



PROFESSIONAL SERVICES AGREEMENT

Central Kingsgate Stormwater CBP3 Evaluation


City Attorney
 Kevin Hansen
 Rev: 01/15/26

The City of Kirkland, Washington, a municipal corporation ("City") and Environmental Incentives, Inc., whose address is 374 N Coast Highway 101, Encinitas, CA 92024 ("Consultant"), in consideration of the mutual benefits and conditions set forth below, agree and contract as follows.

I. SERVICES BY CONSULTANT

- A. The Consultant agrees to perform the services described in Attachment A to this Agreement ("Services"), which attachment is incorporated herein by reference.
- B. The Services shall be performed in accordance with the ordinary and reasonable care, skill, and diligence that a competent professional in the same field would exercise under similar circumstances.

II. COMPENSATION

- A. The total compensation to be paid to Consultant for these Services shall not exceed \$245,000, as detailed in Attachment A.
- B. Payment to Consultant by the City in accordance with the payment ceiling specified above shall be the total compensation for all Services performed under this Agreement and supporting documents hereto as well as all subcontractors' fees and expenses, supervision, labor, supplies, materials, equipment or the use thereof, reimbursable expenses, and other necessary incidentals.
- C. The Consultant shall be paid on the basis of invoices submitted. Invoicing will be on the basis of percentage complete or on the basis of time, whichever is applicable in accordance with the terms of this Agreement.
- D. If the City objects to any portion of an invoice, it will notify the Consultant. In the event of an invoice dispute, the City will timely pay any undisputed portion of the invoice, and the parties will promptly make reasonable efforts to resolve the disputed portion. The City shall have the right to withhold payment to the Consultant for any services not completed in a satisfactory manner until such time as the Consultant modifies such services to the satisfaction of the City.
- E. Unless otherwise specified in this Agreement, any payment shall be considered timely if a warrant is mailed or is available within 30 days of the date of actual receipt by the City of an invoice conforming in all respects to the terms of this Agreement.

III. GENERAL ADMINISTRATION AND MANAGEMENT

The project manager, Rachel Konrady or Jenny Gaus, for the City of Kirkland shall review and approve the Consultant's invoices to the City under this Agreement, shall have primary responsibility for overseeing and approving the services, and shall coordinate all communications with the Consultant from the City.

IV. DURATION

The estimated completion date for the Consultant's performance of the services specified in Section I is April 30, 2027. For purposes of paying final invoices and finalizing services, this contract expires on August 1, 2027.

Consultant will diligently proceed with the services contracted for, but Consultant shall not be held responsible for delays occasioned by factors beyond its control which could not reasonably have been foreseen at the time of the execution of this Agreement. If such a delay arises, Consultant shall forthwith notify the City.

V. OWNERSHIP OF WORK PRODUCT

- A. Ownership of the originals of any reports, data, studies, surveys, charts, maps, drawings, specifications, figures, photographs, memoranda, and any other documents which are developed, compiled or produced as a result of this Agreement, whether or not completed, shall be vested in the City. Any reuse of these materials by the City for projects or purposes other than those which fall within the scope of this Agreement or the project to which it relates, without written concurrence by the Consultant will be at the sole risk of the City.
- B. The City acknowledges the Consultant's plans and specifications as instruments of professional service. Nevertheless, the plans and specifications prepared under this Agreement shall become the property of the City upon completion of the services. The City agrees to hold harmless and indemnify consultant against all claims made against Consultant for damage or injury, including defense costs, arising out of any reuse of such plans and specifications by any third party without the written authorization of the Consultant.
- C. Methodology, materials, software, logic, and systems developed under this Agreement are the property of the Consultant and the City, and may be used as either the Consultant or the City sees fit, including the right to revise or publish the same without limitation.
- D. The Consultant, at such times and in such forms as the City may require, shall furnish to the City such statements, records, reports, data, and information as the City may request pertaining to matters covered by this Agreement. All of the reports, information, data, and other related materials, prepared or assembled by the Consultant under this Agreement and any information relating to personal, medical, and financial data will be treated as confidential only as allowed by Washington State laws regarding disclosure of public information, including Chapter 42.56 RCW.

The Consultant will, at any time during normal business hours and as often as the City may deem necessary, make available for examination all of its records and data with respect to all matters covered, directly or indirectly, by this Agreement and shall permit the City or its designated authorized representative to audit and inspect other data relating to all matters covered by this Agreement. The City shall receive a copy of all audit reports made by the agency or firm as to the Consultant's activities. The City may, at its discretion, conduct an audit, at its expense, using its own or outside auditors, of the Consultant's activities which relate, directly or indirectly, to the Agreement.

Consultant will provide all original operation and maintenance manuals, along with all warranties, from the manufacturer for any equipment or items installed or supplied to the City has part of this contracted project.

The Consultant shall maintain accounts and records, including personnel, property, financial, and programmatic records, which sufficiently and properly reflect all direct and indirect costs of any nature expended and services performed pursuant to this Agreement. The Consultant shall also maintain such other records as may be deemed necessary by the City to ensure proper accounting of all funds contributed by the City to the performance of this Agreement.

The foregoing records shall be maintained for a period of six years after termination of this Agreement unless permission to destroy them is granted by the Office of the Archivist in accordance with Chapter 40.14 RCW and by the City.

VI.TERMINATION OF AGREEMENT

The City or the Consultant may terminate or suspend this Agreement at any time, with or without cause, by giving ten (10) days' notice to the other in writing. In the event of termination, all finished or unfinished reports, or other material prepared by the Consultant pursuant to this Agreement, shall be provided to the City. In the event the City terminates prior to completion without cause, Consultant may complete such analyses and records as may be necessary to place its files in order. Consultant shall be entitled to receive just and equitable compensation for any satisfactory services completed on the project prior to the date of termination, not to exceed the payment ceiling set forth above.

VII.SUCCESSORS AND ASSIGNS

The Consultant shall not assign, subcontract, transfer, convey, pledge, or otherwise dispose of this Agreement or any part of this Agreement without prior written consent of the City.

VIII. NONDISCRIMINATION

Consultant shall, in employment made possible or resulting from this Agreement, ensure that there shall be no unlawful discrimination against any employee or applicant for employment in violation of RCW 49.60.180, as currently written or hereafter amended, or other applicable law prohibiting discrimination, unless based upon a bona fide occupational qualification as provided in RCW 49.60.180 or as otherwise permitted by other applicable law. Further, no person shall be denied or subjected to discrimination in receipt of the benefit of any services or activities made possible by or resulting from this Agreement in violation of RCW 49.60.215 or other applicable law prohibiting discrimination.

IX.HOLD HARMLESS/INDEMNIFICATION

- A. To the greatest extent allowed by law the Consultant shall defend, indemnify, and hold the City, and its officers, officials, employees, and volunteers (together "Indemnified Parties") harmless from any and all claims, injuries, damages, losses or suits (including reasonable attorney fees and costs), arising out of or in connection with performance of this Agreement, except for injuries and damages caused by the sole negligence of the Indemnified Parties.
- B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of the Services or bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of Consultant and the Indemnified Parties, the

Consultant's liability hereunder shall be only to the extent of the Consultant's negligence.

- C. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under Title 51 RCW, Washington's industrial insurance law, solely for the purpose of this indemnification. This waiver has been mutually negotiated by the parties.
- D. The provisions of this section shall survive the expiration or termination of this Agreement.

X. LIABILITY INSURANCE COVERAGE

The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property that may arise from or in connection with the performance of the work hereunder by the Consultant and/or its agents, representatives, or employees. A failure to obtain and maintain such insurance or to file required certificates and endorsements shall be a material breach of this Agreement.

Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or to otherwise limit the City's recourse to any remedy available at law or in equity.

- A. **Minimum Scope and Amounts of Insurance.** Consultant shall obtain and maintain insurance of the types and limits described below:

- 1. Commercial General Liability insurance shall be as least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Consultant's Commercial General Liability insurance policy with respect to the work performed for the City using an additional insured endorsement at least as broad as ISO CG 20 26.
 - a. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
- 2. Automobile Liability insurance covering all owned, non-owned, hired and leased vehicles. Coverage shall be as least as broad as Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
 - a. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
- 3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
- 4. Professional Liability insurance appropriate to the Consultant's profession.

- a. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

B. Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability and Commercial General Liability insurance:

1. The Consultant's insurance coverage shall be primary insurance as respects the City. Any insurance, self-insurance, or self-insured pool coverage maintained by the City shall be excess of the Consultant's insurance and shall not contribute with it.
2. The Consultant shall provide the City and all Additional Insureds for the Services with written notice of any policy cancellation, within two business days of Consultant's receipt of such notice.

C. Acceptability of Insurers

Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII.

D. Verification of Coverage

Consultant shall furnish the City with original certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Consultant before commencement of the Services.

E. Failure to Maintain Insurance

Failure on the part of the Consultant to maintain the insurance as required shall constitute a material breach of this agreement, upon which the City may, after giving five business days' notice to the Consultant to correct the breach, immediately terminate the Agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Consultant from the City.

F. City Full Availability of Consultant Limits

If the Consultant maintains higher insurance limits than the minimums shown above, the City shall be insured for the full available limits of Commercial General and Excess or Umbrella liability maintained by the Consultant, irrespective of whether such limits maintained by the Consultant are greater than those required by this Agreement or whether any certificate of insurance furnished to the City evidences limits of liability lower than those maintained by the Consultant.

XI. COMPLIANCE WITH LAWS/BUSINESS LICENSE

The Consultant shall comply with all applicable state, federal, and local laws, ordinances, regulations, and codes. Consultant must obtain a City of Kirkland business license or otherwise comply with Chapter 7.02 of the Kirkland Municipal Code.

XII. FUTURE SUPPORT

The City makes no commitment and assumes no obligations for the support of Consultant activities except as set forth in this Agreement.

XIII. INDEPENDENT CONTRACTOR

Consultant is and shall be at all times during the term of this Agreement an independent contractor and not an employee of the City. Consultant agrees that they are solely responsible for the payment of taxes applicable to the Services and agrees to comply with all federal, state, and local laws regarding the reporting of taxes, maintenance of insurance and records, and all other requirements and obligations imposed on them as a result of their status as an independent contractor. Consultant is responsible for providing the office space and clerical support necessary for the performance of the Services. The City shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the state industrial insurance or unemployment compensation programs or otherwise assuming the duties of an employer with respect to the Consultant or any employee of Consultant.

XIV. EXTENT OF AGREEMENT/MODIFICATION

This Agreement, together with all attachments and addenda, represents the final and completely integrated Agreement between the parties regarding its subject matter and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instrument properly signed by both parties. The terms of this Agreement supersede any conflicting provisions contained in any attachments and/or addenda.

XV. ADDITIONAL WORK

The City may desire to have the Consultant perform work or render services in connection with the project other than provided for by the express intent of this Agreement. Any such work or services shall be considered as additional work, supplemental to this Agreement.

XVI. NON-ENDORSEMENT

As a result of the selection of a consultant to supply services to the City, the Consultant agrees to make no reference to the City in any literature, promotional material, brochures, sales presentation, or the like without the express written consent of the City. However, notwithstanding the foregoing, the City consents to the Consultant including information describing the Consultant's participation in this project in bids, statements of qualifications, or other similar proposals submitted to other municipal, governmental, or similar project sponsor, so long as the information included is factually accurate.

XVII. NON-COLLUSION

By signature below, the Consultant acknowledges that the person, firm, association, co-partnership or corporation herein named, has not either directly or indirectly entered into any agreement, participated in any collusion, or otherwise taken any action in restraint of

free competitive bidding in the preparation or submission of a proposal to the City for consideration in the award of a contract on the specifications contained in this Agreement.

XVIII. WAIVER

Waiver by the City of any breach of any term or condition of this Agreement shall not be construed as a waiver of any other breach.

XIX. DEBARMENT

Recipient certifies that it is not suspended, debarred, proposed for debarment, declared ineligible or otherwise excluded from contracting with the federal government, or from receiving contracts paid for with federal funds.

XX. GOVERNING LAW AND VENUE

This Agreement shall be interpreted in accordance with the laws of the State of Washington. The Superior Court of King County, Washington, shall have exclusive jurisdiction and venue over any legal action arising under this Agreement.

XXI. DISPUTE RESOLUTION

All claims, counterclaims, disputes, and other matters in question between City and Consultant arising out of or relating to this Agreement shall be referred to the City Manager or a designee for determination, together with all pertinent facts, documents, data, contentions, and other information. The City Manager or designee shall consult with Consultant's representative and make a determination within thirty (30) calendar days of such referral. No civil action on any claim, counterclaim, or dispute may be commenced until thirty (30) days following such determination. Nothing herein waives any requirements of Chapter 4.96 RCW, if applicable.

XXII. SEVERABILITY

Any provision or part of the Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken. Unless such stricken provision goes to the essence of the consideration bargained for by a party, all remaining provisions shall continue to be valid and binding upon the parties, and the parties agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

XXIII. EFFECTIVE DATE

This Agreement shall be deemed effective on the last date signed below.

XXIV. WASHINGTON STATE DEPARTMENT OF ECOLOGY WATER QUALITY COMBINED FUNDING INSERT FOR ALL SERVICES FOR STATE-FUNDED PROJECTS

Compliance with State and Local Laws

The Consultant shall assure compliance with all applicable federal, state, and local laws, requirements, and ordinances as they pertain to the project.

State Interest Exclusion

Partial funding of this project is being provided through the Washington State Department of Ecology ("Ecology"). Neither the State of Washington nor any of its departments or employees are, or shall be, a party to this Agreement or any subcontract.

Third Party Beneficiary

Partial funding of this project is being provided through Ecology. All parties agree that the State of Washington shall be, and is hereby, named as an express third-party beneficiary of this Agreement, with full rights as such.

Cost Basis of Contract

No contract may be written for "cost-plus-a-percentage-of-cost" or "percentage of construction cost." The cost basis for this contract must be cost-reimbursement, unit price, fixed-price, time and materials, or any combination of these four methods.

Funding Recognition

Documents produced under this Agreement shall inform the public that the project received financial assistance from Ecology. Ecology's logo must be on all signs and documents. Logos will be provided as needed.

Accessibility

Public-facing documents produced under this Agreement shall be accessible to the City's best ability. This recommendation applies to all products supplied under the Agreement, providing equal access to information technology by individuals with disabilities, including and not limited to web sites/pages, web-based applications, software systems, video and audio content, and electronic documents intended for publishing on Ecology's public web site.

Access To the Work Site and To Records

The Consultant shall provide for access to their records by Ecology personnel.

The Consultant shall maintain accurate records and accounts to facilitate the City's audit requirements and shall ensure that all subcontractors maintain auditable records. These records shall be separate and distinct from the Consultant's other records and accounts.

All such records shall be available to the City and to Ecology for examination. All records pertinent to this project shall be retained by the Consultant for a period of three years after the final audit.

Funding Provision

Partial funding of this project is being provided through Ecology. In the event that Ecology's funding from state, federal, or other sources is withdrawn, reduced, or limited in any way, the contract may be amended.

Copyright to Documents

Ecology retains a copyright to any documents produced and data collected under this Agreement. Ecology retains a royalty-free, nonexclusive, and irrevocable license to reproduce, publish, or otherwise use the data or documents. Ecology can authorize others to use the data or documents for federal, state, or local government purposes.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates written below:

CONSULTANT:

Signature: _____

Printed Name: _____

Title: _____

Date: _____

CITY OF KIRKLAND:

Signature:  _____

Printed Name: Tracey P. Dunlap
(Type City Staff Name)

Title: Deputy City Manager of Operations

Date: 01/20/2026

City of Kirkland

Contract #34-25PW with

Environmental Incentives, Inc.

I. Introduction

Project Background

The Central Kingsgate Area presents a unique and pressing stormwater challenge for the City of Kirkland (City). Nearly all of the 50-acre commercial district is impervious, generating runoff that contributes to impairments in Juanita Creek, which is already on the 303(d) list for temperature, bacteria, and habitat degradation. Developed primarily in the 1960s and 1970s, the area predates stormwater regulations requiring flow control and treatment. As a result, urban runoff from Kingsgate carries pollutants and high flows downstream, degrading water quality and aquatic habitat.

Project Purpose

The purpose of this project is to improve water quality in Juanita Creek by integrating stormwater treatment into redevelopment of the Central Kingsgate Area and potentially leveraging a new procurement model, such as a Community-Based Public-Private Partnership (CBP3). While redevelopment can advance stormwater goals, the City of Kirkland also intends to achieve the community's goals contained in the Kingsgate Neighborhood plan.

II. Scope of Work and Deliverables

The scope of work is structured around 5 tasks, with Task 2 and Task 3 performed in parallel to quickly reach a decision point regarding the procurement approach. The tasks are allocated to each of our team members (Environmental Incentives, Heartland and Herrera) according to their skills, allowing the core tasks (Task 2 and Task 3) to be handled by specialists with a holistic understanding of Kirkland's redevelopment and performance-based procurement needs. If the City chooses to move forward with a CBP3, consultants will develop an RFP and contract that will bring competitive market forces to support cost effective implementation aligned with the Kingsgate Neighborhood Plan goals. This approach provides Kirkland with a transparent and adaptable pathway for documenting and deciding on a new procurement model for the Central Kingsgate area.

Task 1: Grant & Loan Administration

This task is reserved for City use only.

Deliverables: None for Consultants

Task 2: Evaluation of CBP3 Opportunities and Constraints

This task will address the underlying reasons that Central Kingsgate area has not redeveloped despite zoning incentives, leaving stormwater untreated and community benefits unrealized. The outcome will be a realistic assessment of market conditions and policy levers that could make redevelopment financially viable while incorporating stormwater retrofit opportunities.

Consultant Activities

- Evaluate redevelopment potential under current and projected conditions, testing the influence of construction costs, undeveloped and developed land values, typical amount of surface parking, landscaping and ground level open space to be expected in developed scenarios, financing terms, and investment return expectations. Include two to three conceptual redevelopment scenarios that integrate stormwater retrofits and green stormwater infrastructure into viable mixed-use concepts.
 - Write Market and Redevelopment Scenarios memo
 - Incorporate City comments into revised memo
 - Deliver working version of memo
- Design an interested party engagement plan intended to uncover the “big spark” motivator that can initiate redevelopment with stormwater improvements. The engagement plan will include structured interviews and focus sessions with Central Kingsgate commercial property owners and developers, and potential CBP3 partners to identify perceived barriers, test redevelopment concepts, and explore partnership opportunities.
 - Implement the engagement plan with City approval and coordination. Activities include:
 - Outreach and up to two web-based, group meetings with Central Kingsgate property owners.
 - Plan and execute up to five web-based, 1:1 meetings with Central Kingsgate property owners. These meetings will allow property owners to speak freely about their own, specific barriers and motivators.
 - Up to three meetings with locally active development firms and potential CBP3 private partners to make them aware and gather feedback on RFP terms and conditions.
 - One email to neighborhood groups to inform them of the opportunity and potential community outcomes.
 - Write the External Engagement Plan and Report as a single document with the plan written before engagement and the report sections. Each of these two rounds will:
 - Develop and review a “product definition” PowerPoint and meet with the City to launch the engagement on the best trajectory and ensure the City’s insights are maximized in the document.
 - Deliver a draft document.
 - Meet with the City to discuss and then incorporate a single round of consolidated comments from the City.
 - Deliver a working version.
- Create an introduction to the Central Kingsgate redevelopment opportunity and CBP3 concepts for City decision makers. Present the introduction at 1 public meeting.

- Deliver City decisionmaker briefing packets.

City Activities

- Provide existing studies/data and assist with interpretation and insight about conditions, previous interested party roles and other needed context for the project.
- Join all meetings and make an introduction to the CBP3 project and consultant team. Answer questions in areas of expertise that would be better answered by City staff than consultants.
- Review written products with a single round of consolidated comments. Approve working versions of written products and submit to Ecology grant coordinator for review and approval.

Deliverables

- A. **Market and Redevelopment Scenarios Memo:** summarizing the real estate market and economic/financial analysis, and conceptual redevelopment scenarios. This memo is anticipated to be 4-7 pages and include early concepts for stormwater integration. The memo will incorporate recommendations for aligning redevelopment incentives with stormwater needs. (*Grant Deliverable 2.2*).
- B. **External Engagement Plan and Report** defining the people, organizations, and frequency of interactions with interested parties and summarizing key motivators and feedback (*Grant Deliverables 2.3 and 2.4*).
- C. **City Council/Planning Commission Briefing Slides** featuring plain-language summary of the Central Kingsgate redevelopment and CBP3 concept in PowerPoint slides. Present the slides at 1 public meeting. (*Grant Deliverable 2.5*).

Task 3: Conceptual Stormwater Planning, Performance Criteria Development, & Legal/Financial Evaluation

To move forward with an informed decision, the City will need a well-documented and defensible foundation for redevelopment, stormwater benefits, and a procurement strategy. This task will provide the necessary criteria and conceptual plan, and will synthesize findings into clear, actionable recommendations for decision-makers.

Consultant Activities

- Development of a stormwater retrofit concept, including stormwater performance measures and community performance measures to quantify performance and cost of the concept options. Initial ideas for this concept will come from the High Woodlands Rainwater Management Project. This analysis is anticipated to include up to two retrofit options such as: 1) LID in individual property surface parking lots, and 2) a regional stormwater facility financed and built by contributing property owners and located on a private parcel.
 - Stormwater performance measures will be designed to determine payments in a performance contract.
 - Stormwater facilities will be sized based on sizing factors (i.e., no modeling will be performed).
 - A clear method for accounting stormwater performance measures will leverage existing models and reduce uncertainty for the City and private partners.
 - A rapid assessment approach for verifying that future, constructed facilities are matching designs and maintaining expected conditions needed for stormwater performance.

- Lifecycle cost for each retrofit option will be estimated using methods appropriate for high-level planning conceptual designs.
- Development of 1-3 community outcomes, performance metrics and verification methods for them. These community outcomes will be initially sourced from the Kingsgate Neighborhood Plan.
- This process is anticipated to include the following steps:
 - Deliver a draft Stormwater Planning Report for City review.
 - Incorporate a single round of consolidated comments from the City.
- Communicate with City financial, legal, and procurement staff as they analyze and prepare a legal and funding authorities report. Provide a set of topics and questions for the City staff to answer during this analysis. The budget for this task assumes that City staff will lead efforts, write documents, and have some questions for consultants to answer. The budget limits consultant support for research and solutions to major issues.
- Develop a procurement-approach financial analysis using a rapid, best professional judgement Value for Money (VfM) framework adapted from the template developed in Spokane, WA. This analysis will compare lifecycle costs under two scenarios: a Public Sector Comparator for traditional delivery and a CBP3 scenario. Results will include risk-adjusted lifecycle costs and a qualitative assessment of innovation potential, accountability, and delivery timelines.
- Synthesize findings from the redevelopment analysis, stormwater planning, and finance/procurement analyses, then write a Procurement Decision Memo with a comprehensive set of findings and recommendations that decisionmakers can use to determine whether to advance an alternative procurement model (i.e., a CBP3 approach). The process for completing this memo includes
 - Delivering a draft memo.
 - Incorporating a single round of consolidated comments from the City.
 - Delivering a working version of the memo.
 - Presenting the recommendations at a public meeting and answering questions.

City Activities

- Prepare a Legal Authorities & Funding Report confirming Kirkland's ability to pursue a CBP3 or other innovative procurement model under Washington State law and City procurement policies.
- Contribute data for the VfM analysis. This may involve budget/finance, engineering and legal staff from the City about the City's costs to implement traditional stormwater retrofit projects.
- Review written products with a single round of consolidated and conformed comments then approve working versions and forward to Ecology for grant approval.
- City decision makers review the Procurement Decision Memo to support an informed policy decision on next steps to proceed with CBP3 or typical stormwater project development. The City's project manager will need to carefully review this product in particular, as it is designed for decisionmaker use. The City will be responsible for communications about the decision with Ecology and clear direction to the consultants on next steps.

Deliverables

- D. **Stormwater Planning Report** summarizing key stormwater planning concepts and describes the performance criteria, potential improvement areas (with project area, up to 2 facility sizes, and type), proposed reporting and verification approach, lifecycle cost estimates and defined community performance measures under a CBP3 framework (*Grant Deliverable 3.1*). This narrative document is expected to be 10-15 pages in length, featuring plain language writing, well structured section headers and a few figures to illustrate options evaluated and findings.
- E. **Legal Authorities & Funding Report** summarizing procurement authority and legal pathways, paired with Revenue, Funding, and Financing Considerations outlining financing strategies and revenue options for consideration by City decisionmakers such as the Planning Commission or City Council (*Grant Deliverables 3.2 and 3.3*).
- F. **Procurement Decision Memo** synthesizing real estate, stormwater-planning, rapid VfM analysis and procurement findings to provide recommendations on the most suitable procurement model for the Central Kingsgate area and the City (*Grant Deliverable 3.4*). This 4–6-page memo will be designed for City decisionmakers and structured with explanatory figures, bullet points and references to detailed analyses in other deliverables from this project.

Task 4: Development of RFP & Performance Contract

If the City's project manager provides official notification that a CBP3 or other performance contract mechanism is desirable, this consultant team will prepare draft procurement documents as part of this task that the City can adapt into a new solicitation, ensuring the documents support a robust and competitive procurement process.

Consultant Activities

- Develop a draft Request for Proposals (RFP) and Performance Contract, incorporating stormwater and community performance measures, accountability mechanisms, and enforceable risk-transfer provisions. This product will leverage the Ecology-endorsed CBP3 contract template and models that have been successful at other WA local governments.
 - Past experience with performance RFPs and contracts shows that RFPs should include the same content as expected for the contract to avoid unexpected negotiations once a winning bidder is announced. Thus, this scope assumes that these deliverables are very similar to each other.
 - The process for completing this memo includes:
 - Delivering draft RFP and contract documents.
 - Briefly engaging procurement and legal departments to suggest best practices for integrating performance terms and conditions into existing boilerplate templates and answering a round of questions.
 - Incorporating a single round of consolidated comments from the City.
 - Delivering working versions of the RFP and contract.
- Produce a Research Findings and Next Steps Report that wraps up the project so that others understand what happened and how to proceed with future efforts.
 - In the case that the City chooses an RFP/Contract, this document will enhance the Procurement Decision Memo with additional findings and next steps that are generated during RFP and Contract development.

- In the case that the City DOES NOT choose an RFP/contract, this document will provide a deeper description of activities that have taken place to ensure they are well documented and rationale for not moving forward. The report will focus on capturing and transmitting learning that can be used by the City of Kirkland and the State of Washington in future CBP3 projects.
- The process for completing this report includes
 - Delivering a draft report.
 - Incorporating a single round of consolidated comments from the City.
 - Delivering a working version to Ecology and meet with them to discuss. Writing responses to substantive comments via email or spreadsheet.
 - Incorporating a single round of consolidated comments from Ecology.
 - Delivering the working version of the report for EAGLE upload.

City Activities

- Send official notification to proceed.
- Engage procurement and legal departments to review the documents and provide a single round of consolidated comments to consultants.
- Translate performance contract terms and conditions to City boilerplate in existing contract templates.

Deliverables

- G. **Draft RFP and Outcome-Based Contract** project description, featuring stormwater and community performance terms, accountability mechanisms (i.e. verification methods and assurances) and payment terms (*Grant Deliverables 4.1 and 4.2*). This document will be a technical document designed for CBP3 private partners using detailed terms and conditions. The terms and conditions will be integrated into the boilerplate of existing City contract templates.
- H. **Draft and Final Research Findings and Next Steps Report** summarizing procurement recommendations, lessons learned, and a roadmap for City implementation, including draft and final versions. (*Grant Deliverables 4.3, 4.4, and 4.5*).

Task 5: Project Close Out

To successfully complete the Ecology grant, the city will summarize outcomes close the project with Ecology.

City Activities

- Compile documents into a consolidated file.
- Deliver closeout document to Ecology via EAGL and respond to Ecology comments.

Deliverables

- I. **Closeout Report and Outcomes Summary** documenting the work delivered and results achieved, using Ecology's standard template for EAGL submission (*Grant Deliverables 1.2 and 5.1*).

III. Schedule

The project will take place according to the table below. Some of the tasks can be performed in parallel to gain cost and duration efficiency. Task 4 cannot start until previous tasks are complete and official notification to proceed is received by consultants.

Task	Schedule
Task 1: Program Coordination & Reporting	City Only
Task 2: Evaluation of Opportunities and Constraints	6 Months (Jan-Jun 2026)
Task 3: Conceptual Stormwater Planning, Performance Criteria & Legal/Financial Evaluation	9 Months (Mar-Nov 2026)
Task 4: Development of RFP and Performance Contract	5 Months (Nov 2026-Mar 2027)
Task 5: Project Close Out	1 Month (Apr 2027)
Total	16 Months

IV. Budget

Work will be performed on a time and materials basis up to a not-to-exceed limit of \$245,000 for Environmental Incentives and subconsultants. Fully loaded billing rates including salary, indirect costs and markup are provided in Table 2. Invoices shall track and report costs on a task level (provided in Table 3). Adjustments to task budgets must be discussed before billing exceeds 90% of the task budget and numeric changes must be agreed to in writing before payment.

Table 2. Billing Rates

Organization	Position Title	Hourly Billing Rate Valid Through April 2027
Environmental Incentives	Senior Program Design Specialist VIII	\$ 329.80
	Senior Program Design Specialist VII	\$ 309.83
	Senior Program Design Specialist VI	\$ 286.43
	Senior Program Design Specialist V	\$ 268.56
	Senior Program Design Specialist IV	\$ 221.61
	Senior Program Design Specialist III	\$ 196.12
	Senior Program Design Specialist II	\$ 182.26
	Senior Program Design Specialist I	\$ 172.64
	Program Design Specialist V	\$ 164.46
	Program Design Specialist IV	\$ 145.73
	Program Design Specialist III	\$ 131.51
	Program Design Specialist II	\$ 115.21
	Program Design Specialist I	\$ 105.46
	Project Assistant IV	\$ 106.07
	Project Assistant III	\$ 100.54
	Project Assistant II	\$ 95.76
	Project Assistant I	\$ 88.43
	Analytic Assistant II	\$ 93.27
	Analytic Assistant I	\$ 87.05
Herrera	Engineer I	\$ 164.61
	Engineer II	\$ 190.02
	Engineer III	\$ 212.21
	Engineer IV	\$ 266.59
	Engineer V	\$ 340.87
	Engineer VI	\$ 368.68
	Engineer VII	\$ 390.75
	GIS Analyst I	\$ 130.52
	GIS Analyst II	\$ 152.98
	GIS Analyst III	\$ 184.20
	GIS Analyst IV	\$ 184.32
	GIS Analyst V	\$ 230.20
	GIS Analyst VII	\$ 329.69
Heartland	Principal and Senior Project Director	\$ 444.00
	Principal and Project Director	\$ 327.45
	Senior Project Manager	\$ 266.40
	Project Manager	\$ 244.20
	Associate Project Manager	\$ 205.35
	Graphic Designer	\$ 199.80

Table 3. Budget by Task

Kirkland Kingsgate CPB3 Evaluation	Total Budget	El Labor	Cost of Subs	El ODC	El Travel
T1: Kirkland Admin/PM	\$ -	\$ -	\$ -	\$ -	\$ -
T2: Evaluation of CBP3 Opportunities and Constraints	\$ 107,888	\$ 52,680	\$ 54,108	\$ -	\$ 1,100
T3: Conceptual Stormwater Planning, Performance Criteria	\$ 79,607	\$ 31,201	\$ 48,406	\$ -	\$ -
T4: Development of RFP and Performance Contract	\$ 57,505	\$ 48,207	\$ 9,298	\$ -	\$ -
T5: Project Close Out	\$ -	\$ -	\$ -	\$ -	\$ -
Contract Total	\$ 245,000	\$ 132,088	\$ 111,812	\$ -	\$ 1,100