MERIDIAN, KITSAP COUNTY, STATE OF WASHINGTON, LYING SOUTHERLY OF THE SOUTHEASTERLY RIGHT OF WAY LINE FOR STATE HIGHWAY NO. 3; THAT PORTION BEING DESCRIBED AS FOLLOWS:

A STRIP OF LAND, 20.00 FEET WIDE, AND HAVING 10.00 FEET OF SUCH WIDTH TO EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

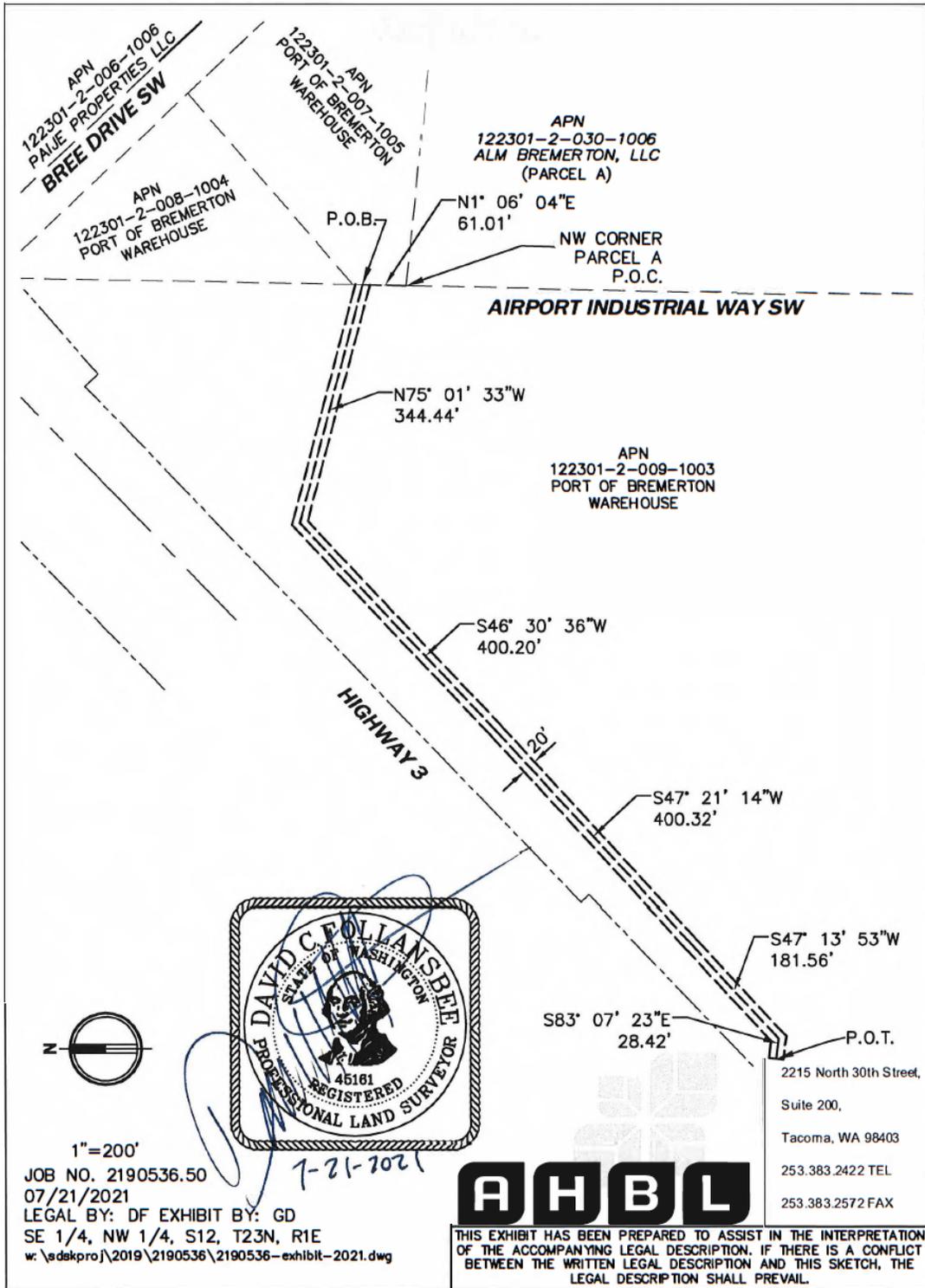
COMMENCING AT THE NORTHWEST CORNER OF RESULTANT PARCEL A OF SURVEY FOR BOUNDARY LINE ADJUSTMENT RECORDED UNDER RECORDING NUMBER 201912170121, IN VOLUME 90 OF SURVEYS, PAGE 81, RECORDS OF KITSAP COUNTY, WASHINGTON; THENCE NORTH 01°06'04" EAST, ALONG THE WESTLERLY LINE OF SAID PARCEL A EXTENDED NORTH, A DISTANCE OF 61.01 FEET TO THE TRUE POINT OF BEGINNING FOR THIS CENTERLINE SURVEY; THENCE NORTH 75°01'33" WEST, A DISTANCE OF 344.44 FEET; THENCE SOUTH 46°30'36" WEST, A DISTANCE OF 400.20 FEET; THENCE SOUTH 47°21'14" WEST, A DISTANCE OF 400.32 FEET; THENCE SOUTH 47°13'53" WEST, A DISTANCE OF 181.56 FEET; THENCE NORTH 83°07'23" WEST, A DISTANCE OF 28.42 FEET TO THE TERMINUS OF THIS CENTERLINE DESCRIPTION.

THE SIDELINES ARE TO BE SHORTENED OR LENGTHENED SO AS TO INTERSECT WITH THE WESTERLY LINE OF SAID PARCEL A EXTENDED NORTH.

CONTAINING 27,098 SQUARE FEET +/-



**EXHIBIT B
DEPICTION OF EASEMENT AREA**



PORT OF BREMERTON **AGENDA SUMMARY**

Agenda Item No: Action Item 3
Subject: Lease Amendment 6, Waste Management of Washington
Exhibits: Exhibit A Leased Premises
Prepared By: Arne Bakker, Dir. Of Business Development
Meeting Date: December 14, 2021

Summary:

In 2001, Waste Management of Washington entered a month-to-month lease with the Port of Bremerton for a 0.92-acre parcel adjacent to the Olympic View Transfer Station. The original lease was extended annually until 2012 at which time Waste Management and the Port entered a five-year lease ending on January 31, 2017, and subsequently amended to end on January 31, 2022.

Waste Management of Washington has requested a five-year lease amendment through January 31, 2027. Waste Management has been a tenant in good standing at the Port of Bremerton since 1986 at the Olympic View Transfer Station

Fiscal Impact:

Continued revenue for the Port of Bremerton with annual CPI increases.

Strategic Purpose:

This action conforms with the Port's strategic plan through Goal 1. Be a significant leader in promoting the local economy and job growth both on and off Port assets.

Recommendation:

Staff recommends the approval of Lease Amendment 6 with Waste Management of Washington as presented

Motion for Consideration:

Move to approve Lease Amendment 6 with Waste Management of Washington

**AMENDED LEASE AGREEMENT
Amendment #6**

IT IS HEREBY AGREED by and between the **PORT OF BREMERTON**, a municipal corporation organized under the laws of the State of Washington, hereinafter referred to as "Port" and **WASTE MANAGEMENT OF WASHINGTON, INC.**, a corporation organized under the laws of the State of WASHINGTON, hereinafter referred to as "Lessee", to amend that certain lease dated June 21, 2001, and as amended on January 28, 2009, and April 29, 2010, February 14, 2011, February 14, 2012, and June 14, 2016 to read as follows (all other terms remain the same):

2. TERM

2A. Term

The Port leases the Premises to Lessee and Lessee leases the Premises from the Port for a term of five years commencing on the 1st day of February 2022 and terminating on the 31st day of January 2027.

11. RIGHTS RESERVED FOR PORT

During the term or any extensions of this Lease, the Port shall:

11B. Entry

The Port and it's tenant USNC, have the right to enter upon the Premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this Lease and to access property leased by USNC.

IN WITNESS WHEREOF the parties hereto have caused this Amendment to Lease this _____ day of _____, 2021.

WASTE MANAGEMENT OF WASHINGTON
A Washington Corporation

PORT OF BREMERTON
A Municipal Corporation



James A. Wilson

President and Commissioner

JAMES A. WILSON
Vice President

Vice President and Commissioner

Secretary and Commissioner

STATE OF ILLINOIS)
)ss
County of DU PAGE)

On this 8th day of NOVEMBER 2021 before me personally appeared JAMES A. WILSON to me known to be the VICE PRESIDENT of the corporation/company that executed the within and foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said corporation/company, for the uses and purposes therein mentioned, and that they are authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.



Vidya Shirish Darshane
Notary Public in and for the State of ILLINOIS
VIDYA SHIRISH DARSHANE
Name Printed
residing at HOFFMAN ESTATES, IL
My commission expires: 10/21/2023

STATE OF WASHINGTON)
)ss
County of KITSAP)

On this _____ day of _____ before me personally appeared _____ to me known to be the _____ of the **Port of Bremerton**, the municipal corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation, for the uses and purposes therein mentioned, and that they are authorized to execute said instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

Notary Public in and for the State of Washington

Name Printed
residing at _____
My commission expires: _____

PORT OF BREMERTON

AGENDA SUMMARY

Agenda Item No: Action Item 4
Subject: Airport Rates & Fees
Exhibits: None
Prepared By: Warren Hendrickson, Airport Manager
Meeting Date: December 14, 2021

Summary:

In Agenda Summary Action Item #2 on December 11, 2018, acknowledgement was made of a long-standing rate-setting procedure established between the Port and the Bremerton Pilots Association (BPA). The Port Commission then approved an adjustment to 2019 airport rates and fees (hangars and tie-downs), including a method to address 2020 and 2021 rates, if appropriate, via annual CPI-U adjustments. Further, "...Staff should conduct a full review for the 2022 rates..."

Section XV of the Port of Bremerton Delegation of Authority Part 2 states in part: *"The Port Commission will establish rates and fees for the Port-operated marinas and airport. The Commission may establish formulas for such rates and fees to be enacted by the Chief Executive Officer..."*

In accordance with the 2018 Commission recommendation, Port staff recently conducted a rates review of fifteen (15) western Washington airports. Analysis of comparable rates and fees indicate that current rates at Bremerton National are .3% above the median and 1% above the mean.

Given the long-standing agreement with the BPA, the successful implementation and results from annual CPI-U rate increases, and the Delegation of Authority policy that the Commission may establish formulas for rates and fees to be enacted by the CEO, Port staff is recommending that a formula be permanently established for airport rates and fees for 2022 and beyond. This formula will be subject to the recommendation that Port staff conduct a review of rates and fees at comparable airports every three years. Should a wide disparity be observed in these comparative studies, Port staff will return to the Port Commission for a formula adjustment.

Specifically:

- Airport rates and fees will be adjusted annually, effective January 1 of each calendar year, based on the preceding October U.S. Bureau Labor CPI-U rate for Seattle-Tacoma-Bellevue, with annual rate increases not to exceed five percent (5%).
- Electrical rates may be adjusted annually to ensure the Port electrical expense is covered.
- Port staff will review rates and fees at comparable airports every third year beginning 2024 and will bring recommendations to the Commission should any adjustment to the above formula be deemed appropriate.

Fiscal Impact:

The implementation of this formula in 2022 will result in a 5% rate increase and net revenue increase to the Port of \$13,053.28.

Recommendation:

Port staff recommends the adoption of a CPI-U formula for setting airport rates and fees in 2022 and beyond, authorization for setting electrical rates to achieve a cost neutral basis, and a review of rates and fees at comparable airports every third year beginning 2024.

Motion for Consideration:

Move to approve:

- 1. The adoption of a CPI-U formula for setting airport rates and fees in 2022 and beyond (October Seattle-Tacoma-Bellevue CPI-U to be used for setting rates in the subsequent calendar year, not to exceed 5% annually),**
- 2. The authorization for setting electrical rates to achieve a cost neutral basis, and**
- 3. A review of rates and fees at comparable airports should be accomplished every third year beginning 2024.**

PORT OF BREMERTON
AGENDA SUMMARY

Agenda Item No: Action Item 5
Subject: Approval of LED PAPI Project Design-Bidding Services-Construction Management Contract: Century West Engineering
Prepared By: Warren Hendrickson, Airport Manager
Meeting Date: December 14, 2021

Summary:

The 2020 Airfield Lighting Project allowed for contractor option to replace the Runway 20 Precision Approach Path Indicator (PAPI) system with a new LED system. The Port could not mandate the installation via FAA grant funding because only one FAA-approved LED PAPI supplier existed at that time. No contractor opted to include an LED PAPI and the system was therefore not installed.

In 2021, a second LED PAPI supplier was added as an FAA-approved vendor and the criteria for federal funding eligibility is now met. The FAA has agreed to amend Airport Improvement Program (AIP) Grant Number 3-53-0007-033-2019, and has authorized the Port to install an LED PAPI system in 2022 as an AIP-eligible project (Port Project # 02-21-0270B).

The execution of this project requires a Design-Bidding Services-Construction Management contract with Century West Engineering (CWE). The contract and fee schedule (Task Order #16) is attached. The CWE scope of work includes design finalization, overseeing the bid process, and supervising installation and construction activities to ensure all specifications and budgeted costs are met.

Fiscal Impact:

| | |
|---|--------------|
| CWE Task Order #16 Fee (attached): | \$ 68,469.60 |
| Estimated Total Project Cost (including TO #16): | \$180,000.00 |
| FAA 90% Contribution (AIP-33 funding): | 162,000.00 |
| Potential WSDOT Aviation Contribution: | 8,802.56 |
| Estimated Remaining Contribution from Port Funds: | \$ 9,197.44 |

The WSDOT Aviation contribution of \$8,802.56 is not yet confirmed. These dollars are funds remaining in State Grant Number BRE 01-19 GCB 3222 for the Airfield Lighting Project.

The Port's share required to complete this LED PAPI project will be funded from the 2022 Site, Utility, Building Improvement Capital Budget account.

Strategic Purposes:

This action conforms with the Port's strategic plan in:

- Goal 2: Operate all Port facilities efficiently and cost effectively with a high degree of customer service. Strategy 2b: Pursue cost efficiencies throughout the Port.
- Goal 6: Develop and fund a 20-year asset replacement/major maintenance schedule.

Recommendation:

Port staff recommends the approval of the LED PAPI Project Design-Bidding Services-Construction Management Contract with Century West Engineering.

Motion for Consideration:

Move to approve the LED PAPI Project Design-Bidding Services-Construction Management Contract (Task Order #16) with Century West Engineering and authorize the CEO to execute the contract.



**Exhibit A
Scope of Work
December 3, 2021_r0**

**Task Order #16
Port of Bremerton
Bremerton National Airport**

**LED PAPI Installation Project: Design, Bidding Services,
and Construction Management**

GENERAL PROJECT DESCRIPTION, BACKGROUND, & PURPOSE/NEED

This scope includes the design, bid, and packaging of the engineering documents from the lighting, signage, NAVAIDs, and miscellaneous electrical improvements at the Bremerton National Airport (Airport) to include demolition of existing Runway 20 Precision Approach Path Indicators (PAPIs) and construction of new LED Precision Approach Path Indicators (PAPIs) on existing concrete foundations. The Airport is owned and operated by the Port of Bremerton (Port).

At the time of the original bid for the Electrical Improvements project, March 2019, and project rebid, January 2020, the PAPIs were specified as either LED or incandescent (Contractor-option) because only one LED PAPI manufacturer was approved by the FAA at the time of bidding. The PAPI bid by the contractor awarded the project was incandescent. As a result, the PAPI reconstruction work was not included in the award of the project. Construction of the work was completed in December 2020.

The closeout documents for the Electrical Improvements project were prepared in Spring 2021. It was discovered during Spring 2021 that a second LED PAPI manufacturer was approved by the FAA. During a conference call with the FAA in Summer 2021, the FAA Project Manager recommended the Port submit a memo requesting the inclusion of LED PAPIs under the original construction grant. The memo was submitted to FAA on August 31, 2021.

During the annual Joint Planning Conference (JPC) call with FAA staff on November 18, 2021, the FAA indicated the LED PAPI work could be pursued as a rebid and repackage under the Electrical Improvements construction grant (AIP#3-53-0007-033-2019). This scope of work outlines the items to be performed to repackage, rebid, and perform construction management services for the installation of the LED PAPIs.

The Consultant will perform the engineering services detailed in the following sections.

TASK 1 – PROJECT ADMINISTRATION & PACKAGE OF BID DOCUMENTS

Task 1 Work Items:

1. Finalize work scope, prepare project schedule, and negotiate contract with the Owner.

2. Coordinate project team and sub-consultants.
3. Prepare final Electrical drawings. Updates/revisions for up to 11 Electrical drawings are anticipated and include:
 - Electrical legend and abbreviations sheet (1)
 - Electrical demolition plan (1)
 - Electrical construction Plan (1)
 - Airfield electrical drawing – existing (1)
 - Airfield electrical Drawing – construction (1)
 - Lighting vault plan, one line diagram, panel schedules, connection diagram, control diagram, etc. (3-6)

Electrical design services will be performed by Elcon Associates (subconsultant to CWEC).

4. Prepare final Civil drawings. Updates/revisions for up to 8 Civil drawings are anticipated and include:
 - Show previously shown “proposed” items as existing (e.g., HIRL, MITL, signs, beacon, wind cone, etc.)
 - Updated cover sheet (1)
 - Updated site and survey control sheet (1)
 - Show revised work area and phasing drawings (3)
 - i. A separate Construction Safety and Phasing Plan (CSPP) will not be prepared. The original work areas and staging areas, previously approved by the FAA, will be utilized.
 - Show revised PAPI installation plan and details (2)
 - Miscellaneous Details (1)
5. Package Contract Documents to reflect revised bid dates, construction dates, and appropriate specification sections.
6. Package Contract Documents to include LED PAPI system. Electrical design services will be performed by Elcon Associates (subconsultant to CWEC).
7. Complete final quantity calculations and prepare a final Engineer’s detailed estimate of construction costs for the project.
8. Submit final construction documents to OWNER and FAA for review and approval. A digital PDF copy will be sent to the FAA, and one hard copy will be sent to the Owner. The Engineer will print and retain 5 copies for use during construction.

Primary Task 1 Deliverables:

- Contract scope and fee schedule (PDF)
- Final plan documents
- Final bidding documents
- Final quantity and construction cost estimate

TASK 2 – BIDDING SERVICES

Task 2 Work Items:

1. Provide an advertisement for the public bidding of the project. The Airport shall send the Invitation to Bid to media outlets for advertisement and pay all advertising fees.
2. Provide project coordination with the Airport and FAA throughout the bidding period.
3. Consolidate and prepare bid documents in electronic PDF format and upload to Quest CDN bid documents website.
4. Electrical Bidding Assistance: Provide bidding support services relating to the electrical design for the proposed improvements. Electrical design bidding support services will be performed by Elcon Associates (subconsultant to CWEC). Electrical bidding support services includes responding to bidding questions and assisting with addenda.
5. Answer technical questions during bidding.
6. Prepare addenda as necessary to clarify bid documents. Addenda will be distributed by the Engineer. For scoping purposes, this scope assumes one addendum will be prepared. The addendum will be consolidated into one PDF electronic file and uploaded to the Quest CDN website.
7. Facilitate and attend the pre-bid meeting for the project. The location of the pre-bid meeting is assumed to be at the Airport. The Project Manager will attend the bid opening.
8. Engineer will not attend or facilitate the bid opening. The Port will provide scanned copies of all bid documents received for analysis.
9. Analyze bids and make a recommendation to the Airport and FAA for award of bid. This effort includes preparing bid tabulations, verifying adequacy and responsiveness of submitted documents, verifying references, preparing a summary of the bid evaluation, and preparing a recommendation of award letter.
10. Coordinate and review the development of the final contract with the contractor on behalf of the Owner. Airport will prepare final contract forms, bond forms, and insurance certificates for Contractor and Owner execution.
11. Review Notice of Award letter in PDF format to be issued by the Owner to the selected Contractor.

Primary Task 2 Deliverables:

- Prebid meeting agenda and meeting minutes (PDF)

- Recommendation of award letter (PDF)

TASK 3 – CONSTRUCTION MANAGEMENT SERVICES

1. Perform pre-project coordination with the Port and contractor to coordinate and organize project implementation details; and schedule the construction Notice-to-proceed and pre-construction meeting.
2. Organize, conduct and attend a pre-construction conference and airfield orientation meeting. The Project Manager and a Resident Engineer will attend the meeting. Prepare an agenda and meeting notes for the meeting. This meeting will be held on-site at the Port offices.
3. Prepare and submit weekly inspection reports to the FAA and the Port. One (1) weekly report is anticipated for this project.
4. Provide on-site Resident Engineer coordination/observation during the project construction period. On-site activities include coordinating, observing and reviewing contractor work for conformance with the contract documents, making field measurements, preparation of a daily field report, preparation of a daily safety inspection checklist, photographic documentation, addressing field questions, monitoring construction progress, conducting wage rate interviews, and field verification of construction quantities for pay requests.

Activities related to this task are expected to occur within a one-week period. Century West will assign a staff member to the site full time during construction for this task. The budget for this task is based on field engineer coverage consisting of 50 hours (includes travel).

The actual amount of time for on-site observation is dependent on the Contractor's work plan and schedule. The Airport and Engineer agree to adjust this level of effort if necessary due to a contractor's schedule that requires more effort than the assumed allowances.

It is assumed the Resident Engineer will remain in Bremerton weekly with an allowance of up to five (5) nights of lodging.

5. Provide Project Manager and off-site construction engineering support that is available to assist the on-site field observer in resolving and coordinating technical issues beyond the capability of what can be prepared or addressed in the field. Activities related to this task are expected to occur over a 1-week period, with an allowance of 10 hours per week assumed for this effort.
6. Electrical Support: Provide electrical engineering construction support services for improvements being made as part of the project construction contract. This effort will be performed by Elcon Associates (electrical engineering sub-consultant to Century West Engineering). For budget purposes, this effort is assumed to include:

- RFI responses
 - Submittal review
 - One (1) field visit (as necessary) to assist in addressing construction questions
 - One (1) field visit to perform a substantial completion inspection of the completed electrical improvements
 - One (1) field visit to perform a final completion inspection of the completed electrical improvements
 - An allowance of 2 hours per week for 2 weeks, of off-site coordination to respond to technical questions, request for information (RFI) responses, and/or change order development assistance
 - Electrical record drawing updates
7. Because of the short duration of construction, it is anticipated the weekly construction report will be coincident with the substantial completion site visit. As a result, no effort is assumed to be required for weekly construction meetings.
8. Answer questions (RFIs), provide clarifications, and prepare change orders.
- Activities related to this task are expected to occur over a 1-week period, an allowance of 4 hours per week is assumed for this effort.
9. Coordinate required closures and Notice(s) to Airmen ("NOTAM's") with the Airport, users, and tenants. Provide an exhibit showing construction work areas and airport operation impacts.
10. Review submittals and shop drawings. An allowance of 6 hours is assumed for this task.
11. Prepare and confirm monthly construction payment estimates and submit those estimates to the Port. Up to two (2) monthly pay requests are anticipated because the Contractor cannot be paid for the PAPI aiming until after the flight check is complete.
12. Review Contractor payroll records, and coordinate and reconcile with the Contractor any issues. Prepare documentation and provide to the Port including project closeout coordination with the Washington State Department of Revenue, Department of Labor and Industries, and Employment Security Department.
13. Conduct an inspection at substantial completion with the Port, and Contractor (optional). Prepare punch list as necessary. The Project Manager and Resident Engineer, and Electrical Engineer will attend.
14. Conduct a final completion inspection with the Port, and Contractor (optional). The Project Manager and Electrical Engineer will attend.
15. Attend PAPI Flight Check. It is assumed the Resident Engineer will attend the flight check with an allowance for one (1) night of lodging because the time of the flight

check is not known. This effort also includes coordination with FAA to prepare a reimbursable agreement for the flight check.

16. Prepare "Record" drawings on electronic media (AutoCAD and Adobe pdf) and 1 reproducible copy of drawings to be provided to Port. FAA will only be provided electronic copies (AutoCAD and Adobe pdf).

ASSUMPTIONS/EXCLUSIONS

1. A 5300-18B AGIS "Airside Construction" documentation survey is not required or included within this scope of work. As required, this effort would be included as a separate future task order contract.
2. This project is considered to be covered by a NEPA Categorical Exclusion (CAT-EX).
3. Any necessary permits are to be acquired by the Contractor.
4. An NPDES Construction Stormwater Permit is not required for this project.
5. Engineer will not attend bid opening.
6. Due to short duration of construction, no weekly construction meetings are budgeted.
7. Project closeout will be performed under a separate contract and is not included in this scope of work. Project closeout includes ALP updates, final construction reports, and required effort to close out the AIP grant.
8. A separate Construction Safety and Phasing Plan (CSPP) will not be prepared. The original work area and phasing plan will be incorporated into the bid documents.

A. PROJECT SCHEDULE

The general anticipated project schedule is as follows:

- December 2021-February 2022 – Design & Repackaging
- March 2022 – Bid Opening
- April 2022 – Notice of Award to Contractor
- May 2022 – Equipment Procurement (8-12 week lead time)
- August 2022 – Construction Complete
- September 2022 – FAA Flight Check of PAPI
- September 2022 – Closeout Documentation submitted to FAA



AIRPORT: BREMERTON NATIONAL AIRPORT
 PROJECT TITLE: LED PAPI INSTALLATION PROJECT: DESIGN, BIDDING SERVICES, AND CONSTRUCTION MANAGEMENT
 CLIENT: PORT OF BREMERTON
 JOB NUMBER: 12445.004.03

EXHIBIT B
 12/3/2021

| PROJECT TASK | '(163) | '(102) | '(103) | '(106) | '(123) | '(111) | '(117) | TOTAL HRS | PROJECT COST | TASK COST |
|---|-------------------|-------------|--------------|-----------|------------------|-----------|--------|-----------|--|-------------|
| | PRINCIPAL VP/ENGR | SR PROJ MGR | PROJ PM ENGR | PROJ ENGR | STAFF ENGR (EIT) | CADD DSGN | CLER | | | |
| PAPI RECONSTRUCTION | | | | | | | | | | |
| TASK 1-Project Administration & Package of Bid Documents | | | | | | | | | | \$13,324.00 |
| 1 | | 1 | 2 | | | | | 3 | \$552.00 | |
| 2 | | | 2 | 8 | | | | 10 | \$1,296.00 | |
| 3 | | | | | | | | | Included as a Subconsultant below. Sec "Elcon - Bidding Assistance (AIP Eligible)" | |
| 4 | | 4 | 16 | | 40 | | | 60 | \$7,888.00 | |
| 5 | | 2 | 8 | 2 | 2 | | | 14 | \$2,208.00 | |
| 6 | | | | | | | | | Included as a Subconsultant below. Sec "Elcon - Bidding Assistance (AIP Eligible)" | |
| 7 | | | 2 | | 4 | | | 6 | \$760.00 | |
| 8 | | | 1 | | | | 5 | 6 | \$620.00 | |
| TASK 2-Bidding Services | | | | | | | | | | \$10,208.00 |
| 1 | | 0 | 0 | 1 | 0 | 1 | 0 | 1 | \$362.00 | |
| 2 | | 0 | 2 | 6 | 0 | 4 | 0 | 12 | \$1,864.00 | |
| 3 | | 0 | 0 | 1 | 0 | 1 | 0 | 4 | \$638.00 | |
| 4 | | | | | | | | | Included as a Subconsultant below. Sec "Elcon - Bidding Assistance (AIP Eligible)" | |
| 5 | | 0 | 0 | 4 | 0 | 8 | 0 | 12 | \$1,520.00 | |
| 6 | | 0 | 0 | 4 | 0 | 4 | 0 | 2 | \$1,264.00 | |
| 7 | | 0 | 0 | 10 | 10 | 0 | 0 | 20 | \$2,820.00 | |
| 8 | | | | | | | | | Bid Opening will be performed by the Port. Engineer will not facilitate or attend. | \$0.00 |
| 9 | | 0 | 0 | 1 | 0 | 6 | 0 | 7 | \$820.00 | |
| 10 | | 0 | 0 | 2 | 0 | 4 | 0 | 6 | \$760.00 | |
| 11 | | 0 | 0 | 1 | 0 | 0 | 0 | 1 | \$160.00 | |
| TASK 3-Construction Management Services | | | | | | | | | | \$22,100.00 |
| 1 | | 0 | 0 | 2 | 2 | 0 | 0 | 4 | \$564.00 | |
| 2 | | 0 | 0 | 10 | 10 | 0 | 0 | 20 | \$2,820.00 | |
| 3 | | 0 | 0 | 1 | 0 | 0 | 0 | 1 | \$160.00 | |
| 4 | | 0 | 0 | 0 | 50 | 0 | 0 | 50 | \$6,100.00 | |
| 5 | | 0 | 0 | 4 | 4 | 2 | 0 | 10 | \$1,348.00 | |
| 6 | | | | | | | | | Electrical Engineering by Elcon, see Electrical Subconsultant Section Below | 0 |
| 7 | | | | | | | | | Coincident with Substantial Completion Site Visit | 0 |
| 8 | | 0 | 0 | 4 | 0 | 0 | 0 | 4 | \$640.00 | |
| 9 | | 0 | 0 | 1 | 0 | 4 | 0 | 5 | \$600.00 | |
| 10 | | 0 | 0 | 2 | 4 | 0 | 0 | 6 | \$808.00 | |
| 11 | | 0 | 0 | 2 | 4 | 0 | 0 | 6 | \$808.00 | |
| 12 | | 0 | 0 | 0 | 0 | 4 | 0 | 4 | \$440.00 | |
| 13 | | 0 | 0 | 10 | 12 | 0 | 0 | 22 | \$3,064.00 | |
| 14 | | 0 | 0 | 10 | 0 | 0 | 0 | 10 | \$1,600.00 | |
| 15 | | 0 | 0 | 2 | 14 | 0 | 0 | 16 | \$2,028.00 | |
| 16 | | 0 | 0 | 2 | 0 | 0 | 8 | 10 | \$1,120.00 | |
| Labor Subtotal | | 0 | 9 | 111 | 120 | 84 | 8 | 344 | \$45,632.00 | \$45,632.00 |

EXPENSES:

| Travel: | Cost Per Unit | Air Trips | Ground Trips | Days | R.T. Miles | Markup | |
|---|---------------|-----------|--------------|------|---------------------|------------|-------------|
| Project Manager Site Visit (Fuel/Rental Car/Flight/Meals/Tolls) | \$550.00 | | | 4 | | 0 1.0 | \$2,200.00 |
| Resident Engineer Meals | \$30.00 | | | | 9 | 1.0 | \$270.00 |
| Resident Engineer Lodging | \$125.00 | | | | 9 | 1.0 | \$1,125.00 |
| Resident Engineer Travel | \$0.56 | | 5 | | 652 | 1.0 | \$1,825.60 |
| Misc. expenses: | | | | | | | |
| MISC | | | | | | | \$100.00 |
| POSTAGE | | | | | | | \$100.00 |
| PRINTING | | | | | | | \$250.00 |
| PLOTTING | | | | | | | \$250.00 |
| FIELD SUPPLIES | | | | | | | \$100.00 |
| Sub-Consultants: | | | | | | | |
| Elcon Associates (Electrical Engineering) | | | | | Sub-Fee \$16,617.00 | Markup 1.0 | \$16,617.00 |

| | |
|---------------------------|--------------------|
| Subtotal - Expenses | \$6,220.60 |
| Subtotal - Subconsultants | \$16,617.00 |
| Total - | \$68,469.60 |

PORT OF BREMERTON AGENDA SUMMARY

Agenda Item No: Action Item 6
Subject: Approval of Bid Authorization for LED PAPI Construction
Prepared By: Warren Hendrickson, Airport Manager
Meeting Date: December 14, 2021

Summary:

As an extension of the 2020 Airfield Lighting Project, the FAA has agreed to amend Airport Improvement Program (AIP) Grant Number 3-53-0007-033-2019, and has authorized the Port to install an LED PAPI system in 2022 as an AIP-eligible project (Port Project # 02-21-0270B).

A bid period is planned for the first quarter of 2022, as soon as Century West Engineering finalizes the LED PAPI system design elements and FAA concurrence is received. A bid award will be brought before the Commission at a future meeting. Project completion will be no later than September 30, 2022.

Fiscal Impact:

| | |
|---|--------------|
| Estimated Total Project Cost: | \$180,000.00 |
| FAA 90% Contribution (AIP-33 funding): | 162,000.00 |
| Potential WSDOT Aviation Contribution: | 8,802.56 |
| Estimated Remaining Contribution from Port Funds: | \$ 9,197.44 |

The WSDOT Aviation contribution of \$8,802.56 is not yet confirmed. These dollars are funds remaining in State Grant Number BRE 01-19 GCB 3222 for the Airfield Lighting Project.

The Port's share required to complete this LED PAPI project will be funded from the 2022 Site, Utility, & Building Improvement Capital Budget account.

Strategic Purposes:

This action conforms with the Port's strategic plan in:

- Goal 2: Operate all Port facilities efficiently and cost effectively with a high degree of customer service. Strategy 2b: Pursue cost efficiencies throughout the Port.
- Goal 6: Develop and fund a 20-year asset replacement/major maintenance schedule.

Recommendation:

Authorize Port staff to proceed with the bid call for LED PAPI Construction.

Motion for Consideration:

Move to authorize Port staff to proceed with the bid call for LED PAPI Construction.

PORT OF BREMERTON
AGENDA SUMMARY

Agenda Item No: Action Item 7

Subject: Notice of Award: Contractor’s Roof Service, Inc. – Gig Harbor, WA
5650 Imperial Way Roof Replacement & Facility Upgrades
Port Project #04-22-40003

Prepared By: Warren Hendrickson, Airport Manager

Meeting Date: December 14, 2021

Summary:

The SAFE Boats Customer Service and Training Facility is located at 5650 Imperial Way in the Port’s Olympic View Industrial Business Park (OVIBP). This building is the second oldest Port-owned building in OVIBP. As a result of increasing maintenance attention to the facility for ongoing leaks and siding failures, Port staff recently contracted for and received an independent thermal imaging building assessment that has confirmed the need for a new roof, fascia/siding replacement, and repainting. The scope of this project will address each of these needs.

On December 7, 2021, bids were received and opened for this project, Port Project Number 04-22-40003.

A total of six bids were received. Contractor’s Roof Service, Inc. of Gig Harbor, WA offered the winning bid, including sales tax, of \$198,464.35. The high bid was \$308,306.50.

Port staff has experience with Contractor’s Roof Service. The company has a significant level of expertise in commercial roof installations with favorable reviews on quality of work, schedule, and ability to remain within budget.

Construction duration is 45 days. A notice to proceed will not be issued before January 1, 2022, and project initiation will be somewhat weather-dependent.

Fiscal Impact:

This is a 2022 capital budget project.

| | |
|------------------------|---------------|
| 2022 Capital Budget: | \$400,000.00 |
| Construction Contract: | \$ 198,464.35 |

Strategic Purpose:

This action conforms with the Port’s strategic plan in:

- Goal 6: Develop and fund a 20-year asset replacement/major maintenance schedule.

Recommendation:

Port staff recommends the bid award for the 5650 Imperial Way Roof Replacement & Facility Upgrades construction contract to Contractor's Roof Service, Inc.

Motion for Consideration:

Move to approve the award of the 5650 Imperial Way Roof Replacement & Facility Upgrades construction contract to Contractor's Roof Service, Inc. and authorize the CEO to execute the contract with the requirement that a Notice to Proceed will not be issued before January 1, 2022.

PORT OF BREMERTON **AGENDA SUMMARY**

Agenda Item No: Action Item 8

Subject: Notice of Award: Henderson Partners LLC – Gig Harbor, WA
Hangar 7 Stormwater Repair
Port Project #02-22-20001

Prepared By: Warren Hendrickson, Airport Manager

Meeting Date: December 14, 2021

Summary:

A detailed 2021 investigation into stormwater flooding at Port-owned Hangar Building 7 revealed the cause to be an underground stormwater pipe that was capped during the 2020 South Hangar Project Phase 1 construction (Port Project # 02-18-0280). The pipe was capped because it was undocumented in project design and engineering documentation and did not appear to serve any purpose to the existing airport stormwater drainage system. That assessment proved to be incorrect.

Uncapping, restoring, and rerouting the original stormwater pipe is cost prohibitive. The optimum repair solution – for both simplicity and cost – is installing a new underground stormwater drainage pipe at Hangar 7 and routing stormwater drainage in an alternate direction. This repair will accomplish this objective.

On December 8, 2021, bids were received and opened for this project, Port Project Number 02-22-20001.

A total of four bids were received. Henderson Partners LLC of Gig Harbor, WA offered the winning bid, including sales tax, of \$94,124.77. The high bid was \$180,633.71.

Port staff has experience with Henderson Partners LLC. The company has significant expertise in excavation and stormwater abatement with favorable reviews on quality of work, schedule, and ability to remain within budget.

Construction duration is 30 days. For a portion of the construction period, the taxiway between Hangar 7 and Hangar 9 will be closed. Alternate taxiway access to all hangars will always be available. The decision when to issue a notice to proceed will be weather-dependent.

Fiscal Impact:

Given the error in South Hangar Project Phase 1 (SHP) engineering documentation and assessment that led to the need for this stormwater repair, the Port and the SHP engineering companies – Century West Engineering (CWE) as prime and Parametrix (PMX) as subcontractor – agreed on a cost-sharing formula for this repair. The Port's share is

\$55,146.00 and is based on an engineering estimate of the expected summer 2020 change order costs that would have been incurred at the time of the initial undocumented stormwater pipe discovery. Any cost above that amount, up to the bid award amount, would be borne equally by CWE and PMX.

Per the attached December 8, 2021 CWE memo, this contract's cost-sharing is as follows:

| | |
|-----------------------|-------------|
| Cost of construction: | \$94,124.77 |
| Port share: | 55,146.00 |
| CWE share: | 19,489.39 |
| PMX share: | 19,489.38 |

The Port's \$55,146.00 portion of the Hangar 7 Stormwater Repair will be funded from the Port's restricted stormwater reserve account.

Strategic Purpose:

This action conforms with the Port's strategic plan in:

- Goal 6: Develop and fund a 20-year asset replacement/major maintenance schedule.

Recommendation:

Port staff recommends the bid award for the Hangar 7 Stormwater Repair construction contract to Henderson Partners LLC.

Motion for Consideration:

Move to approve the award of the Hangar 7 Stormwater Repair construction contract to Henderson Partners LLC and authorize the CEO to execute the contract.

MEMO

To: Port of Bremerton

From: Century West Engineering

Date: December 8, 2021

Re: Hangar 7 Flooding Cost Participation

The purpose of this memo is to summarize the final cost comparison for the Hangar 7 flooding repair at the Bremerton National Airport.

Final Cost Estimate

The final Hangar 7 Flooding repair incorporates all costs incurred to complete the work based on bid prices received from Contractors. Final Port direction is identifying the following split of project costs. See **Table 1**.

The final cost proposed for each party is summarized in **Table 1** and highlighted below:

- Port of Bremerton – \$55,146.00
- Century West Engineering (CWE) – \$19,489.39*
- Parametrix (PMX) – \$19,489.38**

Table 1: Final Cost Estimates

| Row | Work Item | Total Costs | Port Total Cost Contribution | CWE Total Cost Contribution | Parametrix Total Cost Contribution |
|-----|---|--------------|------------------------------|-----------------------------|------------------------------------|
| A | Construction Cost Estimate If Addressed During SHP Construction | \$ 55,146.00 | \$ 55,146.00 | | |
| B | Contractor Bid | \$ 94,124.77 | | | |
| C | Difference between Contractor Bid and Cost Estimate (B-A); 2-Way Split (CWE, PMX) | \$ 38,978.77 | | \$ 19,489.39 | \$ 19,489.38 |
| D | Total Project Cost (B) | \$ 94,124.77 | \$ 55,146.00 | \$ 19,489.39* | \$ 19,489.38** |

Proposed Actions:

*Century West Engineering (CWE) additional design cost for the Hangar 7 Stormwater Repair plan set, in the amount of \$9,956.50, will be absorbed by CWE and not invoiced to Port. CWE will issue payment to Port in amount of \$19,489.39 (half of the additional increased cost of the fix in Row C)

**Parametrix issue payment to Port in amount of \$19,489.38 (half of the additional increased cost of the fix in Row C)