



# EVERETT

WASHINGTON

## **Everett City Council Preliminary Agenda 6:30 p.m., Wednesday, February 4, 2026 City Council Chambers**

Roll Call

Pledge Of Allegiance

Land Acknowledgment

Mayor's Comments

Approval Of Minutes: January 28, 2026

Public Comment

Council Comments

Administration Update

City Attorney

### CONSENT ITEMS:

(1) Adopt Resolution Authorizing Claims Against The City Of Everett In The Amount Of \$8,113,721.05 For The Period Ending January 17, 2026 Through January 23, 2026.

Documents:

[RES\\_CLAIMS PAYABLE 1.23.26.PDF](#)

(2) Adopt Resolution Authorizing Electronic Funds Transfer Claims Against The City Of Everett In The Amount Of \$9,405,495.71 For The Period Ending December 1 Through December 31, 2025.

Documents:

[EFT COUNCIL RESOLUTION 2025-12.PDF](#)

(3) Authorize The Mayor To Sign The 2026-2035 Water Supply Forum Interlocal Agreement.

Documents:

[WATER SUPPLY FORUM\\_ILA.PDF](#)

(4) Award The Construction Contract For The Everett Station HVAC And Controls Improvements To Apex Mechanical LLC In The Amount Of \$1,938,636.00.

Documents:

[EVERETT STATION HVAC AND CONTROLS IMPROVEMENTS BID  
AWARD.PDF](#)

(5) Authorize A Call For Bids For 2026 Biosolids Removal And Disposal.

Documents:

[2026 BIOSOLIDS REMOVAL AND DISPOSAL\\_CALL FOR BIDS.PDF](#)

(6) Award And Authorize The Mayor To Sign Quote #AJT277942 & #KB281024 With CompuNet, Inc. From The Washington State Department Of Enterprise Services Contract #05819/COE #2020-074, As Well As Additional Related Expenses In 2026.

Documents:

[COMPUNET.PDF](#)

(7) Award And Authorize Approximately \$400,000 To Be Spent Annually With Dell Marketing LP On Washington State Department Of Enterprise Services Contract #05820/COE #2024-044 For Computer Equipment, Computer Accessories, Maintenance, And Support.

Documents:

[DELL MARKETING LP COOPERATIVE.PDF](#)

(8) Authorize The Mayor To Accept And Execute Each Project Agreement With The Washington State Department Of Commerce For The 2025 CHIP Grant.

Documents:

[2025 CHIP AWARDS.PDF](#)

PROPOSED ACTION ITEMS:

(9) CB 2601-01 – 2nd Reading - Adopt An Ordinance Creating A Special Improvement Project Entitled "2026 Traffic Signal Relamping" Fund 303, Program 137, To Accumulate All Costs For The Improvement. (3rd & Final Reading 2/11/26)

Documents:

[CB 2601-01.PDF](#)

(10) CB 2601-02– 2nd Reading – Adopt An Ordinance Providing For The Regulation And Enforcement Of Unlicensed Mobile Food Vending Units. (3rd & Final Reading 2/11/26)

Documents:

[CB 2601-02.PDF](#)

(11) CB 2601-03 – 2nd Reading - Adopt An Ordinance Creating A Special Improvement Project Entitled "Downtown Streetscapes Planting Renovation", Fund 354, Program 110 To Accumulate All Costs For The Project. (3rd & Final Reading 2/11/26)

Documents:

[CB 2601-03.PDF](#)

(12) CB 2601-04 – 1st Reading - Adopt An Ordinance Relating To Stormwater Controls In The Combined Sewer Area, Amending Ordinance No. 3814-21. (3rd & Final Reading 2/18/26)

Documents:

[CB 2601-04.PDF](#)

ACTION ITEM:

(13) Adopt A Resolution Establishing A Charter Review Committee And Defining The Responsibilities And Procedures Of The Committee.

Documents:

[CHARTER REVIEW RES.PDF](#)

Executive Session

Adjourn

## **PARTICIPATION IN REMOTE COUNCIL MEETINGS**

- Participate remotely via Zoom by registering to speak at [everettwa.gov/speakerform](https://everettwa.gov/speakerform). You must register no later than 30 minutes prior to the meeting. You may contact the Council office at 425.257.8703 or [aely@everettwa.gov](mailto:aely@everettwa.gov) and identify the topic you wish to address.
- Provide written public comments by email to [Council@everettwa.gov](mailto:Council@everettwa.gov) or mail to 2930 Wetmore Avenue, Suite 9A, Everett, WA 98201. Emailing comments 24 hours prior to the meeting will ensure your comment is distributed to councilmembers and appropriate staff.
- Persons seeking to comment on non-agenda items may be asked to submit the comments in writing if the comment does not address an issue of broad public interest.

## **AGENDAS, BROADCAST AND RECORDINGS**

- The Council agendas and meeting recordings can be found, in their entirety, at [everettwa.gov/citycouncil](https://everettwa.gov/citycouncil).
- Watch live meetings and recordings at [YouTube.com/EverettCity](https://www.youtube.com/EverettCity).

## **CONTACT THE COUNCIL**

If you do not wish to participate in the meeting, we provide these other methods of contacting your elected officials: Email the Council at [Council@everettwa.gov](mailto:Council@everettwa.gov) or call the Council offices at 425.257.8703.

*The City of Everett does not discriminate on the basis of disability in the admission or access to, or treatment in, its programs or activities. Requests for assistance or accommodations can be arranged by contacting the Everett City Council Office at 425.257.8703. For additional information, please visit our website at <https://www.everettwa.gov/3129/American-Disabilities-Act-ADA-and-Title->.*



Whereas the claims payable by checks against the City of Everett for the period January 17, 2026 through January 23, 2026, having been audited and approved by the proper officers, have been paid and the disbursements made by the same, against the proper funds in payment thereof, as follows:

Fund	Department	Amount
002	General Funds	1,779.48
003	Legal	129,333.33
007	Human Resources	248.91
009	Misc Financial Funds	234,116.61
021	Planning & Community Dev	1,050.00
TOTAL GENERAL FUND		\$ 366,528.33

Fund	Department	Amount
101	Parks & Recreation	10,001.64
114	Conference Center	2,400.00
120	Public Works - Streets	1,398.69
126	MV-Equip. Replacement Reserve	59,601.56
130	Develop & Const Permit Fees	4,235.25
145	Cum Res/ Real Prop Acq.	4,250.00
146	Property Management	32,477.11
153	Emergency Med Svc	44,819.70
155	Capital Reserve Fund	5,968.54
171	Afford/Supp Housing Sl's Tax Cr.	447.09
197	CHIP Loan Program	559.85
342	City Facilities Const.	164,462.36
354	Parks Capital Const.	69,412.05
401	Public Works-Utilities	333,075.83
402	Solid Waste Utility	1,624.06
425	Public Works-Transit	1,159,097.13
430	Public Works-Transit	4,088.41
440	Golf	17,981.24
501	MVD - Trans Services	5,173.88
503	Self-Insurance	5,787,931.68
508	Health Benefits Reserve	8,333.33
661	Claims	850.52
637	Police Pension	10,884.00
638	Fire Pension	18,118.80
TOTAL CLAIMS		8,113,721.05

Councilperson introducing Resolution

Passed and approved this \_\_\_\_\_ day of \_\_\_\_\_, 2026

Council President





RESOLUTION NO. \_\_\_\_\_

Be it Resolved by the City Council of the City of Everett:

That the claims made by electronic transfer against the City of Everett for the month December 1 through December 31 2025, having been audited, be and the same are hereby approved, and the proper officers are hereby authorized and directed to charge claims made by electronic transfer against the proper funds in payment thereof, as follows:

<u>Fund</u>	<u>Department</u>	<u>Amount</u>
002	General Fund	241,597.90
101	Park	24,080.86
110	Library	6,417.86
112	Community Theater	811.63
119	Public Works - Street Imp	335.63
120	Streets	5,456.79
126	Moter Vehicle/Equip Repl	1,577.77
145	ESCROQ	16.08
146	Parking Lot Reserve	3,220.54
151	Animal Reserve	339.21
152	Library Reserve	3,748.30
153	EMS	11,866.78
155	Gen Gov Spec Proj	2,094.85
156	Criminal Justice	28,340.56
197	CHIP	145.53
198	CDBG	63.20
342	City Facilities Construction	487.34
401	Utilities	440,399.10
402	Solid Waste Utility	1,781.98
425	Transit	43,165.66
430	Everpark Garage	1,629.13
440	Golf	136,383.49
501	Transportation Services	141,953.18
503	Self-Insurance Fund	544,242.75
505	Computer Reserve Fund	26,078.27
507	Telecom	66,366.00
508	Health Benefits Reserve	2,470,480.89
637	Police Pension	79,313.18
638	Fire Pension	78,299.78
661	Payroll Withholding	5,043,335.86
670	Custodial Funds	1,465.61
<b>TOTAL CLAIMS</b>		
<b>BY ELECTRONIC TRANSFER</b>		<b>9,405,495.71</b>

\_\_\_\_\_  
Councilmember Introducing Resolution

Passed and approved this \_\_\_\_ day of \_\_\_\_\_, 2026

\_\_\_\_\_  
Council President

**Project title:** 2026-2035 Water Supply Forum Interlocal Agreement

**Council Bill #**

**Project:** 2026-2035 Water Supply Forum Interlocal Agreement

**Partner/Supplier:** Water Supply Forum

**Location:** Snohomish, King and Pierce County

**Preceding action:** 2021 Water Supply Forum Memorandum of Agreement

**Fund:** 401 – Water and Sewer Utilities

Briefing

Proposed action

Consent 2/4/26

Action

Ordinance

Public hearing

Yes x No

**Budget amendment:**

Yes x No

**PowerPoint presentation:**

Yes x No

**Attachments:**

ILA

**Department(s) involved:**

Public Works

**Contact person:**

Jeff Marrs

**Phone number:**

(425) 257- 8967

**Email:**

jmarrs@everettwa.gov

**Initialed by:**

RLS

Department head

Administration

Council President

**Fiscal summary statement:**

The interlocal agreement would require the City of Everett to contribute annual dues equal to 25% of the Water Supply Forum's (Forum) operating budget, approved in association with the annual work plan by the Water Supply Forum Steering Committee.

Based on recent workplans approved by the Steering Committee, Everett's share would be approximately \$25,000 per year. Due to the Forum's existing reserve balance, no dues are anticipated to be assessed through at least 2027.

Over the lifetime of the agreement, through 2035, Everett's total financial contribution is not expected to exceed \$200,000.

**Project summary statement:**

The Water Supply Forum (Forum) was founded in 1999 by the cities of Everett, Seattle and Tacoma to coordinate the future development of water supply sources in the Central Puget Sound region. Since establishment, the Forum has continued to coordinate and collaborate on current and future water supply and resource items as well as projects of mutual interest and benefit.

Annually the Forum approves a workplan and budget engaging in projects and actions that collectively further the region's mutual interest on present and future drinking water issues such as water supply planning, regional resiliency and coordination, water quality, water conservation, education and outreach.

**Recommendation (exact action requested of Council):**

Authorize the Mayor to sign the 2026-2035 Water Supply Forum Interlocal Agreement.

**WATER SUPPLY FORUM  
INTERLOCAL AGREEMENT**

**2026-2035**

This INTERLOCAL AGREEMENT (“ILA”) is made and entered into by and among the City of Seattle, the City of Everett, the City of Tacoma, and Cascade Water Alliance each individually referred to as a “Regional Member” and collectively referred to in this ILA as the “Regional Members”.

**RECITALS**

WHEREAS, regional drinking water suppliers, purveyors, and association leaders in the Puget Sound region have been meeting as the Water Supply Forum (“Forum”) since 1999, as an informal association, to coordinate and collaborate on current and future water supply and water resource items and projects of mutual interest and benefit, and this collaboration benefits residents of King, Snohomish, and Pierce counties; and

WHEREAS, since 1999, the Forum has engaged in projects and actions to collectively further the members’ mutual interests on present and future drinking water issues such as, but not limited to, water supply planning, resiliency including seismic, water quality, water conservation, education and outreach; and

WHEREAS, the Forum members previously entered Funding Agreements to cooperatively fund activities, including consultant assistance, consistent with their mutual interests in accordance with identified budgets, and these Funding Agreements had exhibits with Rules of Conduct for Business, Action Items, and Budget Plans and Schedules of Funding Shares (Dues); and

WHEREAS, the Forum members entered into a Memorandum of Agreement covering the period 2021 through 2025, and expiring December 31, 2025; and

WHEREAS, the Forum members desire to be able to continue to engage in projects and actions to collectively further their mutual interests and to fund work plan activities consistent with their mutual interests and update the operating procedures; and

WHEREAS, the Forum members have determined that the Interlocal Agreement process established under RCW 39.34 Interlocal Cooperation Act is the most appropriate vehicle for its funding agreements; and

WHEREAS, the Forum wants to be an effective size while being inclusive of representatives from utilities and organizations;

NOW, THEREFORE, the Parties agree as follows:

I. **Membership and Responsibilities.** The Forum will have the following membership categories with related responsibilities. All Forum members may appoint their own representatives and one alternate.

A. Large regional water suppliers, purveyors, or associations (“Regional Members”). There will be four Regional Members: City of Seattle (“Seattle”), City of Everett (“Everett”), City of Tacoma (“Tacoma”), and Cascade Water Alliance (“Cascade”). Dues for these members are allocated as described in Section II.B.(iv). One representative of each of these members votes, can serve as Forum Chair and Vice-Chair, sits on the Steering Committee, and can serve on or chair topic-focused committees. An alternate, if selected, may vote in the absence of the representative.

B. Individual water utilities, other associations, and counties (“Fee Members”). Individual utilities or associations with 10,000 or more connections or counties may become a Fee Member with a \$1,000 annual fee. The representatives of this group of members may vote and may participate on or chair topic-focused committees. An alternate, if selected, may vote in the absence of the representative.

C. Meeting Guests (“Guests”). Other organizations, agencies and individuals that are not within member categories in Section I.A and I.B may attend Forum meetings. Guests do not pay dues or vote. Forum member staff may also attend the meetings as guests. If specifically invited to do so and are customers, members, or other groups/associations affiliated with the Regional Members, such Guests may also participate on or chair topic-focused committees.

## **II. Funding and Administration**

A. Funding Administration. One of the Regional Members shall serve as the Forum’s Administrator, including invoicing and collecting dues, administering Forum funds and initiating and managing any consultant or vendor contracts in accordance with its usual procedures, paying vendor invoices, paying taxes, tracking expenses and related fiscal management, as well as providing an Annual Report documenting the same, all at the direction of the Steering Committee.

### **B. Budget.**

i. The Forum funds may only be used for items approved in the annual work plan and budget, or any subsequent modifications or amendments approved by the Forum.

ii. The Forum shall compensate the Forum Administrator as determined by the Steering Committee.

iii. The Forum will maintain a minimum balance as determined by the Steering Committee on an annual basis.

iv. The Forum will collect dues if necessary and as determined by the Steering Committee in its annual work plan and budget. After collecting the dues from the Fee Members, the remaining balance will be allocated to Regional Members as follows: 25% to Everett, 25% to Tacoma, 35% to Seattle, and 15% to Cascade. This percentage is roughly based on service area and number of service connections.

v. The Forum may refund to the Regional Members any unspent funds not anticipated to be allocated to budget items in the foreseeable future, or, if this ILA is terminated in accordance with Section IV.D. Refunds must be approved by the Forum and will be distributed to the Regional Members in proportion to the dues allocation described in Section II.B.iv. Fee Members are not entitled to any such refund. Any Regional Member that leaves or exits this ILA before any Forum decision to approve a refund, irrevocably waives its right to any refund regardless of its prior contribution.

C. Contracting Process. If the Forum wishes to contract for services, the Forum Administrator shall be the contracting agent and shall follow all its applicable contracting and procurement laws and rules and serve as the contract signatory.

### **III. Operations**

A. Forum. The governing structure shall be a Forum and Steering Committee. The Forum shall consist of a Representative from each of the Members, each of whom shall have one vote and will operate according to its Water Supply Forum Bylaws, which shall be agreed upon and amended as needed by the Forum.

#### **B. Committees.**

i. *Steering Committee*. The Steering Committee develops the annual work plan and budget to be approved by the Forum, determines the annual dues, and responds to other requests identified by the Chair. The Steering Committee is comprised of the representatives of the Regional Members.

ii. *Topic-focused committees*. The Forum may form topic-focused committees as needed to implement the annual work plan and budget. Any Forum Member may serve on or chair a topic-focused committee. Chairs will be appointed by the Forum Chair. Staff of Forum members may also serve on committees as needed.

### **IV. Other provisions**

A. Ownership of work product(s). All work products generated through the authorization of the annual work plan and budget, including consultant contracts, are intended to be property shared by and between the Forum Members. Based on this intent, the Forum, and Forum Member, hereby irrevocably grants to each of the other Forum Members a non-exclusive, royalty free, unlimited license to use any work product generated by or for the benefit of the Forum.

B. Obligations Not Joint and Several. Each Regional Member's liability for any obligation incurred pursuant to this ILA shall be limited to the proportional funding share identified in the adopted annual work plan and budget. The Regional Members shall not be

jointly or severally liable for any such liabilities or obligations. Any contract funded by the Forum shall contain a provision to this effect.

C. Counterparts. This ILA may be executed in counterparts.

D. Term. The term of this ILA shall be through December 31, 2035, unless terminated sooner by mutual agreement of the Regional Members. Any Forum Member may unilaterally terminate its participation in this ILA upon thirty (30) days written notice. Any Forum Member exercising its unilateral termination rights shall forfeit and waive its right to any monies paid to the Forum under this ILA. However, in the event of mutual termination of the entire ILA, any unexpended funds will be returned to the contributing Regional Members in proportion to their contributions.

E. Amendments. The ILA can be periodically amended as needed for the Forum to operate efficiently and effectively. Amendments that focus on the operational portions and involve no additional cost burden on its members do not need legislative approval by the ILA's signatories. Any such amendments can be in the form of a signed letter agreement. A formal amendment of this ILA, executed by the Regional Members, is required for revisions or additions that increase the cost burden on Forum Members and must be approved by the Regional Member's respective legislative bodies.

F. Dispute Resolution. The Regional Members agree that in the unlikely event of a dispute arising out of or pertaining to this ILA, the Regional Members shall meet and discuss in good faith in an effort to resolve the dispute. In the event that good faith discussions do not produce an agreed resolution to the dispute, any Regional Member wishing to pursue the dispute further may request non-binding mediation, which shall be attended by all Regional Members. The Regional Members shall mutually select an independent mediator. The costs of mediation shall be shared equally by each party to the mediation, or as determined by the mediator. Each Regional Member shall bear its own costs for participating in the mediation proceeding. If, as a result of the mediation, a voluntary settlement is reached, the Regional Members agree that such settlement shall be reduced to writing. In the event no settlement is reached, the Regional Members may pursue available remedies under applicable law. In the event of litigation or other action brought to enforce the terms of this ILA, each party agrees to bear its own attorney's fees and costs.

G. Entire agreement/Severability. The ILA contains the entire agreement between the Regional Members. All previous and contemporaneous agreements, representations, or promises and conditions related to the subject matter of this ILA are hereby superseded. If any term, condition, or provision of this ILA is declared void or unenforceable or limited in its application or effect, such event shall not affect any other provisions hereof and all other provisions shall remain fully enforceable.

H. Sole venue. The Regional Members agree and stipulate that in the event any litigation should occur concerning or arising out of this ILA, the sole venue of any legal

action shall be the Superior Court of the State of Washington in which the Administrator is located.

I. Conflict of interest. No officer, employee or agent of any Regional Member who exercises any function or responsibilities in connection with the planning and carrying out of the program to which this ILA pertains, nor any member of the immediate family of any such officer, employee or agent as defined by Tacoma ordinance, shall have any personal financial interest, direct or indirect, in this ILA, either in fact or in appearance.

J. Acceptance and Effective Date. This ILA is effective upon the latest date of execution by the City of Tacoma, the City of Seattle, the City of Everett, and Cascade Water Alliance. Forum Members may accept this ILA and become bound by its terms under Section I.C by signing a Forum Member Signature Page after the effective date of this ILA.

**THE CITY OF SEATTLE**

**CASCADE WATER ALLIANCE**

**SEATTLE PUBLIC UTILITIES**

\_\_\_\_\_  
Andrew Lee, GM/CEO

\_\_\_\_\_  
Melina Thung, Interim CEO

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**CITY OF TACOMA**

Approved as to Form:

**TACOMA PUBLIC UTILITIES**

\_\_\_\_\_  
Jackie Flowers, Director

\_\_\_\_\_  
Deputy City Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Finance Director

**CITY OF EVERETT**

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Cassie Franklin, Mayor

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Date

Approved as to Form:

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Tim Benedict, Deputy City Attorney

Attest:

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City Clerk





## City Council Agenda Item Cover Sheet

**Project title:** Award the Construction Contract for the Everett Station HVAC and Controls Improvements Project to Apex Mechanical LLC in the Amount of \$1,938,636.00

**Council Bill #**

**Agenda dates requested:**

Briefing  
Proposed action  
Consent 2/4/26  
Action  
Ordinance  
Public hearing  
Yes ☒ No

**Budget amendment:**  
Yes ☒ No

**PowerPoint presentation:**  
Yes ☒ No

**Attachments:**  
Bid Summary

**Department(s) involved:**  
Transportation Services

**Contact person:**  
Mike Schmieder

**Phone number:**  
425-257-7761

**Email:**  
[MSchmieder@everettwa.gov](mailto:MSchmieder@everettwa.gov)

**Initialed by:**  
*MJS*  
Department head

Administration

Council President

**Project:** Everett Station HVAC and Controls Improvements

**Partner/Supplier:** Apex Mechanical LLC

**Location:** Everett Station – 3201 Smith Avenue, Everett, WA 98201

**Preceding action:** Solicitation for Bids

**Fund:** Fund 425, Transportation Services

### Fiscal summary statement:

Bid proposals were opened on December 23, 2025 with 4 bid proposals received.

Apex Mechanical LLC submitted the lowest responsive, responsible bid in the amount of \$1,764,000.00 plus Washinton State Sales Tax \$174,636.00, for a total construction contract amount of \$1,938,636.00.

The engineer's estimate for construction was \$1,776,065.40 plus WSST.

The source of funds for the Everett Station HVAC and Controls Improvements Project will come from a grant in the amount of \$1,343,762 with offset from Transportation Services Fund 425.

### Project summary statement:

The Everett Station's nearly 25-year-old heating, ventilation, and air conditioning (HVAC) system has reached its useful life and requires replacement. Everett Transit and Facilities have previously acquired professional services for architectural and engineering services to provide design, permitting, and construction bid documents for the replacement of the HVAC building controls and primary components of the HVAC system at the Everett Station.

### Recommendation (exact action requested of Council):

Award the Construction Contract for the Everett Station HVAC and Controls Improvements to Apex Mechanical LLC in the amount of \$1,938,636.00.

City of Everett  
Purchasing  
3200 Cedar Street  
Everett, WA 98201

**Project title:** Authorize a Call for Bids for 2026 Biosolids Dredging and Disposal

**Council Bill #**

**Agenda dates requested:**

Briefing

Proposed action

Consent 2/4/26

Action

Ordinance

Public hearing

Yes ☒ No

**Budget amendment:**

Yes ☒ No

**PowerPoint presentation:**

Yes ☒ No

**Attachments:**

**Department(s) involved:**

Public Works

**Contact person:**

Jeff Marrs

**Phone number:**

425-257-8967

**Email:**

[jmarrseverettwa.gov](mailto:jmarrseverettwa.gov)

**Initialed by:**

RLS

Department head

Administration

Council President

**Consideration:** Call for bids for 2026 Biosolids Dredging, Dewatering, Hauling, & Disposal

**Project:** 2026 Biosolids Removal and Disposal

**Partner/Supplier:** TBD

**Location:** Everett Water Pollution Control Facility

**Preceding action:** N/A

**Fund:** Fund 401 – Water & Sewer Utilities

**Fiscal summary statement:**

The 2026 Biosolids Dredging and Disposal Project has a total project budget of \$5,400,000.00, not to exceed. Source of funds for this project will be 401 – Water & Sewer Utility Fund.

**Project summary statement:**

Biosolids are dredged on an annual basis at the Water Pollution Control Facility from either the Oxidation Pond, Recirculation Channel, or Aeration Cell #2. In 2026, the Oxidation Pond will be dredged, dewatered, and then hauled to a landfill. This solicitation will result in a contract award for the dredging, dewatering, hauling, and disposal of 6,000 dry tons of biosolids.

**Recommendation (exact action requested of Council):**

Authorize a call for bids for 2026 Biosolids Removal and Disposal.

**Project title:** Award And Authorize the Mayor to Sign Quote #AJT277942 & #KB281024 With CompuNet, Inc From Washington State Department Of Enterprise Services Contract #05819/COE #2020-074

**Council Bill #** *interoffice use*

**Agenda dates requested:**

Briefing  
Proposed action  
Consent 2/4/26  
Action  
Ordinance  
Public hearing  
Yes X No

**Budget amendment:**

Yes X No

**PowerPoint presentation:**

Yes X No

**Attachments:**

Quote #AJT277942 &  
#KB281024

**Department(s) involved:**

Procurement &  
Information Technology

**Contact person:**

Theresa Bauccio-Teschlog

**Phone number:**

(425) 257-8901

**Email:**

tbauccio@everettwa.gov

**Initialed by:**

MEB

Department head

Administration

Council President

**Project:** Quote #AJT277942 & #KB281024

**Partner/Supplier:** CompuNet, Inc.

**Location:** N/A

**Preceding action:** None

**Fund:** 505 IT

**Fiscal summary statement:**

The funding source will be 505 Information Technology. Quote #AJT277942 totals \$52,734.47, including Washington state tax. Quote #KB281024 totals \$303,591.79, including Washington state tax. Combined, the expenditure is \$356,326.26. The City anticipates spending approximately \$100,000 more on various smaller purchases during 2026.

**Project summary statement:**

The purchase includes three Palo Alto firewall network appliances to replace those nearing the end of life. Two of these will replace existing firewalls, safeguarding the enterprise network from external networks, including the Internet. The third will replace the firewall separating the enterprise network from the traffic signal network.

Also included in this request are 3-year subscriptions to Palo Alto's advanced threat prevention and URL filtering, which are essential for protecting staff and computing resources from malicious websites and persons. When purchased with the hardware, these subscriptions are discounted.

The city has standardized on Palo Alto firewall appliances for approximately ten years to secure our data networks. The performance of these appliances and the company's support have been exemplary from the beginning.

CompuNet is offering these goods and services through Washington State Department of Enterprise Services contract #05819/COE #2020-074, which is a participating addendum to a competitively awarded NASPO ValuePoint Data Communications Master Agreement. The City has an Interlocal Agreement with the Washington State Department of Enterprise Services that allows for purchases from its competitively awarded contracts, rather than soliciting bids on our own.

**Recommendation (exact action requested of Council):**

Award and authorize the Mayor to sign quote #AJT277942 & #KB281024 with CompuNet, Inc. from the Washington State Department of Enterprise Services Contract #05819/COE #2020-074, as well as additional related expenses in 2026.

## Palo Alto Renewal 2026-2027

### Contract Information

WA, NASPO, AR3229 PA-05819

### Quote Information:

**Quote #:** AJT277942

Version: 4

Quote Date: 01/15/2026

Expiration Date: 02/13/2026

### Prepared for:

**City of Everett**

Kevin Walser

4252576438

KWalser@everettwa.gov

### Bill To:

**City of Everett**

IT Notices

Accounting Division, City of

Everett

PO Box 12130

Everett, WA 98206

ITNotices@everettwa.gov

### Ship To:

**City of Everett**

Kevin Walser

2930 Wetmore Ave Ste 6A

Everett, WA 98201

### Palo Alto

Manufacturer Part Number	Product Description	Quantity	Price	Ext. Price
PAN-SVC-PREM-220-R	Premium support renewal, PA-220; Serial#: 012801157863; Start: 01/14/2026; End: 01/13/2027	1	\$218.70	\$218.70
PAN-SVC-PREM-3220-R	Premium support renewal, PA-3220; Serial#: 016201030062; Start: 01/14/2026; End: 01/13/2027	1	\$3,825.00	\$3,825.00
PAN-SVC-PREM-3220-R	Premium support renewal, PA-3220; Serial#: 016201029963; Start: 01/14/2026; End: 01/13/2027	1	\$3,825.00	\$3,825.00
PAN-PA-220-ADVURL-R	Subscription Advanced URL Filtering, 1-year, Renewal, PA-220; Serial#: 012801157863; Start: 01/14/2026; End: 01/13/2027	1	\$291.55	\$291.55
PAN-PA-820-ATP-R	Advanced Threat Prevention subscription renewal, PA-820; Serial#: 012001047313; Start: 01/14/2026; End: 01/13/2027	1	\$1,368.50	\$1,368.50
PAN-SVC-PREM-220R-R	Premium support renewal, PA-220R; Serial#: 019101011809; Start: 01/14/2026; End: 01/13/2027	1	\$626.40	\$626.40
PAN-PA-850-ATP-R	Advanced Threat Prevention subscription renewal year 1, PA-850; Serial#: 011901005889; Start: 01/14/2026; End: 01/13/2027	1	\$2,881.50	\$2,881.50
PAN-SVC-PREM-850-R	Premium support year 1 renewal, PA-850; Serial#: 011901005889; Start: 01/14/2026; End: 01/13/2027	1	\$2,016.90	\$2,016.90

## Palo Alto

Manufacturer Part Number	Product Description	Quantity	Price	Ext. Price
PAN-SVC-PREM-PRA-25-R	Premium support renewal, Panorama 25 devices; Serial#: 000702968687; Start: 01/14/2026; End: 01/13/2027	1	\$2,026.80	\$2,026.80
PAN-SVC-PREM-820-R	Premium support year 1 renewal, PA-820; Serial#: 012001047313; Start: 01/14/2026; End: 01/13/2027	1	\$963.90	\$963.90
PAN-PA-3220-ATP-HA2-R	Advanced Threat Prevention subscription for device in an HA pair renewal, PA-3220; Serial#: 016201030062; Start: 01/14/2026; End: 01/13/2027	1	\$4,904.50	\$4,904.50
PAN-PA-220R-AWF-R	Advanced WildFire subscription renewal, PA-220R; Serial#: 019101011809; Start: 01/14/2026; End: 01/13/2027	1	\$884.00	\$884.00
PAN-PA-220-ATP-R	Advanced Threat Prevention subscription renewal, PA-220; Serial#: 012801157863; Start: 01/14/2026; End: 01/13/2027	1	\$291.55	\$291.55
PAN-PA-220-ATP-R	Advanced Threat Prevention subscription renewal, PA-220; Serial#: 012801157409; Start: 01/14/2026; End: 01/13/2027	1	\$291.55	\$291.55
PAN-PA-3220-PAA-HA2-R	Prisma Access Agent subscription for device in an HA pair renewal, PA-3220; Serial#: 016201030062; Start: 01/14/2026; End: 01/13/2027	1	\$3,281.00	\$3,281.00
PAN-SVC-PREM-220-R	Premium support renewal, PA-220; Serial#: 012801157409; Start: 01/14/2026; End: 01/13/2027	1	\$218.70	\$218.70
PAN-PA-220R-ATP-R	Advanced Threat Prevention subscription renewal, PA-220R; Serial#: 019101011809; Start: 01/14/2026; End: 01/13/2027	1	\$884.00	\$884.00
PAN-PA-3220-ADVURL-HA2-R	Subscription Advanced URL Filtering, 1-year, PA-3220, HA Pair Renewal; Serial#: 016201030062; Start: 01/14/2026; End: 01/13/2027	1	\$4,904.50	\$4,904.50
PAN-PA-3220-ADVURL-HA2-R	Subscription Advanced URL Filtering, 1-year, PA-3220, HA Pair Renewal; Serial#: 016201029963; Start: 01/14/2026; End: 01/13/2027	1	\$4,904.50	\$4,904.50

## Palo Alto

Manufacturer Part Number	Product Description	Quantity	Price	Ext. Price
PAN-PA-3220-PAA-HA2-R	Prisma Access Agent subscription for device in an HA pair renewal, PA-3220; Serial#: 016201029963; Start: 01/14/2026; End: 01/13/2027	1	\$3,281.00	\$3,281.00
PAN-PA-220R-ADVURL-R	Subscription Advanced URL Filtering, 1-year, Renewal, PA-220R; Serial#: 019101011809; Start: 01/14/2026; End: 01/13/2027	1	\$884.00	\$884.00
PAN-PA-220-AWF-R	Advanced WildFire subscription renewal, PA-220; Serial#: 012801157409; Start: 01/14/2026; End: 01/13/2027	1	\$306.00	\$306.00
PAN-PA-3220-ATP-HA2-R	Advanced Threat Prevention subscription for device in an HA pair renewal, PA-3220; Serial#: 016201029963; Start: 01/14/2026; End: 01/13/2027	1	\$4,904.50	\$4,904.50
Subtotal:				<b>\$47,984.05</b>

## Quote Summary

Description	Amount
Palo Alto	\$47,984.05
Total:	<b>\$47,984.05</b>

## City of Everett

Signature: \_\_\_\_\_

Name: Cassie Franklin

Title: Mayor

Date: \_\_\_\_\_

PO Number: \_\_\_\_\_

## Palo Alto PA-3430/PA-510 3-year

### Contract Information

WA, NASPO, AR3229 PA-05819

### Quote Information:

**Quote #:** KB281024

Version: 4

Quote Date: 01/15/2026

Expiration Date: 03/31/2026

### Prepared for:

**City of Everett**

Kevin Walser

4252576438

KWalser@everettwa.gov

### Bill To:

**City of Everett**

IT Notices

Accounting Division, City of

Everett

PO Box 12130

Everett, WA 98206

ITNotices@everettwa.gov

### Ship To:

**City of Everett**

Kevin Walser

2930 Wetmore Ave Ste 6A

Everett, WA 98201

### PA-3430

Manufacturer Part Number	Product Description	Quantity	Price	Ext. Price
PAN-PA-3430-ADVURL-3YR-HA2	PA-3430, Advanced URL Filtering subscription, for one -1 device in an HA pair, 3 years (36 months) term. Duration: 36 Months	2	\$29,910.39	\$59,820.78
PAN-SVC-PREM-3430-3YR	Premium support 3-year prepaid, PA-3430 Duration: 36 Months	2	\$29,708.12	\$59,416.24
PAN-PA-3430	PA-3430 with redundant AC power supplies. Includes rack mount kit for installation in a four-post 19IN, Worlds first ML-Powered NGFW; Eleven-time Leader in the Gartner Magic Quadrant for Network Firewalls; Extends visibility and security to all devices,	2	\$26,378.11	\$52,756.22
PAN-PA-3430-ATP-3YR-HA2	Advanced Threat Prevention subscription 3 year term for device in an HA pair, PA-3430 Duration: 36 Months	2	\$29,910.39	\$59,820.78
PAN-PA-3430-PAA-3YR	PA-3430, Prisma Access Agent subscription, 3 years (36 months) term. Duration: 36 Months	2	\$21,266.79	\$42,533.58
			Subtotal:	<b>\$274,347.60</b>

### PA-510

Manufacturer Part Number	Product Description	Quantity	Price	Ext. Price
PAN-PA-510	Palo Alto Networks PA-510	1	\$704.46	\$704.46



## PA-510

Manufacturer Part Number	Product Description	Quantity	Price	Ext. Price
PAN-SVC-PREM-510-3YR	PA-510, Premium support, 3 years (36 months) term. Duration: 36 Months	1	\$621.00	\$621.00
PAN-PA-510-ATP-3YR	PA-510, Advanced Threat, 3 years (36 months) term. Duration: 36 Months	1	\$570.61	\$570.61
Subtotal:				<b>\$1,896.07</b>

## Shipping

Product Description	Quantity	Price	Ext. Price
Free Shipping	1	\$0.00	\$0.00

## Quote Summary

Description	Amount
PA-3430	\$274,347.60
PA-510	\$1,896.07
Total:	<b>\$276,243.67</b>

## City of Everett

Signature: \_\_\_\_\_

Name: Cassie Franklin

Title: Mayor

Date: \_\_\_\_\_

PO Number: \_\_\_\_\_



## City Council Agenda Item Cover Sheet

**Project title:**

Award And Authorize Approximately \$400,000 To Be Spent Annually With Dell Marketing LP  
On Washington State Department Of Enterprise Services Contract #05820/COE #2024-044

Council Bill # *interoffice use*

**Agenda dates requested:**

Briefing

Proposed action

Consent 2/4/26

Action

Ordinance

Public hearing

Yes X No

**Budget amendment:**

Yes X No

**PowerPoint presentation:**

Yes X No

**Attachments:**

DES Contract

**Department(s) involved:**

Procurement &  
Information Technology

**Contact person:**

Theresa Bauccio-Teschlog

**Phone number:**

(425) 257-8901

**Email:**

tbauccio@everettwa.gov

**Initialed by:**

MEB

Department head

Administration

Council President

**Project:** Various

**Partner/Supplier:** Dell Marketing LP

**Location:** N/A

**Preceding action:** None

**Fund:** 505 - IT

**Fiscal summary statement:**

Funds used to purchase computer equipment, computer accessories, maintenance, and support from Dell Market LP are from various departments and project budgets.

**Project summary statement:**

Dell Marketing LP is a reseller providing computer equipment, computer accessories, maintenance, and support on the Washington State Department of Enterprise Services contract #05820/COE #2024-044, which is a participating addendum to a competitively awarded NASPO ValuePoint Computer Equipment, Peripherals & Related Services Master Agreement.

Information Technology estimates that approximately \$400,000 will be spent annually with Dell Marketing LP. The City Procurement Policy requires Council authorization for awards exceeding \$250,000.

The City has an Interlocal Agreement with the Washington State Department of Enterprise Services that allows for purchases from its competitively awarded contracts in lieu of soliciting bids on our own.

**Recommendation (exact action requested of Council):**

Award and authorize approximately \$400,000 to be spent annually with Dell Marketing LP on Washington State Department of Enterprise Services contract #05820/COE #2024-044 for computer equipment, computer accessories, maintenance, and support.



**PARTICIPATING ADDENDUM  
NASPO VALUEPOINT**

**COMPUTER EQUIPMENT, PERIPHERALS & RELATED SERVICES**

Administered by the State of Minnesota (hereinafter "Lead State")

**COOPERATIVE PURCHASING MASTER AGREEMENT**

**Master Agreement No: 23026**

**Dell Marketing L.P.**  
(hereinafter "Contractor")

and

**State of Washington**  
(hereinafter "Participating State")

**WASHINGTON CONTRACT No.: 05820**

This Participating Addendum for the above referenced Master Agreement ("Participating Addendum") is made and entered into by and between the State of Washington acting by and through the Department of Enterprise Services, a Washington State governmental agency ("Enterprise Services") and Dell Marketing L.P., a Texas Limited Partnership ("Contractor") and is dated and effective as of February 01, 2024 or the date of last signature, whichever is later. This Participating Addendum shall terminate upon the expiration or the termination of the Master Agreement, as amended, unless the Participating Addendum is terminated sooner in accordance with the terms set forth herein.

**RECITALS**

- A. Pursuant to Legislative authorization codified in RCW 39.26.060, Enterprise Services, on behalf of the State of Washington, is authorized to participate in cooperative purchasing agreements to develop master agreements to procure goods and/or services and to make such competitively solicited and awarded contracts available to Washington state agencies and designated eligible purchasers consistent with terms and conditions set forth by Enterprise Services.
- B. Enterprise Services timely provided public notice of the competitive solicitation process conducted by the above-referenced lead state through Washington's Electronic Business Solutions (WEBS) system.
- C. The above-referenced Lead State, as part of its competitive solicitation process, evaluated all responses to its procurement and identified Contractor as an apparent successful bidder and awarded a Master Agreement to Contractor.
- D. Enterprise Services has determined that participating in this Master Agreement is in the best interest of the State of Washington.

- E. The purpose of this Participating Addendum is to enable eligible purchasers, as defined herein, to utilize the Master Agreement as conditioned by this Participating Addendum.

## **A G R E E M E N T**

**NOW THEREFORE**, in consideration of the mutual promises, covenants, and conditions set forth herein, the parties hereto hereby agree as follows:

1. **SCOPE:** This Participating Addendum covers the competitive procurement for Computer Equipment, Peripherals & Related Services led by the State of Minnesota for use by state agencies and other entities located in the Participating State authorized by that state's statutes to utilize state contracts with the prior approval of the State's chief procurement official. Except as otherwise stated herein, this Participating Addendum incorporates the scope, pricing, and terms and conditions, including the terms of Exhibit E, of the Master Agreement and the rights and obligations set forth therein as applied to the Contractor and Participating Entity and Purchasing Entities.

**AWARDED BANDS:**

Band 1, Personal Computer Devices – Windows Operating Systems

Band 2, Personal Computer Devices – Non-Windows Operating Systems

Band 3, Servers and Storage

2. **PARTICIPATION:** Use of specific NASPO ValuePoint cooperative contracts by agencies, political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use state contracts are subject to the prior approval of the respective State chief procurement official. Issues of interpretation and eligibility for participation are solely within the authority of the State chief procurement official. Pursuant to this Participating Addendum, the Master Agreement may be utilized by the following ("Purchasing Entities" or "Purchasers"):

- (a) WASHINGTON STATE AGENCIES. All Washington state agencies, departments, offices, divisions, boards, and commissions.
- (b) WASHINGTON STATE INSTITUTIONS OF HIGHER EDUCATION (COLLEGES). Any the following specific institutions of higher education in Washington:
  - (a) State universities – i.e., University of Washington & Washington State University;
  - (b) Regional universities – i.e., Central Washington University, Eastern Washington University, & Western Washington University
  - (c) Evergreen State College;
  - (d) Community colleges; and
  - (e) Technical colleges.
- (c) CONTRACT USAGE AGREEMENT PARTIES. The Participating Addendum also may be utilized by any of the following types of entities that have executed a [Contract Usage Agreement \(CUA\)](#) with Enterprise Services:

By placing an order under this Participating Addendum, each Purchasing Entity agrees to be bound by the terms and conditions of this Participating Addendum, including the Master Agreement. Each Purchasing Entity shall be responsible for its compliance with such terms and conditions.

3. **PARTICIPATING STATE MODIFICATIONS OR ADDITIONS TO MASTER AGREEMENT:**

- 3.1. **WASHINGTON'S ELECTRONIC BUSINESS SOLUTIONS (WEBS) SYSTEM:** Within seven (7) days of execution of this Participating Addendum, Contractor shall register in the Washington State Department of Enterprise Services' Electronic Business Solutions (WEBS) System at [WEBS](#). Contractor shall ensure that all of its information therein is current and accurate and that, throughout the term of the Master Agreement, Contractor shall endeavor to maintain an accurate profile in WEBS.
- 3.2. **WASHINGTON'S STATEWIDE PAYEE DESK:** To be paid for contract sales, Contractors must register with Washington's Statewide Payee Desk. Washington state agencies cannot make payments to a contractor until it is registered. Registration materials are available here: [Receiving Payment from the State](#).
- 3.3. **CONTRACT SALES REPORTING:** Contractor shall report total contract sales quarterly to Enterprise Services, as set forth below.
- (a) **REPORTING.** Contractor shall report quarterly Contract sales in Enterprise Services' [Contract Sales Reporting System](#). Enterprise Services will provide Contractor with a login password and a vendor number.
  - (b) **DATA.** Each sales report must identify every authorized Purchasing Entity that made a purchase in that quarter by name and its total combined sales amount invoiced during the reporting period (i.e., sales of an entire agency or political subdivision, not its individual subsections). Reporting is based on invoiced/shipped date and Contractor's contract code. Upon request, within a commercially reasonable time Contractor shall provide contact information for all authorized Purchasing Entities specified herein during the term of this Participating Addendum. Refer sales reporting questions to the Primary Contact set forth below. If there are no contract sales during the reporting period, Contractor must report zero sales.
  - (c) **DUE DATES FOR CONTRACT SALES REPORTING.** Quarterly Contract Sales Reports must be submitted electronically by the following deadlines for all sales invoiced during the applicable calendar quarter:

QUARTER	FOR SALES MADE IN CALENDAR QUARTER ENDING	CONTRACT SALES REPORT	
		DUE BY	PAST DUE
1	January 1 – March 31	April 30	May 1
2	April 1 – June 30	July 31	August 1
3	July 1 – September 30	October 31	November 1
4	October 1 – December 31	January 31	February 1

- 3.4. **VENDOR MANAGEMENT FEE:** Contractor shall pay to Enterprise Services a vendor management fee ("VMF") of 1.25 percent on the purchase price for all contract sales (the purchase price is the total invoice price less applicable sales tax) authorized by this Participating Addendum.
- (a) The sum owed by Contractor to Enterprise Services as a result of the VMF is calculated as follows:  

$$\text{Amount owed to Enterprise Services} = \text{Total contract sales invoiced (not including sales tax)} \times .01250.$$
  - (b) The VMF must be rolled into Contractor's current pricing. The VMF must not be

shown as a separate line item on any invoice unless specifically requested and approved by Enterprise Services.

- (c) Enterprise Services will invoice Contractor quarterly based on contract sales reported by Contractor. Contractor shall not remit payment until it receives an invoice from Enterprise Services. Contractor's VMF payment to Enterprise Services must reference the following:
  - DES Invoice number associated with payment
  - This Washington Contract No.: 05820
  - The NASPO Master Agreement No.: 23026
  - The year and quarter for which the VMF is being remitted, and
  - Contractor's name as set forth in this Contract, if not already included on the face of the check.
- (d) Contractor's failure accurately and timely to report total net sales, to submit timely usage reports, or to remit timely payment of the VMF to Enterprise Services, may be cause for Enterprise Services to suspend or terminate this Participating Addendum or exercise any other remedies as provided by law. Enterprise services will provide a minimum of thirty (30) days notice in writing and an opportunity to cure any alleged deficiency under this subsection. The Parties may agree to extend the cure period for a reasonable time to beyond thirty (30) days.
- (e) Enterprise Services reserves the right, upon thirty (30) days advance written notice, to increase, reduce, or eliminate the VMF for subsequent purchases.
- (f) Any effect to pricing based on a change to VMF will be determined upon mutual agreement between Participating Entity and Contractor at time of VMF change. Any agreement will be documented by an executed Amendment to the Participating Addendum.

### **3.5. NONDISCRIMINATION.**

- (a) **NONDISCRIMINATION REQUIREMENT.** During the term of this Participating Addendum, Contractor, including any subcontractor, shall not discriminate on the bases enumerated at [RCW 49.60.530\(3\)](#). In addition, Contractor, including any subcontractor, shall give written notice of this nondiscrimination requirement to any labor organizations with which Contractor, or subcontractor, has a collective bargaining or other agreement.
- (b) **OBLIGATION TO COOPERATE.** Contractor, including any subcontractor, shall cooperate and comply with any Washington state agency investigation regarding any allegation that Contractor, including any subcontractor, has engaged in discrimination prohibited by this Participating Addendum pursuant to RCW 49.60.530(3).
- (c) **DEFAULT.** Notwithstanding any provision to the contrary, Enterprise Services may suspend Contractor, including any subcontractor, upon notice of a failure to participate and cooperate with any state agency investigation into alleged discrimination prohibited by this Participating Addendum, pursuant to RCW 49.60.530(3). Any such suspension will remain in place until Enterprise Services receives

notification that Contractor, including any subcontractor, is cooperating with the investigating state agency. In the event Contractor, or subcontractor, is determined to have engaged in discrimination identified at RCW 49.60.530(3), Enterprise Services may terminate this Participating Addendum in whole or in part, and Contractor, subcontractor, or both, may be referred for debarment as provided in RCW 39.26.200. Contractor or subcontractor will be given a reasonable time in which to cure this noncompliance, including implementing conditions consistent with any court-ordered injunctive relief or settlement agreement.

- (d) **REMEDIES FOR BREACH.** Notwithstanding any provision to the contrary, in the event of termination or suspension for engaging in discrimination, Contractor, subcontractor, or both, shall be liable for damages as authorized by law, which damages are distinct from any penalties imposed under Chapter 49.60, RCW. .

**3.6. CONTRACTOR REPRESENTATIONS AND WARRANTIES:** Contractor makes each of the following representations and warranties as of the effective date of this Participating Addendum and at the time any order is placed pursuant to the Contract. If, at the time of any such order, Contractor cannot make such representations and warranties, Contractor shall not process any orders and shall, within three (3) business days notify Enterprise Services, in writing, of such breach.

- (a) **WAGE VIOLATIONS.** Contractor represents and warrants that, during the term of this Contract and the three (3) year period immediately preceding the award of the Contract, it is not determined, by a final and binding citation and notice of assessment issued by the Washington Department of Labor and Industries or through a civil judgment entered by a court of limited or general jurisdiction, to be in willful violation of any provision of Washington state wage laws set forth in RCW 49.46, 49.48, or 49.52.
- (b) **CIVIL RIGHTS.** Contractor represents and warrants that Contractor complies with all applicable requirements regarding civil rights. Such requirements prohibit discrimination against individuals based on their status as protected veterans or individuals with disabilities, and prohibit discrimination against all individuals based on their race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (c) **EXECUTIVE ORDER 18-03 – WORKERS’ RIGHTS (MANDATORY INDIVIDUAL ARBITRATION).** Contractor represents and warrants that Contractor does NOT require its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waivers. Contractor further represents and warrants that, during the term of this Participation Agreement, Contractor shall not, as a condition of employment, require its employees to sign or agree to mandatory individual arbitration clauses or class or collective action waivers.
- (d) **OCIO POLICY & SECURITY COMPLIANCE:** Contractor represents and warrants, that to the extent the following applies to products provided under this Participating Addendum, that Contractor shall use commercially reasonable efforts to provide applicable supporting documentation and assist the Purchasing Entities with verifying that the products comply with the Washington Office of the Chief Information Officer (OCIO)

statewide information technology policies and other local information technology policies as applicable to the Purchasing Entity. Policies applicable to the Washington State Agencies are located on the OCIO website at <https://ocio.wa.gov/policies>. Prior to final execution of a Washington State Agency's Order with a Contractor, the Contractor's Solution(s) may be subject to a Security Design Review performed by Washington Consolidated Technology Services to ensure compliance with the State security policies.

- (e) GREEN/SUSTAINABLE. Contractor represents and warrants that Contractor shall endeavor to supply and delivery goods in alignment with the State of Washington's green/sustainability strategy which, at a minimum is designed to minimize the use of unnecessary product packaging, reduce the use of toxic chemicals, and offer Purchasers, where practicable, 'green products' that provide equivalent performance. Accordingly, Contractor should review the below list of applicable state policies and standards and use commercially reasonable efforts to meet these requirements when supplying goods and services under this Participating Addendum:

1. APPLICABLE POLICIES

- a. [Electronic Products Recycling Program](#). To the extent applicable to Contractor, Contractor shall adhere to Washington State's Electronic Products Recycling Program and its requirements to both manufacturers and retailers of electronic equipment, per [E-Cycle WA, 70A.500 RCW](#), and [173-900 WAC](#).

2. PROHIBITED MATERIALS

- a. [Expanded polystyrene](#). To the extent applicable to Contractor, Contractor shall adhere to Washington State Department of Ecology's ban on expanded polystyrene void filling packaging (packing peanuts). This will expand to additional expanded polystyrene products July 1, 2024.

3. PROCUREMENT PRIORITIES

- a. [Nonmercury-Added Products](#). State Agencies and institutions of higher education are directed to purchase products that contain no mercury or the least amount of mercury-added compounds or components where commercially available and economically feasible.
- b. [Electronics Products Purchasing Preference](#). State Agencies and institutions of higher education are directed to purchase applicable electronics (e.g., servers, computers and displays, imaging equipment, mobile phones, and televisions) with an [EPEAT](#) Registry listing at the Bronze level or higher, or products that meet another environmental standard that reduces the use of hazardous substances.
- c. [Recycled Product Procurement](#). State Agencies and institutions of higher education are directed to purchase printer models that will efficiently utilize one hundred percent recycled content white cut sheet bond paper.

- 3.7. **COMPLIANCE WITH LAW; TAXES, LICENSES, & REGISTRATION:** Contractor shall comply with applicable law. Prior to making any sales hereunder, if Contractor is not already registered, Contractor shall register to conduct business in the State of Washington and promptly



acquire and maintain all necessary licenses and registrations and pay all applicable taxes and fees. In addition, for all sales to Purchasers in the State of Washington, if Contractor does not currently do so, Contractor shall calculate, collect, and remit, as appropriate, the applicable state and local sales tax on all invoices.

### **3.8. CONTRACTOR'S SALES AUTHORITY; PURCHASE ORDERS; & INVOICES:**

- (a) **CONTRACTOR'S SALES AUTHORITY.** Pursuant to this Participating Addendum, Contractor is authorized to provide only those goods/services set forth in the Master Agreement as conditioned by this Participating Addendum. Contractor shall not represent to any Purchaser hereunder that it has any authority to sell any other materials, supplies, services and/or equipment.
- (b) **INVOICES.** Contractor must provide a properly completed invoice to Purchaser. All invoices are to be delivered to the address indicated in the purchase order. Each invoice must include the:
  - Washington Contract Number 05820;
  - Lead State Master Agreement Number 23026;
  - Contractor's statewide vendor registration number assigned by the Washington State Office of Financial Management (OFM);
  - Applicable Purchaser's order number; and
  - The applicable volume discounts.

### **3.8. TERMINATION; EXPIRATION; SUSPENSION; & REMEDIES.**

(a) **TERMINATION FOR NONAPPROPRIATION OR REDUCTION OF FUNDS OR CHANGES IN LAW.** Enterprise Services may suspend or terminate this Participating Addendum and Purchasers may suspend or terminate applicable Purchase Orders, in whole or in part, at the sole discretion of Enterprise Services or, as applicable, Purchaser, if Enterprise Services or, as applicable, Purchaser reasonably determines that: (a) a change in Federal or State legislation or applicable laws materially affects the ability of either party to perform under the terms of this Participating Addendum or applicable Purchase Order; or (b) that a change in available funds affects Purchaser's ability to pay under the applicable Purchase Order. A change of available funds as used in this section includes, but is not limited to a change in Federal or State funding, whether as a result of a legislative act or by order of the President or the Governor. If a written notice is delivered under this provision, Purchaser will reimburse Contractor for Goods properly ordered and/or Services properly performed until the effective date of said notice. Except as stated in this provision, in the event of termination for nonappropriation or reduction of funds or changes in law, Purchaser will have no obligation or liability to Contractor for payment of terminated Purchase Orders.

(b) **TERMINATION FOR CONVENIENCE:** Purchasing Entity may, upon 30 days written notice, terminate an Order, in whole or in part. If an Order is so terminated, the Purchasing Entity shall be liable only for payment for Services rendered prior to the effective date of termination.

(c) **NO AUTOMATIC RENEWAL:** Orders placed under the Master Agreement and this Participating Agreement, including Statements of Work, shall not automatically renew.

Upon the completion of Services provided under a Statement of Work, the Order shall terminate and, unless the Purchasing Entity has agreed in writing to extend the Services, the parties will have no further obligations to each other under the Master Agreement and this Participating Addendum.

(d) **PURCHASER OBLIGATIONS – EXPIRATION.** Upon expiration of this Participating Addendum, Purchaser shall accept and take delivery of all outstanding and not yet fulfilled Purchase Orders and pay Contractor the price as set out in the Master Agreement. Notwithstanding any provision to the contrary, in no event shall a Purchaser's Purchase Order pursuant to this Participating Addendum that is executed prior to expiration of this Participating Addendum allow for Contractor to provide Goods and/or Services more than twelve (12) months beyond the expiration date of the Master Agreement.

(e) **CONTRACTOR OBLIGATIONS – EXPIRATION OR TERMINATION.** Upon expiration or termination of this Participating Addendum, Contractor shall: (a) continue to fulfill its warranty obligations with respect to any Goods and/or Services sold hereunder and all provisions of the Participating Addendum that, by their nature, would continue beyond the expiration, termination, or cancellation of the Participating Addendum shall so continue and survive; and (b) promptly return to Purchaser all keys, badges, and other materials supplied by Purchaser for the performance of any Purchase Order entered into pursuant to this Participating Addendum.

4. **LEASE AGREEMENTS:** Any Purchaser that desires to lease equipment pursuant to the Master Agreement, must have the independent authority to do so. State agencies and institutions of public higher education are not authorized to lease equipment pursuant to the Master Agreement and should consult with DES Technology Leasing.

Leasing is allowed under this Participating Addendum pursuant to the attached Dell Financial Services L. L. C. ("DFS") Master Lease Agreement ("MLA" and attached hereto as Attachment 1) or a separately negotiated DFS Master Lease Agreement between DFS and eligible Purchasing Entity under this Participating Addendum. If this Participating Addendum does not contain lease terms and conditions, Purchasing Entity under this Participating Addendum who is authorized to enter into lease agreements under applicable law may do so under a separate lease agreement for hardware, software and services obtained under this Participating Addendum with DFS. In the event of a conflict between the terms of the MLA and any corresponding lease schedule ("Schedule") thereunder and the Master Agreement and this Participating Addendum, and as it relates to the leasing and financing of products under a duly executed MLA with DFS only, the terms of the MLA and Schedule will govern. In the event eligible Purchasing Entity issues a purchase order to DFS for hardware, software or services being financed under an MLA and Schedule with DFS, any pre-printed terms on such purchase order are expressly rejected by DFS and are prohibited from being incorporated into the MLA or any corresponding Schedule and shall be void and of no effect. Any assignment by a Participating Entity of its purchase order to a third-party financing company (other than and specifically excluding DFS) must be approved in advance

and in writing by Contractor, and in no case shall any such approval excuse a Participate Entity from its obligations thereunder.

5. **PRIMARY CONTACTS:** The primary contact individuals for this Participating Addendum are as follows (or their named successors):

**Participating State**

Attn: Leilani Konecny  
State of Washington  
Washington Dept. of Enterprise Services  
PO Box 41411  
Olympia, WA 98504-1411  
Tel: (360)407-8249  
Email: [leilani.konecny@des.wa.gov](mailto:leilani.konecny@des.wa.gov)  
CC: [DESContractsTeamCypress@des.wa.gov](mailto:DESContractsTeamCypress@des.wa.gov)

**Contractor**

Attn: Ashley Salinas, SLED Contract  
Program Manager  
Dell Marketing L.P.  
One Dell Way  
Round Rock, TX 78682  
Tel: (512)542-1237  
Email: [A.Salinas@dell.com](mailto:A.Salinas@dell.com) and for  
Legal Noticed:  
[Dell\\_Legal\\_Notices@Dell.com](mailto:Dell_Legal_Notices@Dell.com)

6. **SUBCONTRACTORS:** Subcontractors, referred to in the Master Agreement in part as Partners, are not authorized to accept payment directly from Purchasers. Contractor shall not subcontract, assign, or otherwise transfer its obligations under this Participating Addendum without Enterprise Services' prior written consent. Violation of this condition shall constitute a material breach establishing grounds for termination of this Participating Addendum.

- (a) **SUBCONTRACTOR AUTHORIZATION.** Contractor is authorized, to utilize its Subcontractors to provide services and support to Purchasers hereunder; *provided*, however, that such participation shall be in accordance with the terms and conditions set forth in the Master Agreement and this Participating Addendum. Contractor shall maintain a list of such Subcontractors utilized for this Participating Addendum, and upon request, promptly provide Enterprise Services with such list and any updates. Parameters for approval by Enterprise Services are included in Exhibit A.
- (b) **CONTRACTOR RESPONSIBILITY FOR SUBCONTRACTORS.** Contractor shall be responsible to ensure that all requirements of the Master Agreement (including, but not limited to, insurance requirements, indemnification, Washington state business registration, etc.) for the performance of any and all of its Subcontractors. In no event shall the existence of a subcontract between Contractor and its Subcontractor operate to release or reduce Contractor's liability to the Participating State or any Purchaser for any breach of the Master Agreement or this Participating Addendum. As to Participating State and Purchasers hereunder, Contractor shall have full and complete responsibility and liability for any act or omission by Contractor's Subcontractors.
- (c) **SMALL, DIVERSE, AND VETERAN BUSINESS INCLUSION GOALS.** Contractor shall make reasonable commercial efforts to include WA small, diverse, and veteran businesses as Subcontractors, as defined by [RCW 39.26.010 \(22a\)](#), [RCW 39.26.010 \(22b\)](#), and [RCW 43.60A.190 \(2\)](#)

**7. CONTRACTOR'S AUTHORIZED FULFILLMENT PARTNERS:** Authorized Fulfillment Partners, referred to in the Master Agreement in part as Partners, are authorized to accept payment directly from Purchasers. Contractor shall not subcontract, assign, or otherwise transfer its obligations under the Master Agreement and this Participating Addendum without Enterprise Services' prior written consent. Violation of this condition shall constitute a material breach establishing grounds for termination of this Participating Addendum.

- (a) **AUTHORIZED FULFILLMENT PARTNER AUTHORIZATION.** Contractor is authorized, upon approval by Enterprise Services, to utilize its Authorized Fulfillment Partners to provide sales and service support to Purchasers hereunder; *provided*, however, that such participation shall be in accordance with the terms and conditions set forth in the Master Agreement and this Participating Addendum. Contractor shall maintain a list of such Authorized Fulfillment Partners utilized for this Participating Addendum, and upon request, promptly provide Enterprise Services with such list and any updates. Parameters for approval by Enterprise Services are included in Exhibit A.
- (b) **CONTRACTOR RESPONSIBILITY FOR AUTHORIZED FULFILLMENT PARTNERS.** Contractor shall be responsible to ensure that all requirements of the Master Agreement (including, but not limited to, insurance requirements, indemnification, Washington state business registration, etc.) flow down to any and all Authorized Fulfillment Partners. In no event shall the existence of a subcontract between Contractor and its Authorized Fulfillment Partner operate to release or reduce Contractor's liability to the Participating State or any Purchaser for any breach of the Master Agreement or this Participating Addendum. As to Participating State and Purchasers hereunder, Contractor shall have full and complete responsibility and liability for any act or omission by Contractor's Authorized Fulfillment Partner.
- (c) **PURCHASER PAYMENT REGARDING CONTRACTOR'S AUTHORIZED FULFILLMENT PARTNERS.** Notwithstanding any provision to the contrary, the parties understand and agree that for any contract sales or service provided pursuant to the Master Agreement and this Participating Addendum, Purchaser payment shall be made directly to Contractor as the awarded vendor pursuant to the competitive procurement; *provided*, however, that, in the event any such sales or services are performed by a Authorized Fulfillment Partner for Contractor, Contractor may instruct such Purchaser to make payment for such sales or services to Contractor's identified Authorized Fulfillment Partner. Regardless of whether Contractor instructs a Purchaser to make such payment to Contractor's Authorized Fulfillment Partner, Contractor shall remain responsible for performance.
- (d) **CONTRACT SALES REPORTING.** Notwithstanding any provision to the contrary, Contractor shall report to Enterprise Services total contract sales, delineated by purchaser, made by each individual Authorized Fulfillment Partner, and also report total contract sales, delineated by purchaser, on a consolidated Contractor 'roll-up' basis. Contractor shall maintain records supporting such reports in accordance with the Master Agreement's records retention requirements.
- (e) **SMALL, DIVERSE, AND VETERAN BUSINESS INCLUSION GOALS.** Contractor shall make reasonable commercial efforts to include WA small, diverse, and veteran businesses as Authorized Fulfillment Partners, as defined by [RCW 39.26.010 \(22a\)](#), [RCW 39.26.010 \(22b\)](#), and [RCW 43.60A.190 \(2\)](#)

**8. ORDERS:** Unless the parties to the applicable purchase order agree in writing that another contract or

agreement applies to such order, any order placed by a Purchasing Entity for goods/services available from this Master Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions of) the Master Agreement as conditioned by this Participating Addendum.

9. **TRAVEL COSTS:** Travel costs, if any, must be approved by Purchaser and set forth in a mutually agreed statement of work; *Provided*, however, that any such costs must be in accordance with the Washington Office of Financial Management’s State Administrative & Accounting Manual (SAAM).

10. **GENERAL:**

- (a) TIME IS OF THE ESSENCE. Time is of the essence for each and every provision of this Contract.
- (b) INTEGRATED AGREEMENT; MODIFICATION. This Participating Addendum and Master Agreement, together with its exhibits, set forth the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations and representations. This Participating Addendum may not be modified except in writing signed by the Parties.
- (c) AUTHORITY. Each party to this Participating Addendum, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Participating Addendum and that its execution, delivery, and performance of this Participating Addendum has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
- (d) ELECTRONIC SIGNATURES. An electronic signature or electronic record of this Participating Addendum or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Participating Addendum or such other ancillary agreement for all purposes.
- (e) COUNTERPARTS. This Participating Addendum may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Participating Addendum at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Participating Addendum.

EXECUTED as of the date and year first above written.

STATE OF WASHINGTON  
DEPARTMENT OF ENTERPRISE SERVICES

DELL MARKETING L.P.,  
A TEXAS LIMITED PARTNERSHIP

By: Elena McGrew  
Elena McGrew

By: Katherine Castillo  
**Type Name** Katherine Castillo

Its: Statewide Enterprise Procurement Manager

Its: **Paralegal Advisor**

Date: 1/19/2023

Date: 01/18/2024



EFFECTIVE DATE:  
MASTER LEASE AGREEMENT NO.

LESSOR: DELL FINANCIAL SERVICES L.L.C.

Mailing Address:

One Dell Way  
Round Rock, TX 78682

LESSEE:

Principal Address:

Fax:  
Attention:

This Master Lease Agreement ("Agreement"), effective as of the Effective Date set forth above, is between the Lessor and Lessee named above. Capitalized terms have the meaning set forth in this Agreement.

and ending on the last day of the Primary Term, together with any renewals or extensions thereof, is defined as the "Lease Term". The Lease is non-cancelable by Lessee, except as expressly provided in Section 5.

**1. LEASE.**

Lessor hereby leases to Lessee and Lessee hereby leases the equipment ("Products"), Software (defined below), and services or fees, where applicable, as described in any lease schedule ("Schedule"). Each Schedule shall incorporate by reference the terms and conditions of this Agreement and contain such other terms as are agreed to by Lessee and Lessor. Each Schedule shall constitute a separate lease of Products ("Lease"). In the event of any conflict between the terms of a Schedule and the terms of this Agreement, the terms of the Schedule shall prevail. Lessor reserves all rights to the Products not specifically granted to Lessee in this Agreement or in a Schedule. Execution of this Agreement does not create an obligation of either party to lease to or from the other.

**2. ACCEPTANCE DATE; SCHEDULE.**

(a) Subject to any right of return provided by the Product seller ("Seller"), named on the Schedule, Products are deemed to have been irrevocably accepted by Lessee upon delivery to Lessee's ship to location ("Acceptance Date"). Lessee shall be solely responsible for unpacking, inspecting and installing the Products.

(b) Lessor shall deliver to Lessee a Schedule for Products. Lessee agrees to sign or otherwise authenticate (as defined under the Uniform Commercial Code, "UCC") and return each Schedule by the later of the Acceptance Date or five (5) days after Lessee receives a Schedule from Lessor. If the Schedule is not signed or otherwise authenticated by Lessee within the time provided in the prior sentence, then upon written notice from Lessor and Lessee's failure to cure within five (5) days of such notice, Lessor may require the Lessee to purchase the Products by paying the Product Cost charged by the Seller, plus any shipping charges, Taxes or Duties (defined below) and interest at the Overdue Rate accruing from the date the Products are shipped through the date of payment. If Lessee returns any leased Products in accordance with the Seller's return policy, it will notify Lessor. When Lessor receives a credit from the Seller for the returned Product, the Schedule will be deemed amended to reflect the return of the Product and Lessor will adjust its billing records and Lessee's invoice for the applicable Lease. In addition, Lessee and Lessor agree that a signed Schedule may be amended by written notice from Lessor to Lessee provided such notice is (i) to correct the serial (or service tag) number of Products or (ii) to adjust the related Rent (defined below) on the Schedule (any increase up to 15% or any decrease) caused by any change made by Lessee in Lessee's order with the Seller.

**3. TERM.**

The initial term (the "Primary Term") for each Lease shall begin on the date set forth on the Schedule as the Commencement Date (the "Commencement Date"). The period beginning on the Acceptance Date

**4. RENT; TAXES; PAYMENT OBLIGATION.**

(a) The rental payment amount ("Rent") and the payment period for each installment of Rent ("Payment Period") shall be stated in the Schedule. A prorated portion of Rent calculated based on a 30-day month, 90-day quarter or 360-day year (as appropriate) for the period from the Acceptance Date to the Commencement Date shall be added to the first payment of Rent. All Rent and other amounts due and payable under this Agreement or any Schedule shall be paid to Lessor in lawful funds of the United States of America at the payment address for Lessor set forth above or at such other address as Lessor may designate in writing from time to time. Whenever Rent and other amounts payable under a Lease are not paid when due, Lessee shall pay interest on such amounts at a rate equal to the lesser of 1% per month or the highest such rate permitted by applicable law ("Overdue Rate"). Rent shall be due and payable whether or not Lessee has received an invoice showing such Rent is due. Late charges and reasonable attorney's fees necessary to recover Rent and other amounts owed hereunder are considered an integral part of this Agreement. The rate factors used for the calculation of the payment are based in part on similar or like term swap or T-bill rates as published by the US Federal Reserve Board. In the event the applicable rates change between Lessor initially providing the rate factors and the commencement of a Schedule, Lessor reserves the right to change the applicable rate factor commensurate with the change in the applicable rates.

(b) EACH LEASE SHALL BE A NET LEASE. In addition to Rent, Lessee shall pay sales, use, excise, purchase, property, added value or other taxes, fees, levies or assessments lawfully assessed or levied against Lessor or with respect to the Products and the Lease (collectively "Taxes"), and customs, duties or surcharges on imports or exports (collectively, "Duties"), plus all expenses incurred in connection with Lessor's purchase and Lessee's use of the Products, including but not limited to shipment, delivery, installation, and insurance. Unless Lessee provides Lessor with a tax exemption certificate acceptable to the relevant taxing authority prior to Lessor's payment of such Taxes, Lessee shall pay to Lessor all Taxes and Duties upon demand by Lessor. Lessor may, at its option, invoice Lessee for estimated personal property tax with the Rent Payment. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Products.

(c) EXCEPT AS EXPRESSLY PROVIDED IN SECTION 5, LESSEE'S OBLIGATION TO PAY ALL RENT AND OTHER AMOUNTS WHEN DUE AND TO OTHERWISE PERFORM AS REQUIRED UNDER THIS AGREEMENT AND EACH SCHEDULE SHALL BE ABSOLUTE AND UNCONDITIONAL, AND SHALL NOT BE SUBJECT TO ANY ABATEMENT, REDUCTION, SET-OFF, DEFENSE, COUNTERCLAIM, INTERRUPTION, DEFERMENT OR RECOUPMENT FOR ANY REASON WHATSOEVER WHETHER ARISING OUT OF ANY CLAIMS BY LESSEE AGAINST LESSOR, LESSOR'S ASSIGNS, THE SELLER, OR THE



SUPPLIER OR MANUFACTURER OF THE PRODUCTS, TOTAL OR PARTIAL LOSS OF THE PRODUCTS OR THEIR USE OR POSSESSION, OR OTHERWISE. If any Product is unsatisfactory for any reason, Lessee shall make its claim solely against the Seller of such Product (or the Licensor in the case of Software, as defined below) and shall nevertheless pay Lessor or its assignee all amounts due and payable under the Lease.

## **5. APPROPRIATION OF FUNDS.**

(a) Lessee intends to continue each Schedule for the Primary Term and to pay the Rent and other amounts due thereunder. Lessee reasonably believes that legally available funds in an amount sufficient to pay all Rent during the Primary Term can be obtained and agrees to do all things lawfully within its power to obtain and maintain funds from which the Rent and other amounts due may be paid.

(b) Lessee may terminate a Schedule in whole, but not in part by giving at least sixty (60) days' notice prior to the end of the then current Fiscal Period (as defined in the Lessee's Secretary/Clerk's Certificate provided to Lessor) certifying that: (1) sufficient funds were not appropriated and budgeted by Lessee's governing body or will not otherwise be available to continue the Lease beyond the current Fiscal Period; and (2) that the Lessee has exhausted all funds legally available for payment of the Rent beyond the current Fiscal Period. Upon termination of the Schedule, Lessee's obligations under the Schedule (except those that expressly survive the end of the Lease Term) and any interest in the Products shall cease and Lessee shall surrender the Products in accordance with Section 8. Notwithstanding the foregoing, Lessee agrees that, without creating a pledge, lien or encumbrance upon funds available to Lessee in other than its current Fiscal Period, it will use its best efforts to take all action necessary to avoid termination of a Schedule, including making budget requests for each Fiscal Period during each applicable Lease Term for adequate funds to meet its Lease obligations and to continue the Schedule in force..

(c) Lessor and Lessee intend that the obligation of Lessee to pay Rent and other amounts due under a Lease constitutes a current expense of Lessee and is not to be construed to be a debt in contravention of any applicable constitutional or statutory limitation on the creation of indebtedness or as a pledge of funds beyond Lessee's current Fiscal Period.

## **6. LICENSED MATERIALS.**

Software means any operating system software or computer programs included with the Products (collectively, "Software"). "Licensed Materials" are any manuals and documents, end user license agreements, evidence of licenses, including, without limitation, any certificate of authenticity and other media provided in connection with such Software, all as delivered with or affixed as a label to the Products. Lessee agrees that this Agreement and any Lease (including the sale of any Product pursuant to any purchase option) does not grant any title or interest in Software or Licensed Materials. Any use of the terms "sell," "purchase," "license," "lease," and the like in this Agreement or any Schedule with respect to Software shall be interpreted in accordance with this Section 6.

## **7. USE; LOCATION; INSPECTION.**

Lessee shall: (a) comply with all terms and conditions of any Licensed Materials; and (b) possess and operate the Products only (i) in accordance with the Seller's supply contract and any service provider's maintenance and operating manuals, the documentation and applicable laws; and (ii) for the business purposes of Lessee. Lessee agrees not to move Products from the location specified in the Schedule without providing Lessor with at least 30 days prior written notice, and then only to a location within the continental United States and at Lessee's expense. Without notice to Lessor, Lessee may temporarily use laptop computers at other locations, including outside the United States, provided Lessee complies with the United States Export Control Administration Act of 1979 and the Export Administration Act of 1985, as those Acts are amended from time to time (or any successor or similar legislation). Provided Lessor complies with Lessee's reasonable security requirements, Lessee shall allow Lessor to inspect the premises where the Products are located from time to time during reasonable hours after

reasonable notice in order to confirm Lessee's compliance with its obligations under this Agreement.

## **8. RETURN.**

At the expiration or earlier termination of the Lease Term of any Schedule, and except for Products purchased pursuant to any purchase option under the Lease, Lessee will (a) remove all proprietary data from the Products and (b) return them to Lessor at a place within the contiguous United States designated by Lessor. Upon return of the Products, Lessee's right to the operating system Software in returned Products will terminate and Lessee will return the Products with the original certificate of authenticity (attached and unaltered) for the original operating system Software. Lessee agrees to deinstall and package the Products for return in a manner which will protect them from damage. Lessee shall pay all costs associated with the packing and return of the Products and shall promptly reimburse Lessor for all costs and expenses for missing or damaged Products or operating system Software. If Lessee fails to return all of the Products at the expiration of the Lease Term or earlier termination (other than for non-appropriation) in accordance with this Section, the Lease Term with respect to the Products that are not returned shall continue to be renewed as described in the Schedule.

## **9. RISK OF LOSS; MAINTENANCE; INSURANCE.**

(a) From the date the Products are delivered to Lessee's ship to location until the Products are returned to Lessor's designated return location or purchased by Lessee, Lessee agrees: (i) to assume the risk of loss or damage to the Products; (ii) to maintain the Products in good operating condition and appearance, ordinary wear and tear excepted; (iii) to comply with all requirements necessary to enforce all warranty rights; and (iv) to promptly repair any repairable damage to the Products. During the Lease Term, Lessee at its sole discretion has the option to purchase a maintenance agreement from the provider of its choice (including, if it so chooses, to self-maintain the Products) or to forgo such maintenance agreement altogether; regardless of Lessee's choice, Lessee will continue to be responsible for its obligations as stated in the first sentence of this Section. At all times, Lessee shall provide the following insurance: (x) casualty loss insurance for the Products for no less than the Stipulated Loss Value (defined below) naming Lessor as loss payee; and (y) liability insurance with respect to the Products for no less than an amount as required by Lessor, with Lessor named as an additional insured; and (z) such other insurance as may be required by law which names Lessee as an insured and Lessor as an additional insured. Upon Lessor's prior written consent, Lessee may provide this insurance pursuant to Lessee's existing self-insurance policy or as provided for under state law. Lessee shall provide Lessor with either an annual certificate of third party insurance or a written description of its self-insurance policy or relevant law, as applicable. The certificate of insurance will provide that Lessor shall receive at least ten (10) days prior written notice of any material change to or cancellation of the insurance policy or Lessee's self-insurance program, if previously approved by Lessor. If Lessee does not give Lessor evidence of insurance in accordance with the standards herein, Lessor has the right, but not the obligation, to obtain such insurance covering Lessor's interest in the Products for the Lease Term, including renewals. If Lessor obtains such insurance, Lessor will add a monthly, quarterly or annual charge (as appropriate) to the Rent to reimburse Lessor for the insurance premium and Lessor's then current insurance administrative fee.

(b) If the Products are lost, stolen, destroyed, damaged beyond repair or in the event of any condemnation, confiscation, seizure or expropriation of such Products ("Casualty Products"), Lessee shall promptly (i) notify Lessor of the same and (ii) pay to Lessor the Stipulated Loss Value for the Casualty Products. The Stipulated Loss Value is an amount equal to the sum of (a) all Rent and other amounts then due and owing (including interest at the Overdue Rate from the due date until payment is received) under the Lease, plus (b) the present value of all future Rent to become due under the Lease during the remainder of the Lease Term, plus (c) the present value of the estimated in place Fair Market Value of the Product at the end of the Primary Term as determined by Lessor; plus (d) all other amounts to become due and owing during the remaining Lease Term. Unless priced as a tax-exempt Schedule, each of (b) and (c) shall be calculated using the federal funds rate target reported in the Wall Street Journal on the Commencement Date of the applicable Schedule. The

discount rate applicable to tax-exempt Schedules shall be federal funds rate target reported in the Wall Street Journal on the Commencement Date of the applicable Schedule less 100 basis points.

## **10. ALTERATIONS.**

Lessee shall, at its expense, make such alterations to Products during the Lease Term as are legally required or provided at no charge by Seller. Lessee may make other alterations, additions or improvements to Products provided that any alteration, addition or improvement shall be readily removable and shall not materially impair the value or utility of the Products. Upon the return of any Product to Lessor, any alteration, addition or improvement that is not removed by Lessee shall become the property of Lessor free and clear of all liens and encumbrances.

## **11. REPRESENTATIONS AND WARRANTIES OF LESSEE.**

Lessee represents, warrants and covenants to Lessor and will provide to Lessor at Lessor's request all documents deemed necessary or appropriate by Lessor, including Certificates of Insurance, financial statements, Secretary or Clerk Certificates, essential use information or documents (such as affidavits, notices and similar instruments in a form satisfactory to Lessor) and Opinions of Counsel (in substantially such form as provided to Lessee by Lessor and otherwise satisfactory to Lessor) to the effect that, as of the time Lessee enters into this Agreement and each Schedule that:

(a) Lessee is an entity duly organized and existing under and by virtue of the authorizing statute or constitutional provisions of its state and is a state or political subdivision thereof as described in Section 103(a) of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder as in effect and applicable to the Agreement or any Schedule, with full power and authority to enter into this Agreement and any Schedules and perform all of its obligations under the Leases;

(b) This Agreement and each Schedule have been duly authorized, authenticated and delivered by Lessee by proper action of its governing board at a regularly convened meeting and attended by the requisite majority of board members, or by other appropriate official authentication, as applicable, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of this Agreement against Lessee;

(c) This Agreement and each Schedule constitute the valid, legal and binding obligations of Lessee, enforceable in accordance with their terms;

(d) No other approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to the entering into or performance by Lessee of the Agreement or any Schedule and the transactions contemplated thereby;

(e) Lessee has complied with such public bidding requirements and other state and federal laws as may be applicable to the Agreement and any Schedule and the acquisition by Lessee of the Products;

(f) The entering into and performance of the Agreement or any Schedule will not (i) violate any judgment, order, law or regulation applicable to Lessee; (ii) result in any breach of, or constitute a default under, any instrument to which the Lessee is a party or by which it or its assets may be bound; or (iii) result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or on the Products, other than those created pursuant to this Agreement;

(g) There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting Lessee, nor to the best of Lessee's knowledge and belief is there any basis therefor, which if determined adversely to Lessee will have a material adverse effect on the ability of Lessee to fulfill its obligations under the Agreement or any Schedule;

(h) The Products are essential to the proper, efficient and economic operation of Lessee or to the services which Lessee provides to its citizens. Lessee expects to make immediate use of the Products, for which it has an immediate need that is neither temporary nor expected to diminish during the applicable Lease Term. The Products will be used for the sole purpose of performing one or more of Lessee's governmental or

proprietary functions consistent within the permissible scope of Lessee's authority; and

(i) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds to make all Rent payments and other obligations under this Agreement and any Schedule during the current Fiscal Period, and such funds have not been expended for other purposes.

## **12. WARRANTY ASSIGNMENT; EXCLUSION OF WARRANTIES; LIMITATION OF LIABILITY; FINANCE LEASE.**

(a) Provided no Event of Default has occurred and is continuing, Lessor assigns to Lessee for the Lease Term the benefit of any Product warranty and any right of return provided by any Seller.

(b) LESSEE ACKNOWLEDGES THAT LESSOR DID NOT SELECT, MANUFACTURE, SUPPLY OR LICENSE ANY PRODUCT AND THAT LESSEE HAS MADE THE SELECTION OF PRODUCTS BASED UPON ITS OWN JUDGMENT AND EXPRESSLY DISCLAIMS ANY RELIANCE ON STATEMENTS MADE BY LESSOR OR ITS AGENTS. LESSOR LEASES THE PRODUCTS AS-IS AND MAKES NO WARRANTY, EXPRESS, IMPLIED, OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF DESIGN, MERCHANTABILITY, OR FITNESS FOR A PARTICULAR PURPOSE. LESSEE HEREBY WAIVES ANY CLAIM IT MIGHT HAVE AGAINST LESSOR OR ITS ASSIGNEE FOR ANY LOSS, DAMAGE OR EXPENSE CAUSED BY OR WITH RESPECT TO ANY PRODUCTS.

(c) IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, SPECIAL, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES ARISING OUT OF OR RELATED TO THIS AGREEMENT, ANY SCHEDULE OR THE SALE, LEASE OR USE OF ANY PRODUCTS EVEN IF LESSOR IS ADVISED IN ADVANCE OF THE POSSIBILITY OR CERTAINTY OF SUCH DAMAGES AND EVEN IF LESSEE ASSERTS OR ESTABLISHES A FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY PROVIDED IN THIS AGREEMENT.

(d) Lessee agrees that it is the intent of both parties that each lease qualify as a statutory finance lease under Article 2A of the UCC. Lessee acknowledges either (i) that Lessee has reviewed and approved any written supply contract covering the Products purchased from the Seller for lease to Lessee or (ii) that Lessor has informed or advised Lessee, in writing, either previously or by this Agreement, that Lessee may have rights under the supply contract evidencing the purchase of the Products and that Lessee should contact the Seller for a description of any such rights. TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, LESSEE HEREBY WAIVES ALL RIGHTS AND REMEDIES CONFERRED UPON A LESSEE BY ARTICLE 2A OF THE UCC.

## **13. EVENTS OF DEFAULT.**

It shall be an event of default hereunder and under any Schedule ("Event of Default") if:

(a) Lessee fails to pay any Rent or other amounts payable under this Agreement or any Schedule within 15 days after the date that such payment is due;

(b) Any representation or warranty made by Lessee to Lessor in connection with this Agreement, any Schedule or any other Document is at the time made materially untrue or incorrect;

(c) Lessee fails to comply with any other obligation or provision of this Agreement or any Schedule and such failure shall have continued for 30 days after notice from Lessor;

(d) Lessee (i) is generally not paying its debts as they become due or (ii) takes action for the purpose of invoking the protection of any bankruptcy or insolvency law, or any such law is invoked against or with respect to Lessee or its property and such petition is not dismissed within 60 days; or

(e) Any provision of this Agreement ceases to be valid and binding on Lessee, is declared null and void, or its validity or enforceability is contested by Lessee or any governmental agency or authority whereby the loss of such provision would materially adversely affect the rights or



security of Lessor, or Lessee denies any further liability or obligation under this Agreement; or

(f) Lessee is in default under any other lease, contract, or obligation now existing or hereafter entered into with Lessor or Seller or any assignee of Lessor.

#### **14. REMEDIES: TERMINATION**

(a) Upon an Event of Default under any Schedule all of Lessee's rights (including its rights to the Products), but not its obligations thereunder, shall automatically be cancelled without notice and Lessor may exercise one or more of the following remedies in its sole discretion:

(i) require Lessee to return any and all such Products in accordance with Section 8, or if requested by Lessor, to assemble the Products in a single location designated by Lessor and to grant Lessor the right to enter the premises where such Products are located (regardless of where assembled) for the purpose of repossession;

(ii) sell, lease or otherwise dispose of any or all Products (as agent and attorney-in-fact for Lessee to the extent necessary) upon such terms and in such manner (at public or private sale) as Lessor deems advisable in its sole discretion (a "Disposition");

(iii) declare immediately due and payable as a pre-estimate of liquidated damages for loss of bargain and not as a penalty, the Stipulated Loss Value of the Products in lieu of any further Rent, in which event Lessee shall pay such amount to Lessor within 10 days after the date of Lessor's demand; or

(iv) proceed by appropriate court action either at law or in equity (including an action for specific performance) to enforce performance by Lessee or recover damages associated with such Event of Default or exercise any other remedy available to Lessor in law or in equity.

(b) Lessee shall pay all costs and expenses arising or incurred by Lessor, including reasonable attorney fees, in connection with or related to an Event of Default or the repossession, transportation, re-furbishing, storage and Disposition of any or all Products ("Default Expenses"). In the event Lessor recovers proceeds (net of Default Expenses) from its Disposition of the Products, Lessor shall credit such proceeds against the owed Stipulated Loss Value. Lessee shall remain liable to Lessor for any deficiency. With respect to this Section, to the extent the proceeds of the Disposition (net of Default Expenses) exceed the Stipulated Loss Value owed under the Lease, or Lessee has paid Lessor the Stipulated Loss Value, the Default Expenses and all other amounts owing under the Lease, Lessee shall be entitled to such excess and shall have no further obligations with respect to such Lease. All rights of Lessor are cumulative and not alternative and may be exercised by Lessor separately or together.

#### **15. QUIET ENJOYMENT.**

Lessor shall not interfere with Lessee's right to possession and quiet enjoyment of Products during the relevant Lease Term, provided no Event of Default has occurred and is continuing. Lessor represents and warrants that as of the Commencement Date of the applicable Schedule, Lessor has the right to lease the Products to Lessee.

#### **16. INDEMNIFICATION.**

To the extent permitted by law, Lessee shall indemnify, defend and hold Lessor, its assignees, and their respective officers, directors, employees, representatives and agents harmless from and against, all claims, liabilities, costs or expenses, including legal fees and expenses (collectively, "Claims"), arising from or incurred in connection with this Agreement, any Schedule, or the selection, manufacture, possession, ownership, use, condition, or return of any Products (including Claims for personal injury or death or damage to property, and to the extent Lessee is responsible, Claims related to the subsequent use or Disposition of the Products or any data in or alteration of the Products. This indemnity shall not extend to any loss caused solely by the gross negligence or willful misconduct of Lessor. Lessee shall be responsible for the defense and resolution of such Claim at its expense and shall pay any amount for resolution and all costs and damages awarded against or incurred by

Lessor or any other person indemnified hereunder; provided, however, that any person indemnified hereunder shall have the right to participate in the defense of such Claim with counsel of its choice and at its expense and to approve any such resolution. Lessee shall keep Lessor informed at all times as to the status of the Claim.

#### **17. OWNERSHIP; LIENS AND ENCUMBRANCES; LABELS.**

As between Lessor and Lessee, title to Products (other than any Licensed Materials) is and shall remain with Lessor. Products are considered personal property and Lessee shall, at Lessee's expense, keep Products free and clear of liens and encumbrances of any kind (except those arising through the acts of Lessor) and shall immediately notify Lessor if Lessor's interest is subject to compromise. Lessee shall not remove, cover, or alter plates, labels, or other markings placed upon Products by Lessor, Seller or any other supplier.

#### **18. NON PERFORMANCE BY LESSEE.**

If Lessee fails to perform any of its obligations hereunder or under any Schedule, Lessor shall have the right but not the obligation to effect such performance and Lessee shall promptly reimburse Lessor for all out of pocket and other reasonable expenses incurred in connection with such performance, with interest at the Overdue Rate.

#### **19. NOTICES.**

All notices shall be given in writing and, except for billings and communications in the ordinary course of business, shall be delivered by overnight courier service, delivered personally or sent by certified mail, return receipt requested, and shall be effective from the date of receipt unless mailed, in which case the effective date will be four (4) Business Days after the date of mailing. Notices to Lessor by Lessee shall be sent to: Dell Financial Services L.L.C., Attn. Legal Department, One Dell Way, Round Rock, TX 78682, or such other mailing address designated in writing by Lessor. Notice to Lessee shall be to the address on the first page of this Agreement or such other mailing address designated in writing by Lessee.

#### **20. ASSIGNMENT.**

(a) LESSEE MAY ASSIGN THIS AGREEMENT OR ANY SCHEDULE, OR SUBLEASE ANY PRODUCT(S) WITH THE PRIOR WRITTEN CONSENT OF LESSOR (SUCH CONSENT NOT TO BE UNREASONABLY WITHHELD). LESSOR, AT ITS SOLE DISCRETION, MAY ASSESS AN ADMINISTRATIVE FEE FOR ANY APPROVED ASSIGNMENT OR SUBLEASE. No assignment or sublease shall in any way discharge Lessee's obligations to Lessor under this Agreement or Schedule.

(b) Lessor may at any time without notice to Lessee, but subject to the rights of Lessee, transfer, assign, or grant a security interest in any Product, this Agreement, any Schedule, or any rights and obligations hereunder or thereunder in whole or in part. Lessee hereby consents to such assignments, agrees to comply fully with the terms thereof, and agrees to execute and deliver promptly such acknowledgments, opinions of counsel and other instruments reasonably requested to effect such assignment.

(c) Subject to the foregoing, this Agreement and each Schedule shall be binding upon and inure to the benefit of Lessor, Lessee and their successors and assigns.

#### **21. GOVERNING LAW; JURISDICTION AND VENUE; WAIVER OF JURY TRIAL.**

THIS AGREEMENT AND EACH SCHEDULE SHALL BE GOVERNED BY LAW WITHOUT REGARD TO ITS CONFLICTS OF LAWS PRINCIPLES AND, TO THE EXTENT APPLICABLE, THE ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. LESSEE CONSENTS TO THE JURISDICTION OF ANY FEDERAL COURT LOCATED IN , AND WAIVES ANY OBJECTION TO VENUE IN SUCH COURT, AND FURTHER WAIVES ANY RIGHT TO A TRIAL BY JURY.

## 22. MISCELLANEOUS.

(a) The headings used in this Agreement are for convenience only and shall have no legal effect. This Agreement shall be interpreted without any strict construction in favor of or against either party.

(b) The provisions of Sections 6, 8, 11, 12(b), 12(c), 12(d), 16, 21 and 22 shall continue in full force and effect even after the term or expiration of this Agreement or any Schedule.

(c) Failure of Lessor at any time to require Lessee's performance of any obligation shall not affect the right to require performance of that obligation. No term, condition or provision of this Agreement or any Schedule shall be waived or deemed to have been waived by Lessor unless it is in writing and signed by a duly authorized representative of Lessor. A valid waiver is limited to the specific situation for which it was given.

(d) Lessee shall furnish such financial statements of Lessee (prepared in accordance with generally accepted accounting principles) and other information as Lessor may from time to time reasonably request.

(e) If any provision(s) of this Agreement is deemed invalid or unenforceable to any extent (other than provisions going to the essence of this Agreement) the same shall not in any respect affect the validity, legality or enforceability (to the fullest extent permitted by law) of the remainder of this Agreement, and the parties shall use their best efforts to replace such illegal, invalid or unenforceable provisions with an enforceable provision approximating, to the extent possible, the original intent of the parties.

(f) Unless otherwise provided, all obligations hereunder shall be performed or observed at the respective party's expense.

(g) Lessee shall take any action reasonably requested by Lessor for the purpose of fully effectuating the intent and purposes of this Agreement or any Schedule. If any Lease is determined to be other than a true lease, Lessee hereby grants to Lessor a first priority security interest in the Products and all proceeds thereof. Lessee acknowledges that by signing this Agreement, Lessee has authorized Lessor to file any financing statements or related filings as Lessor may reasonably deem necessary or appropriate. Lessor may file a copy of this Agreement or any Schedule in lieu of a financing statement.

(h) This Agreement and any Schedule may be signed in any number of counterparts each of which when so executed or otherwise authenticated and delivered shall be an original but all counterparts shall together constitute one and the same instrument. To the extent each Schedule would constitute chattel paper as such term is defined in the UCC, no security interest may be created through the transfer or control or possession, as applicable, of a counterpart of a Schedule other than the original in Lessor's possession marked by Lessor as either "Original" or "Counterpart Number 1".

(i) This Agreement and the Schedules hereto between Lessor and Lessee set forth all of the understandings and agreements between the parties and supersede and merge all prior written or oral communications, understandings, or agreements between the parties relating to the subject matter contained herein. Except as permitted herein, this Agreement and any Schedule may be amended only by a writing duly signed or otherwise authenticated by Lessor and Lessee.

(j) If Lessee delivers this signed Master Lease, or any Schedule, amendment or other document related to the Master Lease (each a "Document") to Lessor by facsimile transmission, and Lessor does not receive all of the pages of that Document, Lessee agrees that, except for any pages which require a signature, Lessor may supply the missing pages to the Document from Lessor's database which conforms to the version number at the bottom of the page. If Lessee delivers a signed Document to Lessor as an e-mail attachment, facsimile transmission or by U.S. mail, Lessee acknowledges that Lessor is relying on Lessee's representation that the Document has not been altered. Lessee further agrees that, notwithstanding any rule of evidence to the contrary, in any hearing, trial or proceeding of any kind with respect to a Document, Lessor

may produce a tangible copy of the Document transmitted by Lessee to Lessor by facsimile or as an e-mail attachment and such signed copy shall be deemed to be the original of the Document. To the extent (if any) that the Document constitutes chattel paper under the Uniform Commercial Code, the authoritative copy of the Document shall be the copy designated by Lessor or its assignee, from time to time, as the copy available for access and review by Lessee, Lessor or its assignee. All other copies are deemed identified as copies of the authoritative copy. In the event of inadvertent destruction of the authoritative copy, or corruption of the authoritative copy for any reason or as the result of any cause, the authoritative copy may be restored from a backup or archive copy, and the restored copy shall become the authoritative copy. At Lessor's option, this electronic record may be converted into paper form. At such time, such paper copy will be designated or marked as the authoritative copy of the Document.

EXECUTED by the undersigned on the dates set forth below, to be effective as of the Effective Date.

"Lessee"

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

**Dell Financial Services L.L.C.**

"Lessor"

BY: \_\_\_\_\_

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

DATE: \_\_\_\_\_

## Secretary/Clerk Certificate Instructions

1. In the blocks under paragraph (ii) with the headings “NAME OF AUTHORIZED SIGNATORY”, “TITLE OF AUTHORIZED SIGNATORY” and “SIGNATURE OF AUTHORIZED SIGNATORY”, all persons who are authorized to execute and deliver the \_\_\_\_\_ and any related Lease Schedule(s) from time to time thereunder between the Public Entity and \_\_\_\_\_ should write or type his/her name under the “Name of Authorized Signatory” heading, write or type his/her title under the “Title of Authorized Signatory” heading, and sign his/her name under the “Signature of Authorized Signatory” heading in the block across from his/her name and title. **The person(s) listed and executing in the blocks under paragraph (ii) must not be the same person executing the Certificate on behalf of the Public Entity (Clerk, Secretary, etc.) listed at the top of the Certificate and executing in the signature block at the bottom of the Certificate under the “In Witness Whereof” language;**
2. The Clerk, Secretary, etc. should insert the \_\_\_\_\_ No. in paragraph (iii), if known;
3. The Clerk, Secretary, etc. should strike paragraph (v) of the Certificate if this paragraph is not applicable to the Public Entity;
4. If paragraph (v) of the Certificate is applicable to the Public Entity, the Clerk, Secretary, etc. should insert “regular” or “special” in the first blank and then insert the date of the meeting of the governing body of the Public Entity in the second blank;
5. The Clerk, Secretary, etc. should write or type the Fiscal Period of the Public Entity in paragraph (ix);
6. The Clerk, Secretary, etc. should write or type his/her name, title, name and State of the Public Entity in the top portion of the Certificate and date, sign & print his/her name and title at the bottom of the Certificate under the “In Witness Whereof” language; and
7. If required by local law, the Certificate should be notarized by a notary public. The notary public should be a person other than the Clerk, Secretary, etc. executing under the “In Witness Whereof” language of the Certificate.

**SECRETARY/CLERK CERTIFICATE**

I, \_\_\_\_\_, do hereby certify that:

(i) I am the duly elected, qualified, and acting \_\_\_\_\_ (Clerk, Secretary, etc.)  
of \_\_\_\_\_, a \_\_\_\_\_ public entity (the "Public Entity").

(ii) Each of the persons whose name, title and signature appear below is a duly authorized representative of the Public Entity and holds on the date of this Certificate the formal title set forth opposite his/her name and the signature appearing opposite each such person's name is his/her genuine signature:

NAME OF AUTHORIZED SIGNATORY  
(cannot be Clerk/Secretary  
authenticating this certificate)

TITLE OF AUTHORIZED  
SIGNATORY

SIGNATURE OF AUTHORIZED  
SIGNATORY

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

(iii) Each such representative is duly authorized for and on behalf of the Public Entity to execute and deliver that certain Master Lease Agreement No. \_\_\_\_\_ (the "Agreement") and any related Lease Schedules from time to time thereunder (the "Schedules") between the Public Entity and \_\_\_\_\_, or its assignee (collectively, "Lessor"), and all agreements, documents, and instruments in connection therewith, including without limitation, schedules, riders and certificates of acceptance.

(iv) The execution and delivery of any such Agreement and/or Schedule and all agreements, documents, and instruments in connection therewith for and on behalf of the Public Entity are not prohibited by or in any manner restricted by the terms of the Charter or other document pursuant to which the Public Entity is organized or of any loan agreement, indenture or contract to which the Public Entity is a party or by which it or any of its property is bound.

(v) [STRIKE IF NOT APPLICABLE] The Public Entity did, at a duly called \_\_\_\_\_ (regular or special) meeting of the governing body of the Public Entity attended throughout by the requisite majority of the members thereof held on the \_\_\_\_\_ day of \_\_\_\_\_ by motion duly made, seconded and carried, in accordance with all requirements of law, approve and authorize the execution and delivery of the Agreement, the related Schedule(s) and all agreements, documents, and instruments in connection therewith on behalf of the Public Entity by the authorized representative(s) of the Public Entity named in paragraph (ii) above. Such action approving the Agreement, the related Schedule(s) and all agreements, documents, and instruments in connection therewith and authorizing the execution thereof has not been altered or rescinded by the Public Entity.

(vi) No event or condition that constitutes (or with notice or lapse of time or both, would constitute) an Event of Default, as defined in the Agreement, exists at the date hereof.

(vii) All insurance required in accordance with the Agreement is currently maintained by the Public Entity.

(viii) The Public Entity has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current budget year to make the Rent payments scheduled to come due during the first Fiscal Period and to

meet the Public Entity's other obligations for the first Fiscal Period, as such terms are defined in the Agreement, and such funds have not been expended for other purposes.

(ix) The Fiscal Period of the Public Entity is from \_\_\_\_\_ to \_\_\_\_\_.

(x) The foregoing authority and information shall remain true and in full force and effect, and Lessor shall be entitled to rely upon same, until written notice of the modification, rescission, or revocation of same in whole or in part, has been delivered to Lessor, but in any event shall be effective with respect to any documents executed or actions taken in reliance upon the foregoing authority prior to the delivery to Lessor of said written notice of said modification, rescission or revocation.

IN WITNESS WHEREOF:

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_  
(Clerk or Secretary)

Date: \_\_\_\_\_

Subscribed to and sworn before me:

Notary Public: \_\_\_\_\_  
(Name)

Date: \_\_\_\_\_

My commission expires: \_\_\_\_\_



# Billing and Schedule Information

Welcome to Dell Financial Services. We look forward to working with you and your team to form a long lasting relationship. To ensure we set your account up properly in our systems we need the information below. Please work with your Accounts Payable team to complete this form. If you have any questions contact your DFS Sales Representative. Please return this form to your DFS Sales Representative or [DFS\\_Customer\\_Setup@Dell.com](mailto:DFS_Customer_Setup@Dell.com). Thank you!

## I. PREPARING YOUR A/P SYSTEM TO REMIT PAYMENTS TO DFS:

Below is information commonly requested by our customers to assist in setting up their system to successfully remit payment to DFS. If you require additional information please contact your DFS Sales Representative.

<b>ACH Instructions (preferred over wire)</b> <b>JPMorgan Chase Bank, N.A. 1 Chase Manhattan Plaza</b> <b>New York, NY 10081</b>	<b>DFS Accounts Only</b> <b>ABA # 021000021</b> <b>Account # 432217011</b> <b>MUST INCLUDE CONTRACT &amp; SCHEDULE NUMBER OR INVOICE NUMBER</b> <b>CTX+ format should be first choice if it is an option</b> <b>Email remittance to <a href="mailto:USDFSCASHPAYMENTS@deell.com">USDFSCASHPAYMENTS@deell.com</a></b>
<b>Wire Transfer Instructions</b> <b>JPMorgan Chase Bank, N.A.</b> <b>1 Chase Manhattan Plaza</b> <b>New York, NY 10081</b>	<b>DFS Accounts Only</b> <b>ABA # 021000021</b> <b>Account # 432217011</b> <b>MUST INCLUDE CONTRACT &amp; SCHEDULE NUMBER OR INVOICE NUMBER</b> <b>Email remittance to <a href="mailto:USDFSCASHPAYMENTS@deell.com">USDFSCASHPAYMENTS@deell.com</a></b> <b>Swift Code for international wires only: CHASUS33</b>
<b>Payee information:</b> <b>Dell Financial Services L.L.C. Payment Processing Center</b> <b>Federal Tax ID# 74-2825828</b>	<b>PO Box 6549</b> <b>Carol Stream, IL 60197-6549</b>

## II. YOUR COMPANY INFORMATION:

Company Name:

Physical Address (primary location):

City, State, Zip:

Federal Tax ID#:

## III. SCHEDULES:

Name of recipient(s) to receive monthly schedules **for reconciliation**:

Attention:

Telephone Number:

Email Address:

Name of individual(s) that **will sign** schedules (this individual should be named as an authorized signatory on the Incumbency or Secretary Clerk Certificate):

Attention:

Title:

Telephone Number:

Email Address:

Would you prefer to sign your documents electronically via EchoSign? Yes No (*not available to Public entities*)

Do any of the following criteria need to appear on your schedule?\*

Cost Center      Equipment Type      Equipment Location      PO Number

*\*Invoices will follow the format of the Schedule and include a breakout of the items above if requested.*

#### IV. PURCHASE ORDERS:

Your PO should be issued to Dell Financial Services L.L.C.

If you are unable to issue purchase orders to DFS please specify how PO will be issued:

Do you utilize blanket PO's? Yes No

Is PO Fulfillment required for Scheduling? Yes No

DFS will consolidate shipped orders and place on a Schedule for your review. If you have any special consolidation requirements, please contact your DFS Sales representative.

Is board approval necessary? Yes No If yes, when are meetings held?

Fiscal Year is from to

#### V. INVOICING/BILLING: (If multiple locations please include all as an attachment)

Accounts Payable Contact Name:

Is the billing address the same as primary location above? Yes \*\* No

\*\*If yes, please skip and proceed to invoice preference

AP Address:

City, State, Zip:

County:

Attention:

Email Address:

AP Direct Telephone Number:

Email Address for PDF or Electronic Invoices (if different than AP contact):

#### VI. INVOICE PREFERENCES: (Choose 1 from each category)

Invoice Options:	<b>Contract Level</b> (one invoice per contract)	<b>Consolidated</b> (one invoice for all contracts that have the same due date)
Invoice Format:	<b>Detail</b> (with asset level detail)	<b>Summary</b>
Delivery Format:	<b>Paper</b> (US Mail)	<b>PDF</b> A paper copy will not be mailed.
	<b>Electronic CSV</b> (to convert to Excel)	<b>3rd Party Invoicing Tool (Ariba, SAP)</b> Enter tool name:

Do you need separate invoices for Miscellaneous Billings? Yes No

Do you require a PO # on invoice to process payment? Yes No

Typical processing time for invoices is 30 days. If you require more than 30 days please contact your DFS Sales Representative.

#### VII. TAX & FEES:

Where required, Sales/Use Tax will be assessed and invoiced. Is your company/entity tax exempt? Yes No

If not exempt, do you intend to finance upfront tax (if applicable) on the schedules (Contracts)? Yes No

Personal Property Tax (PPT) Rebilled Annually Monthly Property Management Fee

California Environmental Fee Do you intend to finance the California Environmental Fee, if applicable? Yes No

Do you intend to finance shipping by adding shipping costs for the products to your schedule? Yes No

## VIII. ADDITIONAL TAX INFORMATION:

**Tax Exemption:** If your company/entity holds an exemption or direct pay certificate, please ATTACH a copy of the certificate to this document. PLEASE NOTE: If tax exempt, a valid Tax Exemption Certificate or Direct Pay Certificate must be provided for each state in which the products are located.

Tax Exempt Certificate Requirements:

- Made out to Dell Financial Services
- Signed by an authorized employee/owner
- Coincide with the date the schedule is signed
- Have a description of the items; computer hardware/software is generally a sufficient description

The following are not acceptable forms of exemption certificates:

- IRS letter declaring the company as non-profit (501-C) entity\*
- CA letter exempting a company from Franchise and Income Tax
- W-9 form
- State Registration Certificates

*\* Mississippi is the only state that accepts the IRS letter as an acceptable exemption certificate*

**Personal Property Tax:** Tangible business personal property is taxable in most states. In general the definition of tangible property is: Personal property that can be seen, weighed, measured, felt, or otherwise perceived by the senses but does not include a document that constitutes evidence of a valuable interest, claim, or right and has negligible or no intrinsic value.

We appreciate you taking the time to provide the information above. Our goal is to provide a seamless schedule and invoice delivery. If you have any questions or need to provide additional information please contact your DFS Sales Representative. Thank you for choosing Dell Financial Services.



**SAMPLE VALIDITY OPINION LETTER**  
**TO BE EXECUTED ON COUNSEL'S LETTERHEAD**

To:

Ladies and Gentlemen:

We are counsel to \_\_\_\_\_ (the "Lessee") and, in that capacity, we have examined Master Lease Agreement No. \_\_\_\_\_, dated as of \_\_\_\_\_, and the Lease Schedule No. \_\_\_\_\_ to Master Lease Agreement No. \_\_\_\_\_ thereto, dated as of \_\_\_\_\_ (collectively the "Agreement"), between the Lessee and Dell Financial Services L.L.C. (the "Lessor").

Based on our examination of the Agreement and such other examinations as we have deemed appropriate, we are of the opinion as follows:

(a) The Lessee is an entity duly organized and existing under and by virtue of the authorizing statute or constitutional provisions of the State of \_\_\_\_\_ and is a state or political subdivision thereof as described in Section 103(a) of the Internal Revenue Code of 1986, as amended, with full power and authority to enter into the Agreement and the transactions contemplated thereby and to perform all of its obligations thereunder;

(b) The Agreement has been duly authorized, executed and delivered by \_\_\_\_\_\*, \_\_\_\_\_ of the Lessee by proper action of its governing board at a meeting duly called, regularly convened and attended throughout by the requisite majority of the members thereof or by other appropriate official approval, and all requirements have been met and procedures have occurred in order to ensure the validity and enforceability of the Agreement against the Lessee;

(c) The Agreement constitutes the valid, legal and binding obligation of the Lessee, enforceable in accordance with its terms;

(d) No approval, consent or withholding of objection is required from any federal, state or local governmental authority or instrumentality with respect to the entering into or performance by the Lessee of the Agreement and the transactions contemplated thereby;

(e) Lessee has complied with any applicable public bidding requirements and other applicable state and federal laws in connection with the Agreement and the transactions contemplated thereby;

(f) The entering into and performance of the Agreement will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, any instrument to which the Lessee is a party or by which it or its assets may be bound, or result in the creation of any lien, charge, security interest or other encumbrance upon any assets of the Lessee or on the Products, other than those created by the Agreement;

(g) The Products are tangible personal property and when subject to use by the Lessee will not be or become fixtures or real property under the laws of the State of \_\_\_\_\_;

(h) There are no actions, suits, proceedings, inquiries or investigations, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting, nor to the best of our knowledge and belief is there any basis therefor, which, if determined adversely to Lessee, will have a material adverse effect on the ability of the Lessee to fulfill its obligations under the Agreement; and

(i) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for Lessee's current Fiscal Period to make the Rent payments scheduled to come due during Lessee's current Fiscal Period and to meet its other obligations under the Agreement for the current Fiscal Period, and such funds have not been expended for other purposes.

This opinion is delivered to the addressee for its benefit and the benefit of its assigns for the purpose contemplated by the Agreement.

Very truly yours,

\*Authorized Signatory of Lessee under the Agreement.

SAMPLE

# NOTICE

## IRS 8038-G & 8038-GC FILINGS

The Internal Revenue Service (IRS) now requires that all 8038 filings, prepared by a third party, be executed by the third party as the “Preparer”.

Additionally, the IRS does not allow the Preparer to execute the Filing until after the Lease is fully executed.

Accordingly, please execute the Lease Schedule first, then execute your 8038 filing after that, returning both documents to us. By returning both fully executed documents to us, you represent that you executed the 8038 only after your Lease Schedule was fully in effect and executed.

Please contact your Lease Representative should you have any questions or concerns.

(Rev. September 2018)

► Under Internal Revenue Code section 149(e)

► See separate instructions.

OMB No. 1545-0720

Department of the Treasury  
Internal Revenue Service**Caution:** If the issue price is under \$100,000, use Form 8038-GC.► Go to [www.irs.gov/F8038G](http://www.irs.gov/F8038G) for instructions and the latest information.

<b>Part I Reporting Authority</b>		If Amended Return, check here <input type="checkbox"/>	
1 Issuer's name		2 Issuer's employer identification number (EIN)	
3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)		3b Telephone number of other person shown on 3a	
4 Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	5 Report number (For IRS Use Only)	
6 City, town, or post office, state, and ZIP code		7 Date of issue	
8 Name of issue		9 CUSIP number	
10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)		10b Telephone number of officer or other employee shown on 10a	

<b>Part II Type of Issue (enter the issue price).</b> See the instructions and attach schedule.			
11 Education . . . . .		11	
12 Health and hospital . . . . .		12	
13 Transportation . . . . .		13	
14 Public safety . . . . .		14	
15 Environment (including sewage bonds) . . . . .		15	
16 Housing . . . . .		16	
17 Utilities . . . . .		17	
18 Other. Describe ►		18	
19a If bonds are TANs or RANs, check only box 19a . . . . .	► <input type="checkbox"/>		
b If bonds are BANs, check only box 19b . . . . .	► <input type="checkbox"/>		
20 If bonds are in the form of a lease or installment sale, check box . . . . .	► <input type="checkbox"/>		

<b>Part III Description of Bonds.</b> Complete for the entire issue for which this form is being filed.					
	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21		\$	\$	years	%

<b>Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)</b>				
22	Proceeds used for accrued interest . . . . .		22	
23	Issue price of entire issue (enter amount from line 21, column (b)) . . . . .		23	
24	Proceeds used for bond issuance costs (including underwriters' discount) . . . . .	24		
25	Proceeds used for credit enhancement . . . . .	25		
26	Proceeds allocated to reasonably required reserve or replacement fund . . . . .	26		
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V . . . . .	27		
28	Proceeds used to refund prior taxable bonds. Complete Part V . . . . .	28		
29	Total (add lines 24 through 28) . . . . .		29	
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here) . . . . .		30	

<b>Part V Description of Refunded Bonds.</b> Complete this part only for refunding bonds.			
31	Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded . . . . .	►	years
32	Enter the remaining weighted average maturity of the taxable bonds to be refunded . . . . .	►	years
33	Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) . . . . .	►	
34	Enter the date(s) the refunded bonds were issued ► (MM/DD/YYYY)		

**Part VI Miscellaneous**

<b>35</b>	Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) . . . . .	<b>35</b>	
<b>36a</b>	Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions . . . . .	<b>36a</b>	
<b>b</b>	Enter the final maturity date of the GIC ► (MM/DD/YYYY) _____		
<b>c</b>	Enter the name of the GIC provider ► _____		
<b>37</b>	Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units . . . . .	<b>37</b>	
<b>38a</b>	If this issue is a loan made from the proceeds of another tax-exempt issue, check box ► <input type="checkbox"/> and enter the following information:		
<b>b</b>	Enter the date of the master pool bond ► (MM/DD/YYYY) _____		
<b>c</b>	Enter the EIN of the issuer of the master pool bond ► _____		
<b>d</b>	Enter the name of the issuer of the master pool bond ► _____		
<b>39</b>	If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box . . . . .		<input type="checkbox"/>
<b>40</b>	If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box . . . . .		<input type="checkbox"/>
<b>41a</b>	If the issuer has identified a hedge, check here ► <input type="checkbox"/> and enter the following information:		
<b>b</b>	Name of hedge provider ► _____		
<b>c</b>	Type of hedge ► _____		
<b>d</b>	Term of hedge ► _____		
<b>42</b>	If the issuer has superintegrated the hedge, check box . . . . .		<input type="checkbox"/>
<b>43</b>	If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box . . . . .		<input type="checkbox"/>
<b>44</b>	If the issuer has established written procedures to monitor the requirements of section 148, check box . . . . .		<input type="checkbox"/>
<b>45a</b>	If some portion of the proceeds was used to reimburse expenditures, check here ► <input type="checkbox"/> and enter the amount of reimbursement . . . . . ► _____		
<b>b</b>	Enter the date the official intent was adopted ► (MM/DD/YYYY) _____		

**Signature and Consent**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative _____	Date _____	Type or print name and title _____
---	------------	------------------------------------

**Paid Preparer Use Only**

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ►	Firm's EIN ►			
Firm's address ►	Phone no. _____			

Form **8038-GC**

(Rev. January 2012)

Department of the Treasury  
Internal Revenue Service**Information Return for Small Tax-Exempt  
Governmental Bond Issues, Leases, and Installment Sales**► **Under Internal Revenue Code section 149(e)**

OMB No. 1545-0720

**Caution:** If the issue price of the issue is \$100,000 or more, use Form 8038-G.

<b>Part I Reporting Authority</b>		Check box if <b>Amended Return</b> <input type="checkbox"/>	
1 Issuer's name		2 Issuer's employer identification number (EIN)	
3 Number and street (or P.O. box if mail is not delivered to street address)		Room/suite	
4 City, town, or post office, state, and ZIP code		5 Report number (For IRS Use Only) <div style="border: 1px solid black; width: 100px; height: 20px; margin: 2px;"></div>	
6 Name and title of officer or other employee of issuer or designated contact person whom the IRS may call for more information		7 Telephone number of officer or legal representative	
Dell Financial Services, LLC		512-728-3283	
Dell Financial Services Lease			

<b>Part II Description of Obligations</b> Check one: a single issue <input checked="" type="checkbox"/> or a consolidated return <input type="checkbox"/>	
8a Issue price of obligation(s) (see instructions)	8a <div style="border: 1px solid black; width: 100px; height: 20px; text-align: right;">0 00</div>
b Issue date (single issue) or calendar date (consolidated). Enter date in mm/dd/yyyy format (for example, 01/01/2009) (see instructions) ►	
9 Amount of the reported obligation(s) on line 8a that is:	
a For leases for vehicles	9a <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
b For leases for office equipment	9b <div style="border: 1px solid black; width: 100px; height: 20px; text-align: right;">0 00</div>
c For leases for real property	9c <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
d For leases for other (see instructions)	9d <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
e For bank loans for vehicles	9e <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
f For bank loans for office equipment	9f <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
g For bank loans for real property	9g <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
h For bank loans for other (see instructions)	9h <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
i Used to refund prior issue(s)	9i <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
j Representing a loan from the proceeds of another tax-exempt obligation (for example, bond bank)	9j <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
k Other	9k <div style="border: 1px solid black; width: 100px; height: 20px;"></div>
10 If the issuer has designated any issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check this box <input type="checkbox"/>	
11 If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check this box (see instructions) <input type="checkbox"/>	
12 Vendor's or bank's name: Dell Financial Services, LLC	
13 Vendor's or bank's employer identification number: 7 4 2 8 2 5 8 2 8	

<b>Signature and Consent</b>	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person(s) that I have authorized above.		
	<div style="border-bottom: 1px solid black; height: 20px;"></div> Signature of issuer's authorized representative	<div style="border-bottom: 1px solid black; height: 20px;"></div> Date	<div style="border-bottom: 1px solid black; height: 20px;"></div> Type or print name and title
<b>Paid Preparer Use Only</b>	Print/Type preparer's name		Preparer's signature
	Date		Check <input type="checkbox"/> if self-employed
	Firm's name ► Dell Financial Services LLC		Firm's EIN ► 742825828
	Firm's address ► One Dell Way Round Rock TX 78682		Phone no. 512-728-3283

**General Instructions**

Section references are to the Internal Revenue Code unless otherwise noted.

**What's New**

The IRS has created a page on IRS.gov for information about the Form 8038 series and its instructions, at [www.irs.gov/form8038](http://www.irs.gov/form8038). Information about any future developments affecting the Form 8038 series (such as legislation enacted after we release it) will be posted on that page.

**Purpose of Form**

Form 8038-GC is used by the issuers of tax-exempt governmental obligations to provide the IRS with the information required by section 149(e) and to monitor the requirements of sections 141 through 150.

**Who Must File**

Issuers of tax-exempt governmental obligations with issue prices of less than \$100,000 must file Form 8038-GC.

Issuers of a tax-exempt governmental obligation with an issue price of \$100,000 or more must file Form 8038-G, Information Return for Tax-Exempt Governmental Obligations.

**Filing a separate return for a single issue.** Issuers have the option to file a separate Form 8038-GC for any tax-exempt governmental obligation with an issue price of less than \$100,000.

An issuer of a tax-exempt bond used to finance construction expenditures must file a separate Form 8038-GC for each issue to give notice to the IRS that an election was made to

pay a penalty in lieu of arbitrage rebate (see the line 11 instructions).

**Filing a consolidated return for multiple issues.** For all tax-exempt governmental obligations with issue prices of less than \$100,000 that are not reported on a separate Form 8038-GC, an issuer must file a consolidated information return including all such issues issued within the calendar year.

Thus, an issuer may file a separate Form 8038-GC for each of a number of small issues and report the remainder of small issues issued during the calendar year on one consolidated Form 8038-GC. However, if the issue is a construction issue, a separate Form 8038-GC must be filed to give the IRS notice of the election to pay a penalty in lieu of arbitrage rebate.

## When To File

To file a separate return for a single issue, file Form 8038-GC on or before the 15th day of the second calendar month after the close of the calendar quarter in which the issue is issued.

To file a consolidated return for multiple issues, file Form 8038-GC on or before February 15th of the calendar year following the year in which the issue is issued.

**Late filing.** An issuer may be granted an extension of time to file Form 8038-GC under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file on time is not due to willful neglect. Type or print at the top of the form, "Request for Relief under section 3 of Rev. Proc. 2002-48." Attach to the Form 8038-GC a letter briefly stating why the form was not submitted to the IRS on time. Also indicate whether the obligation in question is under examination by the IRS. Do not submit copies of any bond documents, leases, or installment sale documents. See *Where To File* next.

## Where To File

File Form 8038-GC, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

**Private delivery services.** You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following:

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

The private delivery service can tell you how to get written proof of the mailing date.

## Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the Federal Government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate. For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

For a tax-exempt governmental obligation with an issue price of \$100,000 or more, use Form 8038-G.

## Rounding to Whole Dollars

You may show the money items on this return as whole-dollar amounts. To do so, drop any amount less than 50 cents and increase any amount from 50 to 99 cents to the next higher dollar.

## Definitions

**Obligations.** This refers to a single tax-exempt governmental obligation if Form 8038-GC is used for separate reporting or to

multiple tax-exempt governmental obligations if the form is used for consolidated reporting.

**Tax-exempt obligation.** This is any obligation including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

**Tax-exempt governmental obligation.** A tax-exempt obligation that is not a private activity bond (see below) is a tax-exempt governmental obligation. This includes a bond issued by a qualified volunteer fire department under section 150(e).

**Private activity bond.** This includes an obligation issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use, and
- More than 10% of the payment of principal or interest of the issue is either (a) secured by an interest in property to be used for a private business use (or payments for such property) or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

**Issue.** Generally, obligations are treated as part of the same issue only if they are issued by the same issuer, on the same date, and as part of a single transaction, or a series of related transactions. However, obligations issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan") or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the obligations are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for obligations issued under a draw-down loan that meets the requirements of the preceding sentence, obligations issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first obligation. Likewise, obligations (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first obligation.

**Arbitrage rebate.** Generally, interest on a state or local bond is not tax-exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

**Construction issue.** This is an issue of tax-exempt bonds that meets both of the following conditions:

1. At least 75% of the available construction proceeds of the issue are to be used for construction expenditures with respect to property to be owned by a governmental unit or a 501(c)(3) organization, and

2. All of the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1-1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

## Specific Instructions

In general, a Form 8038-GC must be completed on the basis of available information and reasonable expectations as of the date of issue. However, forms that are filed on a consolidated basis may be completed on the basis of information readily available to the issuer at the close of the calendar year to which the form relates, supplemented by estimates made in good faith.

## Part I—Reporting Authority

**Amended return.** An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the "Amended Return" box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new corrected information. Attach an explanation of the reason for the amended return and write across the top "Amended Return Explanation."

**Line 1.** The issuer's name is the name of the entity issuing the obligations, not the name of the entity receiving the benefit of the financing. In the case of a lease or installment sale, the issuer is the lessee or purchaser.

**Line 2.** An issuer that does not have an employer identification number (EIN) should apply for one on Form SS-4, Application for Employer Identification Number. You can get this form on the IRS website at IRS.gov or by calling 1-800-TAX-FORM (1-800-829-3676). You may receive an EIN by telephone by following the instructions for Form SS-4.

**Lines 3 and 4.** Enter the issuer's address or the address of the designated contact person listed on line 6. If the issuer wishes to use its own address and the issuer receives its mail in care of a third party authorized representative (such as an accountant or attorney), enter on the street address line "C/O" followed by the third party's name and street address or P.O. box. Include the suite, room, or other unit number after the street address. If the post office does not deliver mail to the street address and the issuer has a P.O. box, show the box number instead of the



street address. If a change in address occurs after the return is filed, use Form 8822, Change of Address, to notify the IRS of the new address.

**Note.** The address entered on lines 3 and 4 is the address the IRS will use for all written communications regarding the processing of this return, including any notices. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual listed on line 6, whose address is entered on lines 3 and 4 and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

**Line 5.** This line is for IRS use only. Do not make any entries in this box.

## Part II—Description of Obligations

Check the appropriate box designating this as a return on a single issue basis or a consolidated return basis.

**Line 8a.** The issue price of obligations is generally determined under Regulations section 1.148-1(b). Thus, when issued for cash, the issue price is the price at which a substantial amount of the obligations are sold to the public. To determine the issue price of an obligation issued for property, see sections 1273 and 1274 and the related regulations.

**Line 8b.** For a single issue, enter the date of issue (for example, 03/15/2010 for a single issue issued on March 15, 2010), generally the date on which the issuer physically exchanges the bonds that are part of the issue for the underwriter's (or other purchaser's) funds; for a lease or installment sale, enter the date interest starts to accrue. For issues reported on a consolidated basis, enter the first day of the calendar year during which the obligations were issued (for example, for calendar year 2010, enter 01/01/2010).

**Lines 9a through 9h.** Complete this section if property other than cash is exchanged for the obligation, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of obligation is sometimes referred to as a "municipal lease.") Also complete this section if real property is directly acquired in exchange for an obligation to make periodic payments of interest and principal.

Do not complete lines 9a through 9d if the proceeds of an obligation are received in the form of cash even if the term "lease" is used in the title of the issue. For lines 9a through 9d, enter the amount on the appropriate line that represents a lease or installment purchase. For line 9d, enter the type of item that is leased. For lines 9e through 9h, enter the amount on the appropriate line that represents a bank loan. For line 9h, enter the type of bank loan.

**Lines 9i and 9j.** For line 9i, enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any other issue of bonds, including proceeds that will be used to fund an escrow account for this purpose. Several lines may apply to a particular obligation. For example, report on lines 9i and 9j obligations used to refund prior issues which represent loans from the proceeds of another tax-exempt obligation.

**Line 9k.** Enter on line 9k the amount on line 8a that does not represent an obligation described on lines 9a through 9j.

**Line 10.** Check this box if the issuer has designated any issue as a "small issuer exception" under section 265(b)(3)(B)(i)(III).

**Line 11.** Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of rebate with Form 8038-GC. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the "election document."

**Line 12.** Enter the name of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

**Line 13.** Enter the employer identification number of the vendor or bank who is a party to the installment purchase agreement, loan, or financial lease. If there are multiple vendors or banks, the issuer should attach a schedule.

## Signature and Consent

An authorized representative of the issuer must sign Form 8038-GC and any applicable certification. Also print the name and title of the person signing Form 8038-GC. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that has been designated in this form.

**Note.** If the issuer authorizes in line 6 the IRS to communicate with a person other than an officer or other employee of the issuer, (such authorization shall include contact both in writing regardless of the address entered in lines 3 and 4, and by telephone) by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

## Paid Preparer

If an authorized representative of the issuer filled in its return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return. A paid preparer cannot use a social security number in the *Paid Preparer Use Only* box. The paid preparer must use a preparer tax identification number (PTIN). If the paid preparer is self-employed, the preparer should enter his or her address in the box.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature, and
- Give a copy of the return to the issuer.

## Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

**Learning about the law or the form** . . . . 4 hr., 46 min.

**Preparing the form** . . . . 2 hr., 22 min.

**Copying, assembling, and sending the form to the IRS** . 2 hr., 34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W:CAR:MP:T:M:S, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send the form to this address. Instead, see *Where To File*.



State of Washington Contracts & Procurement Division Department of Enterprise Services P.O. Box 41411 Olympia, WA 98504-1411	<b>NASPO PARTICIPATING ADDENDUM AMENDMENT</b>	
	Contract No.:	05820
DELL MARKETING L.P. One Dell Way Round Rock, TX 78682	Amendment No.:	First
	Effective Date:	October 1, 2024

## FIRST AMENDMENT

TO

## NASPO PARTICIPATING ADDENDUM CONTRACT No. 05820 COMPUTER EQUIPMENT, RELATED PERIPHERALS & SERVICES (NVP)

This First Amendment ("Amendment") to Contract No. 05820 is made and entered into by and between the State of Washington acting by and through the Department of Enterprise Services, a Washington State governmental agency ("Enterprise Services") and DELL MARKETING L.P., a Texas Limited Partnership ("Contractor") and is dated as of October 1, 2024.

## RECITALS

- A. Enterprise Services and Contractor (collectively the "Parties") entered into that certain Contract No. 05820 dated effective as of 2/1/2024 ("Contract").
- B. The Parties now desire to amend the Contract to include a 'pay equality provision' as required by the Washington State Legislature. See [LAWS OF 2023, ch. 475](#), § 919(4).
- C. The amendment set forth herein is within the scope of the Contract.

## AGREEMENT

**NOW THEREFORE**, in consideration of the mutual covenants and agreements set forth herein, the Parties hereby agree to amend the Contract as follows:

1. **PAY EQUALITY.** The following provision is added to the end of section 3.6 (Contractor Representations and Warranties) as a new subsection:
  - (f) **WASHINGTON STATE PAY EQUALITY FOR 'SIMILARLY EMPLOYED' INDIVIDUALS.** Contractor represents and warrants that, among Contractor's employees, 'similarly employed' individuals are compensated as equals. For purposes of this provision, employees are similarly employed if the individuals work for the same employer, the performance of the job requires comparable skill, effort, and responsibility, and the jobs are performed under similar working conditions. Job titles alone are not determinative of whether employees are similarly employed. Contractor may allow differentials in compensation for Contractor's workers based in good faith on any of the following: a seniority system; a merit system; a system that measures earnings by quantity or quality of production; a bona fide job-related factor or factors; or a bona fide regional difference in compensation levels. A bona fide job-related factor or factors may include, but is not limited to, education, training, or experience that is: consistent with business necessity; not based on or derived from a gender-based differential; and accounts for the entire differential. A bona fide regional difference in compensation level must be consistent with business necessity; not based on or derived from a gender-based differential; and account for the entire differential.

Notwithstanding any provision to the contrary, upon breach of warranty and Contractor's failure to provide satisfactory evidence of compliance within thirty (30) days, Enterprise Services may suspend or terminate this Contract and any Purchaser hereunder similarly may suspend or terminate its use of the Contract and/or any agreement entered into pursuant to this Contract.

2. NO CHANGE OTHER THAN AMENDMENT. Except as amended herein, the Contract is unaffected and remains in full force and effect.
3. INTEGRATED AGREEMENT; MODIFICATION. This Amendment constitutes the entire agreement and understanding of the Parties with respect to the subject matter and supersedes all prior negotiations and representations. In the event of any conflict between this Amendment and the Contract or any earlier amendment, this Amendment shall control and govern. This Amendment may not be modified except in writing signed by the Parties.
4. AUTHORITY. Each party to this Amendment, and each individual signing on behalf of each party, hereby represents and warrants to the other that it has full power and authority to enter into this Amendment and that its execution, delivery, and performance of this Amendment has been fully authorized and approved, and that no further approvals or consents are required to bind such party.
5. ELECTRONIC SIGNATURES. An electronic signature or electronic record of this Amendment or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Amendment or such other ancillary agreement for all purposes.
6. COUNTERPARTS. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, and all of which counterparts together shall constitute the same instrument which may be sufficiently evidenced by one counterpart. Execution of this Amendment at different times and places by the parties shall not affect the validity thereof so long as all the parties hereto execute a counterpart of this Amendment.

EXECUTED AND EFFECTIVE as of the day and date first above written.

**DELL MARKETING L.P.,  
A TEXAS LIMITED PARTNERSHIP**

By: Katherine Castillo  
Name: Katherine Castillo  
Title: Paralegal Advisor  
Date: 10/10/2024

**STATE OF WASHINGTON  
DEPARTMENT OF ENTERPRISE SERVICES**

By: Kimberly Kirkland  
Name: Kimberly Kirkland  
Title: IT Procurement Supervisor  
Date: 10/28/24

**Project title:** 2025 Connecting Housing to Infrastructure (CHIP) Grant Awards acceptance

**Council Bill #** *interoffice use*

**Agenda dates requested:**

Briefing  
Proposed action  
Consent 02/04/26  
Action  
Ordinance  
Public hearing  
Yes X No

**Budget amendment:**  
Yes X No

**PowerPoint presentation:**  
Yes X No

**Attachments:**  
2025 CHIP Award Letters

**Department(s) involved:**  
CPED

**Contact person:**  
Frank Hong

**Phone number:**  
425-257-7164

**Email:**  
fhong@everettwa.gov

**Initialed by:**  
*JW*  
Department head

Administration

Council President

**Project:** 2025 Connecting Housing to Infrastructure (CHIP) Grants

**Partner/Supplier:** Washington State Department of Commerce

**Location:** N/A

**Preceding action:** N/A

**Fund:** TBD

**Fiscal summary statement:**

These are a reimbursable grants that will pass-through directly to the awarded subrecipients. Reimbursement is contingent on construction completion. No fiscal impact anticipated at this time. A budget amendment will be necessary for the grant pass-through of \$4,278,160 revenue.

**Project summary statement:**

The Washington State Department of Commerce administers the Connecting Housing to Infrastructure Program (CHIP) to support infrastructure improvements that enable affordable housing development. In 2025, the City of Everett submitted seven applications for CHIP funding and was awarded five grants, totaling \$4,278,160, supporting construction of 462 new affordable housing units. The five awarded housing projects are:

1. Everett Station District Alliance: Smith Avenue TOD
  - Award: \$737,425
  - Description: 58 units (0–2 bedrooms); AMI: 15 at 30%, 29 at 50%, 14 at 60%
2. DevCo: Rucker Ave. Project
  - Award: \$1,000,000
  - Description: 214 units (1–4 bedrooms); AMI: 214 at 60%
3. Housing Hope: EUCC Project
  - Award: \$1,000,000
  - Description: 66 units (0–2 bedrooms); AMI: 33 at 30%, 33 at 50%
4. Everett Housing Authority: Ben Young
  - Award: \$1,000,000
  - Description: 91 units (0–2 bedrooms); AMI: 42 at 30%, 14 at 50%, 35 at 60%
5. Helping Hands Project Organization
  - Award: \$540,735
  - Description: 33 units (0–1 bedrooms); AMI: 17 at 30%, 16 at 50%

**Recommendation (exact action requested of Council):**

Authorize the Mayor to accept and execute each project agreement with the Washington State Department of Commerce for the 2025 CHIP Grant.



STATE OF WASHINGTON  
DEPARTMENT OF COMMERCE

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[www.commerce.wa.gov](http://www.commerce.wa.gov)

January 15, 2026

City of Everett  
2930 Wetmore Ave # 8-A  
Everett, WA 98201  
Delivered via Email to Frank Hong: [fhong@everettwa.gov](mailto:fhong@everettwa.gov)

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Everett has been awarded \$1,000,000.00 from the Connecting Housing to Infrastructure Program (CHIP) for the DevCo Rucker Ave. Project 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:

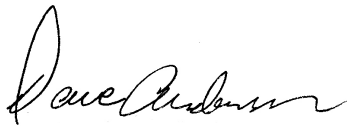
- Proof of site control.
- A project schedule showing affordable housing development be able to begin construction within 24 months of the award.
- Documentation of a program that will monitor affordability of units for a minimum of 25 years or securitization (covenant and/or note and deed of trust for 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/](http://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](mailto:Anne.Anderson@commerce.wa.gov), and her phone number is (206) 613-7498.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Andersen", with a stylized, flowing script.

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  
[dalton.arndt@devcous.com](mailto:dalton.arndt@devcous.com)



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Delivered via Email to Frank Hong: [fhong@everettwa.gov](mailto:fhong@everettwa.gov)

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Everett has been awarded \$1,000,000.00 from the Connecting Housing to Infrastructure Program (CHIP) for the EHA Ben Young 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:

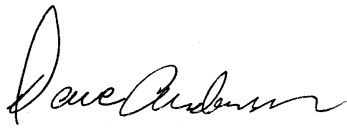
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Managing Director  
Growth Management Services

cc:

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Mischa Venables, CHIP Program Manager, Growth Management Services  
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Delivered via Email to Frank Hong: [fhong@everettwa.gov](mailto:fhong@everettwa.gov)

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Everett has been awarded \$737,425.00 from the Connecting Housing to Infrastructure Program (CHIP) for the Smith Avenue TOD 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:

- 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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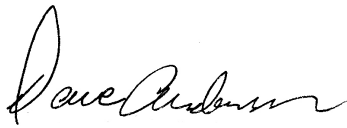


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RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Everett has been awarded \$540,735.00 from the Connecting Housing to Infrastructure Program (CHIP) for the Helping Hands 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:

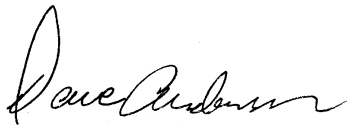
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Delivered via Email to Frank Hong: [fhong@everettwa.gov](mailto:fhong@everettwa.gov)

RE: Connecting Housing to Infrastructure (CHIP) Grant

Dear CHIP recipient:

Congratulations! I am pleased to inform you that City of Everett has been awarded \$1,000,000.00 from the Connecting Housing to Infrastructure Program (CHIP) for the Housing Hope EUCC Project 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:

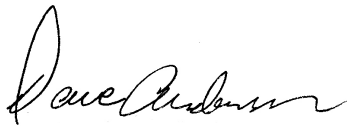
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Mischa Venables, CHIP Program Manager, Growth Management Services  
Anne Anderson, CHIP Contracts Manager, Growth Management Services  
[amar.halaweh@beacondevgroup.com](mailto:amar.halaweh@beacondevgroup.com)

**Project title:** An Ordinance creating a special improvement project entitled “2026 Traffic Signal Relamping” Fund 303, Program 137, to accumulate all costs for the improvement.

**Council Bill #**

CB 2601-01

**Agenda dates requested:**

Briefing

1<sup>st</sup> Reading 01/28/26

Proposed Action 02/04/26

Consent

Action 02/11/26

Ordinance X

Public hearing

Yes X No

**Budget amendment:**

Yes X No

**PowerPoint presentation:**

Yes X No

**Attachments:**

Proposed Ordinance

**Department(s) involved:**

Public Works, Admin

**Contact person:**

Tom Hood

**Phone number:**

(425) 257-8809

**Email:**

thood@everettwa.gov

**Initialed by:**

RLS

Department head

Administration

Council President

**Project:** 2026 Traffic Signal Relamping

**Partner/Supplier:** N/A

**Location:** Citywide

**Preceding action:** N/A

**Fund:** Fund 303 – Public Works Improvement Projects

**Fiscal summary statement:**

This ordinance will provide funding authorization for the construction phase of the project. The programmed available funding for the project is \$1,100,000. The funding sources for this project will be as follows:

Fund 119 – Street Improvements	<u>\$1,100,000</u>
Total Funds	\$1,100,000

**Project summary statement:**

The 2026 Traffic Signal Relamping project will replace LED modules in traffic signal heads and countdown modules in pedestrian signal heads citywide. Modules are at the end of their useful life and need to be replaced to ensure safety.

**Recommendation (exact action requested of Council):**

Adopt an Ordinance creating a Special Improvement Project entitled “2026 Traffic Signal Relamping” Fund 303, Program 137, to accumulate all costs for the improvement.



**ORDINANCE NO. \_\_\_\_\_**

**An ORDINANCE creating a special improvement project entitled “2026 Traffic Signal Relamping” Fund 303, Program 137, to accumulate all costs for the improvement.**

**WHEREAS,**

- A.** The City of Everett is committed to a planned traffic and pedestrian safety program; and
- B.** The City of Everett has identified the need and obtained funds to construct certain traffic and pedestrian safety improvements.

**NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:**

**Section 1.** A special improvement project is hereby established as Fund 303, Program 137, entitled “2026 Traffic Signal Relamping” to accumulate all costs for the improvement. Authorization is hereby given to accumulate costs and distribute payments for the improvement project.

**Section 3.** Authorization is hereby granted for the “Public Works Director” or “City Engineer” under direction of the Mayor, to assume full and complete responsibility for conducting all tasks and doing all things to accomplish the actions authorized in this ordinance.

**Section 4.** The sum of \$1,100,000 is hereby appropriated to Fund 303, Program 137, “2026 Traffic Signal Relamping” as follows:

<b>A.</b>	Estimated Construction Costs	\$1,100,000
<b>B.</b>	Source of Funds	
	Fund 119 – Street Improvements	<u>1,100,000</u>
	Total Funds	\$1,100,000

**Section 5.** The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener’s/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

**Section 6.** The City Council hereby declares that should any section, paragraph, sentence, clause, or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it

would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

**Section 7.** The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

**Section 8.** It is expressly the purpose of this Ordinance to provide for and promote the health, safety, and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed to create or form the basis of any liability on the part of the City, or its officers, employees, or agents, for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees, or agents.

---

Cassie Franklin, Mayor

ATTEST:

---

Marista Jorve, City Clerk

PASSED: \_\_\_\_\_

VALID: \_\_\_\_\_

PUBLISHED: \_\_\_\_\_

EFFECTIVE DATE: \_\_\_\_\_





## City Council Agenda Item Cover Sheet

**Project title:** Unlicensed Mobile Food Vendors.

**Council Bill #** *interoffice use*

CB 2601-02

**Agenda dates requested:**

Briefing	1/28/26
Proposed action	2/04/26
Consent	
Action	2/11/26
Ordinance	X
Public hearing	
Yes	X No

**Budget amendment:**

Yes	X No
-----	------

**PowerPoint presentation:**

Yes	X No
-----	------

**Attachments:**

Ordinance

**Department(s) involved:**

Legal

**Contact person:**

David Hall, City Attorney;  
Lacey Offutt, Assistant City Attorney

**Phone number:**

425-257-8624; 425-257-8528

**Email:**

[Dhall@everettwa.gov](mailto:Dhall@everettwa.gov);  
[loffutt@everettwa.gov](mailto:loffutt@everettwa.gov)

**Initialed by:**

Department head

Administration

Council President

**Project:** An Ordinance providing for the regulation and enforcement of unlicensed mobile food vending units

**Partner/Supplier:** NA

**Location:** Everett, WA

**Preceding action:** NA

**Fund:** NA

**Fiscal summary statement:**

NA

**Project summary statement:**

This Ordinance will provide for city oversight over Mobile Food Vendors operating within the City of Everett, establishing criminal sanctions for those individuals who own and/or operate such a unit without a city business license or applicable food permit issued by the Snohomish County Health Department. The Ordinance provides for licensing requirements, operational restrictions, and location restrictions aimed at maintaining public health, order, and safety. Exemptions for entities excused from the provisions are provided. The Ordinance provides for greater liability for employers directing the unlicensed vending activity than for those conducting the activity, if the person offering the product for sale to the public is not the owner/employer as well. This Ordinance is in addition to other civil or criminal penalties available to other state or local authorities.

**Recommendation (exact action requested of Council):**

Adopt an Ordinance providing for the Regulation and Enforcement of Unlicensed Mobile Food Vending Units.



**ORDINANCE NO. \_\_\_\_\_**

**An ORDINANCE relating to mobile food units.**

**WHEREAS,**

- A.** Permitted and licensed food vendors are required to obtain food-service permits, receive education regarding safe food handling, storage, and preparation, and are subject to routine inspections to ensure compliance with applicable health and safety standards;
- B.** The Snohomish County Health Department is authorized to inspect and respond to unpermitted food vendors but has limited enforcement capability with respect to ongoing operations within the City of Everett;
- C.** The Snohomish County Health Department is aware of, and has recently responded to, numerous unpermitted food vendors within the City of Everett;
- D.** Unpermitted food vendors operate without the required permits or inspections and therefore without verification that they possess the necessary power, potable water, sanitation, cleaning facilities, and temperature-control capabilities required to safely store, prepare, and handle food for sale to the public;
- E.** The operation of unpermitted food vendors undermines compliance with established food-safety and licensing requirements, creates unfair competition for properly permitted vendors, diminishes incentives to adhere to rigorous health standards, and poses a risk to public health and safety;
- F.** Existing enforcement tools available to the Snohomish County Health Department and the City of Everett are insufficient, standing alone, to deter or promptly address the continued operation of unpermitted food vendors within the City, necessitating additional local regulatory measures to ensure compliance with food-safety requirements and prevent the spread of foodborne illnesses;
- G.** The regulation of mobile food units and unpermitted food vending activity within the City is consistent with, and intended to complement, applicable state and local public health laws, regulations, and food-safety codes, including those governing food service permitting, inspection, and sanitation standards;

- H. The City of Everett has the authority and responsibility to provide for the punishment of all practices dangerous to public health or safety, and to make necessary for the preservation of public health, peace, and good order, and to provide for the punishment of all persons charged with violating any city ordinance.

**NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:**

**Section 1.** The EMC 5.36.010 is amended, with the underlined text added, as follows:

EMC 5.36.010

C. A “food truck” is a business that, as its principal function, sells or otherwise dispenses prepared food and beverages to the general public from a licensed motor vehicle that is not permanently affixed to real property. The term excludes food delivery vehicles that move from place to place and are stationary for no more than thirty minutes at a time, such as ice cream trucks. The term excludes Mobile Food Vendors as defined in Chapter 8.68.010.

**Section 2. A new Chapter of Title 8 is added to the Everett Municipal Court as follows:**

**8.68.010 Purpose**

The purpose of this chapter is to establish regulations and criminal penalties for unlawful mobile food vending within the City of Everett.

**8.68.020 Definitions**

- (1) "Employer" means the individual, corporation, company, association, society, firm, partnership, joint stock company, or the authorized agent(s) of these entities that is legally responsible for the operation of the Mobile Food Vendor such as the owner, the owner's agent, or other person.
- (2) “Law enforcement officer” means any general authority, limited authority, or specially commissioned Washington peace officer as those terms are defined in RCW [10.93.020](#), as now or hereafter amended.
- (3) “Lemonade Stand” means a temporary, informal retail operation, operated by a minor, that sells lemonade or similar beverages and/or prepackaged snacks from a small, non-permanent structure or table for a limited duration of time. A Lemonade Stand is not operated as a commercial enterprise for profit and is primarily educational or recreational in purpose.
- (4) “Mobile Food Vending Unit” and “MFVU” means the non-permanent structure used by a Mobile Food Vendor.

- (5) "Mobile Food Vendor" is a readily movable food establishment that prepares, packages, serves, dispenses, and/or vends prepared food directly to the general public or otherwise provides food for human consumption for profit from a non-permanent structure, including but not limited to food stands, carts, booths, tents, and kiosks.
- (6) "Responsible Operator" means the individual present at a Mobile Food Vending Unit who is responsible for the operation as a Mobile Food Vendor.
- (7) "Site Location" means a physical location, either public property or private property, from which a Mobile Food Vendor sells prepared food to the general public.

### **8.68.030 Requirements and Restrictions**

#### **(1) Licensing Requirements**

- a. A Mobile Food Vendor must obtain:
  - i. A current and valid city business license issued to the Responsible Operator or their Employer pursuant to Chapter 3.19; and
  - ii. A current and valid mobile food unit or other applicable food permit issued by the Snohomish County Health Department to the Responsible Operator or their Employer, which shall be displayed at all times in a prominent location on the MFVU while operational as a Mobile Food Vendor.

#### **(2) Operational restrictions**

- a. No Mobile Food Vendor may:
  - i. Operate between the hours of 10:00 p.m. and 7:00 a.m., Monday through Sunday, except as permitted under a current and valid city-issued permit;
  - ii. Operate in violation of any provision of the International Fire Code as adopted by Chapter 16.03 EMC; or
  - iii. Fail to restore the Site Location occupied by the Mobile Food Vendor to the original or better condition upon removal of the MFVU;

#### **(3) Location restrictions:**

- a. No Mobile Food Vendor may:
  - i. Operate within bus stops, loading zone, or a parking space, as those terms are defined in Chapter 46.28 EMC;
  - ii. Operate within a parking place reserved for persons with physical disabilities that is identified as such according to RCW 46.61.581;
  - iii. Operate within five feet of an alley, as that term is defined in Chapter 46.28 EMC;
  - iv. Operate within five feet of a driveway approach, as that term is defined in Chapter 13.16.010 EMC and;
  - v. Operate within fifteen feet of a fire hydrant, fire lane, or fire zone, as those terms are defined in Chapter 46.28 EMC;
  - vi. Operate in any location that inhibits the operation, maintenance, visibility, or functionality of any utilities or street fixtures, as determined by city

- personnel responsible for the maintenance and safety of such utilities or fixtures; or
- vii. Operate on any public street or sidewalk, except as permitted under a current and valid city-issued permit.

#### **8.68.040 Exemptions**

This chapter shall not apply to the following:

- (1) Any federal, state, or local government agencies;
- (2) Food trucks as defined in Chapter 5.32 EMC.
- (3) Lemonade Stands, as defined in this Chapter.
- (4) Nonprofit organizations, including but not limited to public, religious, civil, charitable, benevolent, nonprofit, cultural or youth organizations;
- (5) Farmers, gardeners, or other persons who sell, deliver or peddle any fruits, vegetables, berries, eggs, or any farm produce or edibles raised, gathered, produced, or manufactured by such person;
- (6) Any persons regularly selling or delivering door-to-door to established customers food products, laundry, dry-cleaning services, or baby diapers;
- (7) Newspaper carriers who deliver door-to-door;
- (8) Any person who is specifically requested to call upon others for the purpose of displaying goods, literature, or giving information about any article, service, or product;
- (9) Bona fide candidates, campaign workers, and political committees campaigning on behalf of candidates or on ballot issues and persons soliciting signatures of registered voters on petitions to be submitted to any governmental agency;
- (10) Vendors operating at a farmers' or public market or other city-sponsored or approved activity under the provisions of a city-issued permit.

#### **8.68.050 Penalty**

- (1) A violation of this chapter by a Responsible Operator is a misdemeanor punishable by a fine of up to \$1,000, imprisonment for up to 90 days, or both.
- (2) An Employer is guilty of a gross misdemeanor punishable by a fine of up to \$5,000, imprisonment of up to 364 days, or both, if he or she complicit in a violation of this chapter, pursuant to EMC 10.06.050.

#### **8.68.060 Enforcement**



- (1) The Everett Police Department shall have the authority to enforce the provisions of this chapter, except as otherwise authorized herein. This authority does not supersede or preclude enforcement by other state or local authorities.
- (2) The city's fire marshal or designee shall have the authority to enforce the provisions of Chapter 16.03 against any Responsible Operator or Employer.
- (3) Any person requested to identify themselves to a law enforcement officer or fire marshal or designee pursuant to an investigation of a violation of this chapter has a duty to identify themselves and give their current address.
- (4) For the purpose of enforcing the provisions of this chapter, a Law Enforcement Officer who has reasonable grounds to believe a person observed by the officer is violating the provisions of this chapter may detain such person for a reasonable period of time necessary to identify the person and check the status of the permits required by EMC 8.68.030.

#### **8.68.070 Impound**

- (1) When a Responsible Operator is arrested for a violation of this chapter and the officer directs impoundment of the MFVU, and the impounded property is not otherwise required to be held in custody, the MFVU may only be redeemed the Employer.

**Section 3.** The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

**Section 4.** The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

**Section 5.** The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

**Section 6.** It is expressly the purpose of this Ordinance to provide for and promote the health, safety and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed

to create or form the basis of any liability on the part of the City, or its officers, employees or agents, for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees or agents.

---

Cassie Franklin, Mayor

ATTEST:

---

, City Clerk

PASSED:

VALID:

PUBLISHED:

EFFECTIVE DATE:

**Project title:** An Ordinance Creating a Special Improvement Project Entitled “Downtown Streetscapes Planting Renovation”, Fund 354, Program 110, to Accumulate all Costs for the Project

**Council Bill #**

CB 2601-03

**Agenda dates requested:**

Briefing

Proposed action 01/28/26

Proposed action 02/04/26

Consent

Action 02/11/26

Ordinance X

Public hearing

Yes X No

**Budget amendment:**

Yes X No

**PowerPoint presentation:**

Yes X No

**Attachments:**

Funding Ordinance

**Department(s) involved:**

Parks &amp; Facilities

Public Works

Community Development

**Contact person:**

Kimberly Moore

**Phone number:**

425-257-8305

**Email:**

kmoore@everettwa.gov

**Initialed by:***KBM*

Department head

Administration

Council President

**Project:** Downtown Streetscapes Planting Renovation**Partner/Supplier:** JOC**Location:** Metro Everett subarea, various locations**Preceding action:** Resolution 8172**Fund:** Fund 354 – Program 110**Fiscal summary statement:**

The proposed Funding Ordinance will provide funding for design and construction costs of the 2026 Downtown Streetscapes renovation. A Community Development Block Grant was awarded in the amount of \$250,000 for the project. All related costs are estimated not to exceed \$250,000.

**Project summary statement:**

The City of Everett will host a 2026 FIFA World Cup fan zone in partnership with The Seattle FIFA World Cup 26 Local Organizing Committee. Fan zone commitments include programming during matches that may feature live entertainment, activities, and food and beverage. These activities will occur within the Metro Everett subarea, including streets and public spaces bounded by Everett Ave., Pacific Ave., Broadway Ave., and West Marine View Drive. In anticipation of increased pedestrian traffic in this area, a streetscape renovation project will enhance pedestrian experience and safety, promote urban tree canopy, and renovate landscape beds.

Areas of focus include the pedestrian corridors of Hewitt Ave. and Rucker Ave. as well as important gateways and high pedestrian use areas along Colby Ave., Hoyt Ave., and Wall St. Project will be delivered through job order contracting.

**Recommendation (exact action requested of Council):**

Adopt an Ordinance creating a Special Improvement Project entitled “Downtown Streetscapes Planting Renovation”, Fund 354, Program 110 to accumulate all costs for the project.





**ORDINANCE NO.** \_\_\_\_\_

**An Ordinance creating a special improvement project entitled “Downtown Streetscape Planting Renovation”, Fund 354, Program 110, to accumulate all costs for the project.**

**WHEREAS,**

- A.** The City Council recognizes the need to implement a tree management program to provide maintenance and preservation of existing public trees and an orderly program of tree planting.
- B.** The City Council recognizes the value and need to provide Everett residents and visitors with high quality streetscapes, open spaces, and attractive tree canopy.
- C.** The City recognizes the need to improve accessible, walkable streets and sidewalks in the Metro Everett subarea and encourage non-motorized forms of transportation.

**NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:**

**Section 1.** A special improvement project fund is hereby entitled “Downtown Streetscape Planting Renovation”, Fund 354, Program 110.

**Section 2.** Authorization is hereby granted to the Parks and Facilities Department Director under the administration of the Mayor, to assume full responsibility for conducting all tasks and performing all necessary steps to accomplish the actions authorized by this Ordinance.

**Section 3.** The estimated cost for design and construction is \$250,000.

**Section 4.** The sum of \$250,000 is hereby appropriated to Fund 354, Program 110 “Downtown Streetscape Planting Renovation” project.

<b>A. Use of Funds</b>		
Design and Construction Costs		<u>\$250,000</u>
Total		\$250,000
<b>B. Source of Funds</b>		
Community Development Block Grant		<u>\$250,000</u>
Total		\$250,000

- C. The appropriation shall not lapse but shall be carried forward from year to year until fully expended or the purpose has been accomplished or abandoned without the necessity of reappropriation.

**Section 5.** The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

**Section 6.** The City Council hereby declares that should any section, paragraph, sentence, clause, or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.

**Section 7.** The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

**Section 8.** It is expressly the purpose of this Ordinance to provide for and promote the health, safety, and welfare of the general public and not to create or otherwise establish or designate any particular class or group of persons who will or should be especially protected or benefited by the terms of this Ordinance. It is the specific intent of this Ordinance that no provision or any term used in this Ordinance is intended to impose any duty whatsoever upon the City or any of its officers or employees. Nothing contained in this Ordinance is intended nor shall be construed to create or form the basis of any liability on the part of the City, or its officers, employees, or agents, for any injury or damage resulting from any action or inaction on the part of the City related in any manner to the enforcement of this Ordinance by its officers, employees, or agents.

---

Cassie Franklin, Mayor

ATTEST:

---

City Clerk

PASSED: \_\_\_\_\_

VALID: \_\_\_\_\_

PUBLISHED: \_\_\_\_\_

EFFECTIVE DATE: \_\_\_\_\_



**Project title:** An Ordinance Relating to Stormwater Controls in the Combined Sewer Area, amending Ordinance No. 3814-21.

**Council Bill #** *interoffice use*

CB 2601-04

**Agenda dates requested:**

Briefing

1<sup>st</sup> Reading 02/04/26

Proposed Action 02/11/26

Consent

Action 02/18/26

Ordinance ☒

Public hearing

Yes ☒ No

**Budget amendment:**

Yes ☒ No

**PowerPoint presentation:**

Yes ☒ No

**Attachments:**

Ordinance

**Department(s) involved:**

Public Works

**Contact person:**

Tom Hood

**Phone number:**

425.257.8809

**Email:** thood@everettwa.gov

**Initialed by:**

*RLS*

Department head

Administration

Council President

**Project:** Amending Ordinance No. 3814-21 Relating to Stormwater Controls

**Partner/Supplier:** N/A

**Location:** Combined Sewer Area in North Everett

**Preceding action:** Ordinance No. 3731-20, 3814-21

**Fund:** 401 - Utilities

**Fiscal summary statement:**

Ordinance No. 3731-20 established an option for developers in specific sub-basins within the combined sewer area that have been separated to either provide stormwater control facilities as required or opt for paying a fee in-lieu-of constructing these facilities and connecting directly to the City's combined sewer system. This ordinance updates the in-lieu-of-stormwater control fee.

No City expenditure will be required.

**Project summary statement:**

On Feb 19, 2020, the City Council passed Ordinance No. 3731-20, which among other provisions established an in-lieu-of-stormwater control fee for certain eligible sub-basins within the City's Combined Sewer Area. On August 4, 2021 City Council passed Ordinance 3814-21, which clarified technical changes to Ordinance No. 3731-20.

The purpose of this Ordinance is to update the fee-in-lieu rate listed in the Ordinance to account for inflation. The increase is based on the observed increase in construction cost indices since the rate was established in 2020. The Ordinance allows for the fee to be indexed and adjusted annually, to be effective the first of January each year.

**Recommendation (exact action requested of Council):**

Adopt an Ordinance Relating to Stormwater Controls in the Combined Sewer Area, amending Ordinance No. 3814-21.

**ORDINANCE NO. \_\_\_\_\_**

An Ordinance Relating to Stormwater Controls in the Combined Sewer Area, amending Ordinance No. 3814-21.

**WHEREAS,**

- A. In 2020, the City Council passed Ordinance No. 3731-20, which among other provisions established an in-lieu-of-stormwater control fee for certain eligible sub-basins within the City's Combined Sewer Area.
- B. In 2021, the City Council passed Ordinance No.-3814-21 to make certain technical changes to clarify Ordinance No. 3731-20 with respect to the in-lieu-of-stormwater control fee and other matters.
- C. The purpose of this Ordinance is to make updates to Ordinance No. 3731-20 and 3814-21 with respect to the in-lieu-of-stormwater control fee and other matters.

**NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:**

**Section 1.** Section 1 of Ordinance 3814-21 (which is codified at 14.08.185) is hereby amended as follows, with strikeout text deleted and underlined text added:

**Stormwater Controls/Establishment of In-Lieu-Of Stormwater Control Fee in Eligible Sub-Basins.**

This Section establishes requirements for certain stormwater controls and establishes the in-lieu-of stormwater control fee. The stormwater controls apply to the entire Combined Sewer Area. The fee only applies within eligible sub-basins in the Combined Sewer Area as defined by the City Engineer and depicted in the City's Combined Sewer Area map.

A. Stormwater Controls. New development or redevelopment in the Combined Sewer Area may be required to provide additional stormwater controls such that the resulting flow does not result in an increase in Sanitary Sewer Overflows and/or basement flooding in the Combined Sewer Area. No connections of roof drains to side sewers or laterals shall be allowed in the Combined Sewer Area without prior approval by the City Engineer.

B. In-Lieu-Of Stormwater Control Fee. All new developments and redevelopments within the eligible



sub-basins in the Combined Sewer Area that add a net new total of 200 square feet or more of impervious area, are required either (a) to provide additional flow controls and shall comply with either chapter 6 of the City of Everett's current "Design and Construction Standards" (DCSS) or (b) voluntarily to pay the City's In-Lieu-of Stormwater Control Fee as listed in the schedule below. Voluntary payment of the In-Lieu-of Stormwater Control Fee shall eliminate the developer's facility requirements as stated in chapter 6 of the current DCSS.

1. Public Infrastructure development/redevelopment (such as road and utility construction) within the Public Right of Way is exempt from the in-lieu-of stormwater control fee.

2. In-Lieu-Of Stormwater Control Fee Schedule

Customer Type	In-Lieu-Of Stormwater Control Fee (2026)
All Customers/ Parcels within the eligible sub-basins in Combined Sewer Area	\$4.653.72/square foot of net new impervious area. The first net new total of 200 square feet of impervious area is exempt from these fees.

3. Annual Fee Adjustment. The fee shall be adjusted annually by the Public Works Director, in accordance with the most recent change in the Construction Cost Index (CCI), for Seattle, published by Engineering News Record. The indexed fee rates shall be effective January 1st.

~~3.~~ 4. All in-lieu-of stormwater control fees collected shall be held in a fund specifically for the benefit of stormwater and combined sewer in the Combined Sewer Area and may be used to pay for capital projects within the Combined Sewer Area and any outstanding debt associated with those capital projects.

~~4.~~ 5. Payment of the in-lieu-of stormwater control fee shall not exempt property from monthly stormwater fees (i.e., stormwater rates) used for operations, maintenance and capital construction not covered by this fee.

**Section 2.** The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

**Section 3.** The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.



**Section 4.** The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

\_\_\_\_\_  
Cassie Franklin, Mayor

ATTEST:

\_\_\_\_\_  
Marista Jorve, City Clerk

PASSED: \_\_\_\_\_

VALID: \_\_\_\_\_

PUBLISHED: \_\_\_\_\_

EFFECTIVE DATE: \_\_\_\_\_

**ORDINANCE NO. \_\_\_\_\_**

An Ordinance Relating to Stormwater Controls in the Combined Sewer Area, amending Ordinance No. 3814-21.

**WHEREAS,**

- A.** In 2020, the City Council passed Ordinance No. 3731-20, which among other provisions established an in-lieu-of-stormwater control fee for certain eligible sub-basins within the City's Combined Sewer Area.
- B.** In 2021, the City Council passed Ordinance No. 3814-21 to make certain technical changes to clarify Ordinance No. 3731-20 with respect to the in-lieu-of-stormwater control fee and other matters.
- C.** The purpose of this Ordinance is to make updates to Ordinance No. 3731-20 and 3814-21 with respect to the in-lieu-of-stormwater control fee and other matters.

**NOW, THEREFORE, THE CITY OF EVERETT DOES ORDAIN:**

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This Section establishes requirements for certain stormwater controls and establishes the in-lieu-of stormwater control fee. The stormwater controls apply to the entire Combined Sewer Area. The fee only applies within eligible sub-basins in the Combined Sewer Area as defined by the City Engineer and depicted in the City's Combined Sewer Area map.

**A. Stormwater Controls.** New development or redevelopment in the Combined Sewer Area may be required to provide additional stormwater controls such that the resulting flow does not result in an increase in Sanitary Sewer Overflows and/or basement flooding in the Combined Sewer Area. No connections of roof drains to side sewers or laterals shall be allowed in the Combined Sewer Area without prior approval by the City Engineer.

**B. In-Lieu-Of Stormwater Control Fee.** All new developments and redevelopments within the eligible



sub-basins in the Combined Sewer Area that add a net new total of 200 square feet or more of impervious area, are required either (a) to provide additional flow controls and shall comply with either chapter 6 of the City of Everett's current "Design and Construction Standards" (DCSS) or (b) voluntarily to pay the City's In-Lieu-of Stormwater Control Fee as listed in the schedule below. Voluntary payment of the In-Lieu-of Stormwater Control Fee shall eliminate the developer's facility requirements as stated in chapter 6 of the current DCSS.

1. Public Infrastructure development/redevelopment (such as road and utility construction) within the Public Right of Way is exempt from the in-lieu-of stormwater control fee.

2. In-Lieu-Of Stormwater Control Fee Schedule

Customer Type	In-Lieu-Of Stormwater Control Fee (2026)
All Customers/ Parcels within the eligible sub-basins in Combined Sewer Area	<del>\$5.653.72</del> /square foot of net new impervious area. The first net new total of 200 square feet of impervious area is exempt from these fees.

3. Annual Fee Adjustment. The fee shall be adjusted annually by the Public Works Director, in accordance with the most recent change in the Construction Cost Index (CCI), for Seattle, published by Engineering News Record. The indexed fee rates shall be effective January 1st.

3. 4. All in-lieu-of stormwater control fees collected shall be held in a fund specifically for the benefit of stormwater and combined sewer in the Combined Sewer Area and may be used to pay for capital projects within the Combined Sewer Area and any outstanding debt associated with those capital projects.

4. 5. Payment of the in-lieu-of stormwater control fee shall not exempt property from monthly stormwater fees (i.e., stormwater rates) used for operations, maintenance and capital construction not covered by this fee.

**Section 2.** The City Clerk and the codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance including, but not limited to, the correction of scrivener's/clerical errors, references, ordinance numbering, section/subsection numbers, and any internal references.

**Section 3.** The City Council hereby declares that should any section, paragraph, sentence, clause or phrase of this ordinance be declared invalid for any reason, it is the intent of the City Council that it would have passed all portions of this ordinance independent of the elimination of any such portion as may be declared invalid.





**Section 4.** The enactment of this Ordinance shall not affect any case, proceeding, appeal or other matter currently pending in any court or in any way modify any right or liability, civil or criminal, which may be in existence on the effective date of this Ordinance.

\_\_\_\_\_  
Cassie Franklin, Mayor

ATTEST:

\_\_\_\_\_  
Marista Jorve, City Clerk

PASSED: \_\_\_\_\_

VALID: \_\_\_\_\_

PUBLISHED: \_\_\_\_\_

EFFECTIVE DATE: \_\_\_\_\_





## City Council Agenda Item Cover Sheet

**Project title:** Charter Review Committee Resolution defining responsibilities and procedures.

**Council Bill #** *interoffice use*

**Agenda dates requested:**

Briefing  
Proposed action  
Consent  
Action 02/04/26  
Ordinance  
Public hearing  
Yes X No

**Budget amendment:**

Yes X No

**PowerPoint presentation:**

Yes X No

**Attachments:**

Resolution

**Department(s) involved:**

**Contact person:**

Director

**Phone number:**

**Email:**

**Initialed by:**

Department head

Administration

Council President

**Project:** Charter Review Committee

**Partner/Supplier:** NA

**Location:** NA

**Preceding action:** Appointments of Committee members: [1/21/26](#); [Current City Charter](#); [2015 Establishing Resolution](#)

**Fund:** NA

**Fiscal summary statement:**

NA

**Project summary statement:**

This resolution establishes guidance for the Charter Review Committee including:

- Direction to hold a minimum of two public hearings
- Code of Conduct principles
- Requirement of 10 yes votes to recommend amendments to the City Council
- Establishes deadline of June 1 for report to Council, with sufficient time for review before August 4 deadline to approve measures for November 3 election

The [Charter](#) is the City's constitution. It outlines how the city's legislative, judicial and executive branches operate. The City's charter was originally adopted in 1968.

Every 10 years, a Charter Review Committee is formed to examine and evaluate the Charter, take public input and provide a written recommendation to Council and the Mayor on any revisions. The Council reviews those recommendations and, via an ordinance, can send those amendments to voters for final approval in the November 2026 election (or any other general or primary election). Additional background information on the Charter Review Committee is [here](#).

**Recommendation (exact action requested of Council):**

Adopt a Resolution establishing a Charter Review Committee and defining the responsibilities and procedures of the Committee.



**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION establishing a Charter Review Committee and defining the responsibilities and WHEREAS,**

1. The Charter of the City of Everett was adopted at a special election held June 25, 1968; and
2. Specific provisions of the Charter were amended by Everett voters on November 7, 1968, November 2, 1982, November 5, 1996, November 7, 2006 and November 8, 2016; and
3. Everett residents voted and approved Section 16. 5 of Charter in November 2006 requiring the City of Everett to convene a new Charter Review Committee no later than February 15, 2026, to ensure that the Charter remains consistent with the governance needs of the City;

**NOW, THEREFORE, BE IT RESOLVED BY THE EVERETT CITY COUNCIL THAT:**

1. A Charter Review Committee, consisting of fifteen (15) Everett residents, is hereby established. Seven (7) members were nominated by the City Council for designation by the Mayor and seven (7) members were designated by the Mayor. These fourteen (14) members so designated shall, as its first item of business, elect a fifteenth member to serve in a like manner. Once fully formed with fifteen (15) members, the Committee shall elect a chairperson from its members. The chairperson shall retain full voting rights. If a vacancy occurs on the Committee, the Mayor may designate a person to fill that vacancy subject to approval of the City Council.
2. The purpose of the Committee shall be to examine and evaluate the Charter, take public input and provide a written recommendation to the Mayor and City Council as to whether the Charter should be revised and, if so, identify the specific sections of the Charter to be changed, with an explanation as to the need for the revisions and the recommended changes. In order for a recommendation to amend a particular section of the Charter to be made to the Mayor and the City Council, the recommendation must have a favorable vote of ten (10) members or more.
3. The Committee shall hold at least two (2) public hearings for the purpose of considering public comments concerning whether the Charter should be revised and, if so, what specifically should be changed.
4. The Committee shall follow a Code of Conduct similar to the City Council:
  - a. The Committee is committed to maintaining a professional and respectful environment for all members of the City of Everett. Nothing in this Code of Conduct shall serve as the sole justification for restricting a committee member's right to attend and participate in committee meetings. As stewards of public trust, each Charter Review Committee member is expected to:
    - i. Conduct themselves with self-awareness, self-respect, and professionalism;
    - ii. Treat all others with respect, dignity, and civility, regardless of status or position; and
    - iii. Refrain from engaging in hostile, intimidating, offensive, or unlawful activities or behaviors that may amount to discrimination, harassment, sexual harassment, or bullying.

- b. This Code of Conduct applies equally and at all times to all members of the Everett Charter Review Committee in their role as committee members, both on and off the property of the Everett Municipal Building and Council Chambers.
  - c. The Committee will also establish shared meeting principles to support this code of conduct.
- 5. Should it be necessary due to disorderly or disruptive behavior, the Committee Chair or a group of five committee members may petition the City Council and Mayor to remove a member of the Committee.
- 6. The committee shall present to the Mayor and City Council a written report containing its findings along with specifics concerning the Committee's recommendations on whether to revise the Charter and, if so, then how.
- 7. The report shall make specific recommendations as to each section of the Charter it believes should be amended. This report shall be presented to the Mayor and the City Council on or before June 1, 2026. The report shall be advisory to the Mayor and City Council in their deliberation on the issues of Charter review. Once the report is received by the Mayor and the City Council, the Committee's purpose shall be deemed fulfilled and the Committee shall be disbanded unless the Mayor and City Council determine otherwise.
- 8. City Council shall review the report submitted by the Charter Review Committee, to determine if any or all of the recommended Charter amendments shall be placed on the ballot for consideration by Everett voters. Further, Council may determine that proposed Charter amendments be placed on the Ballot in addition to those recommended by the Charter Review Committee.
  - a. If it is determined that any or all of the recommended Charter amendments should be placed on the ballot for consideration by Everett voters, City Council, pursuant to Charter section 16. 1, shall adopt an ordinance directing that the recommended Charter amendments be placed on the ballot.
  - b. The ordinance shall direct that each of the proposed Charter amendments be placed on the ballot as separate questions to be voted upon by the Everett voters.

---

Councilmember introducing resolution

Passed and approved this \_\_\_\_ day of \_\_\_\_\_, 2026.

---

Council President

# Everett Chamber of Commerce Update

## Everett City Council Briefing

Tyler Chism, Economic Development Program Manager, City of Everett

Wendy Poischbeg, CEO, Greater Everett Chamber of Commerce



# History of the Everett Chamber

Everett had an active Chamber of Commerce for over a century

The first Chamber of Commerce was incorporated on June 17, 1892

Over the decades, the Chamber championed many initiatives.

Merged with other chambers in the mid-2000s to form Econ Alliance

Relaunched in 2025 through public-private partnership



# Why we reestablished the Chamber

Businesses were asking for an Everett Chamber

Without a Chamber we were at a competitive disadvantage

Chambers are critical for a thriving business ecosystem

Continue to generate economic momentum

Businesses generate revenue for the City, wealth for its people.



# How the partnership was reestablished

Council approved \$600k funding package via resolution 8061.

City hired consultant for strategy, outreach and formation

Chamber formed as a stand-alone, member-driven entity

Chamber is contracted by the City for specific economic dev. work.





# The City's role in the partnership

Chamber is a contractor for the City (2025 - 2026).

Annual goals and KPIs are established in contract and annual workplans.

City is a member of the Chamber.

City staff sit on the Chamber board (ex-officio). Chamber updates city quarterly via written performance reports.



# Greater Everett Chamber of Commerce

Delivering Value for  
Everett Businesses



# A Relaunch Year with Measurable Impact

- ✓ Relaunched January 2025 after a 15-year gap
- ✓ 250 members by year-end
- ✓ 55+ business events
- ✓ City-aligned focus, business, support, workforce, visibility





# Professional Services Agreement: **Delivered**

- ✓ Strengthened local businesses
- ✓ Promoted Everett as a business hub
- ✓ Engaged the community
- ✓ Maintained operational excellence





# Business Outreach & BRE

## Direct Business Engagement

- ✓ 3,000 business engagements
- ✓ 195+ businesses in qualified census tracts
- ✓ 214+ hours of technical assistance
- ✓ 15 ribbon cuttings supporting new and expanding businesses



# Hispanic Business Outreach

## Building Trust Where it Matters Most

- ✓ 70+ direct Hispanic business engagements
- ✓ Door-to-door outreach and bilingual support
- ✓ Trainings hosted at Hispanic-owned businesses
- ✓ Safer, more trusted approach to engagement





# Events, Workforce & Industry

Connecting Employers, Workforce & Opportunity

- ✓ Construction & Trades Mixers
- ✓ Women's Professional Network
- ✓ CEO Leadership Dinners
- ✓ Workforce, clean tech, and maritime convenings





# Marketing & Visibility

## Promoting Everett as a Business Hub

- ✓ Transit advertising with Lamar
- ✓ Strong media partnerships
- ✓ 20,000+ website visits
- ✓ Member Directory launched





# Looking Ahead: 2026 Focus

## From Relaunch to Sustainability

- ✓ Business recruitment & retention
- ✓ Workforce-aligned programming
- ✓ Business attraction & tourism
- ✓ Technical assistance



# 2026 Work Plan Highlights

## What's Ahead

- ✓ State of the City – March 5
- ✓ Outbound Leadership Mission – Phoenix
- ✓ FIFA business activation & micro watch sites
- ✓ Continued Hispanic BRE & women's leadership programs





# Thank you!!

- ✓ City of Everett support
- ✓ Alignment with economic development goals
- ✓ Shared commitment to Everett businesses



# Performance and Contract Update

# 2026 Contract Term and Oversight

2-year contract started in 2025; expires 12/31/26

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2026 Workplan submitted January 2026.  
**Workplan becomes part of scope** of work.

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**Quarterly performance reports** to staff.

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**Annual briefing** to City Council end of 2026



# Funding structure 2026

**\$240,000 distributed quarterly**

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**\$60,000**— Approval of workplan, first quarterly report

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**\$60,000** —Approval of second quarterly report

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**\$60,000** — Approval of third quarterly report

---

**\$60,000** — Approval of fourth quarterly report



**To:** City Council Members  
**From:** Cassie Franklin, Mayor  
**Re:** Appointment to Boards and Commissions  
**Date:** February 3, 2026

Everett City Council Members,

It is my recommendation that the following applicants be appointed to a City of Everett Board or Commission (more information attached).

On Wednesday, February 4, I will be asking for your concurrence on the following appointments:

**To the Community Development Advisory Committee**

- Megan Honan, Pos #2- term expiring 12/31/2026
- Chandler Honeyman, Pos #3- term expiring 12/31/2027
- Deborah Welch, Pos #6- term expiring 12/31/2031
- Penny Kellam, Pos #8- term expiring 12/31/2027
- Susan Mausshardt, Pos #9 – term expiring 12/31/2031

**To the Cultural Arts Commission**

- Louis Benjamin Ka'imi'pono Oclaray, Pos #1- term expiring 12/31/2031
- Clayton Bratt, Pos #3- term expiring 12/31/2031

**To the Everett Station District Alliance BIA Ratepayer Advisory Board**

- Tyler Botz - term expiring 12/31/2028
- Mary Anne Dillon - term expiring 12/31/2028
- Lori Fox - term expiring 12/31/2028
- John Hull - term expiring 12/31/2028
- Jenny Tsinker - term expiring 12/31/2028
- Mike Schmieder - term expiring 12/31/2028

**To the Transportation Advisory Committee**

- Jeff Valluzzi, Pos #1- term expiring 12/31/2031
- Matthew Frazier, Pos #4 – term expiring 12/31/2028

If you have any comments or concerns regarding these appointments, please contact my office.


Sincerely,



Cassie Franklin, Mayor, City of Everett  
c. Jennifer Gregerson and Simone Tarver

**Office of the Mayor**  
**CASSIE FRANKLIN**

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## EVERETT CITY COUNCIL Public Comment Form

Thank you for being here today. Please fill out this form to speak at the council meeting.

**State your name and city of residence when you begin speaking.** Each person is asked to limit comments to three minutes. This allows everyone a fair opportunity to speak. Return this form to the council administrator before the meeting begins.

The following comments are not allowed:

- Comments on any kind of campaigning, whether for or against ballot measures or candidates running for office
- Comments focused on personal matters that are unrelated to City business

You can also submit a comment and attend meetings online at [everettwa.gov/city council](http://everettwa.gov/city-council). Click on "Council meeting public comment sign up form." This must be done at least 30 minutes prior to the meeting. Additional instructions are available on the web page.

*City staff may wish to contact you for follow up, therefore, your contact information is appreciated.*

DATE: Feb 4 2020

NAME (required): William Paren +

CITY (required): Silver Lake ZIP (required): 98208

EMAIL (optional): \_\_\_\_\_ PHONE (optional): \_\_\_\_\_

DISTRICT (circle one):    1    2    3    4    5    Not sure    Don't live in city

Is your topic on today's agenda?

☐ YES – the comment period will follow the agenda item

AGENDA ITEM #: \_\_\_\_\_

☒ NO – speak during general public comment, topic you would like to speak on:

Everett needs geotechnical investigation  
3D models to accelerate urban growth