



## Purchase Letter of Agreement Kirkland Fire Department Training Equipment/Structures IFB #02-24-PW

This Purchase Letter of Agreement (“Agreement”) is entered into by and between the City of Kirkland, a municipal corporation (“City” or “Purchaser”) and **Taylor’d Systems, LLC** (“Supplier”).

WHEREAS, the City solicited bids for Kirkland Fire Department Training Structures (IFB #02-24-PW) on January 8, 2024; and

WHEREAS, the Supplier submitted the low responsive bid on February 2, 2024; and

WHEREAS, the Supplier is qualified, willing, and able to provide all items required by the City’s Invitation for Bids; and

WHEREAS, the City Council awarded the contract to the Supplier on April 2, 2024.

NOW, THEREFORE, in accordance with the City’s Invitation for Bids and the Supplier’s Bid Proposal, the following terms and conditions are agreed to:

- CONTRACT:** The contract consists of the following documents: this Letter of Agreement, the Invitation for Bids (IFB), the Supplier’s accepted bid, the 2-page memo from Supplier regarding “clarifications on bid proposal per meeting March 5, 2024,” and any agreed upon written changes to any of the foregoing documents. The contract documents are complimentary and what is called for in any one document shall be binding as if called for by all.
- PRICING:** Pricing provided in the bid proposal shall be firm and fixed for the term of the initial contract. The total contract sum is \$1,977,298.47, representing the total bid amount of \$1,792,655.00 and \$184,643.47 for sales tax at the current sales tax rate of 10.3%), subject to addition and deduction as provided in the contract documents. The payments to Supplier include the cost for all labor, tools, materials, equipment, and subcontracts for the work and equipment.
- DURATION:** Supplier will meet the following schedule of deliverables, which is based on language in the IFB:

Milestone/ Deliverable	Deadline
60% Review Set (Shop Drawings)	Completion 4 weeks from written Notice to Proceed from City.
100% Permit Set	Completion 4 weeks from written approval of the Shop Drawings from the City.
Material Procurement	Starts after written approval of the 100% Permit set from the City.
50% Fabrication	N/A
Delivery Onsite	Completion no later than 11 months from City’s written approval for supplier to begin material procurement.
Onsite Assistance	Completion concurrent with work of City’s Contractor.
Onsite Training	Completion within three (3) weeks of City’s request for training.
O&M Manuals	Completion within four (4) weeks of the Onsite Training.

- CITY APPROVAL OF SHOP DRAWINGS:** Following completion of the 60% Review Set drawings, the City will have up to forty-five (45) calendar days to give a written approval of shop drawings and notice to proceed to the next milestone (100% Permit Set). Once Supplier receives the City’s approval

to proceed, the Supplier can send the 60% Review Set to the engineer for calculated and stamped drawings.

**5. PAYMENT TERMS AND SCHEDULE OF WORK:**

Payment will be made consistent with the schedule below and for each milestone/deliverable will be made 30 calendar days after receipt of invoice. This work is stated in more detail in the IFB and Supplier’s accepted bid.

- A. **60% Review Set (Shop Drawings):** Supplier shall prepare Shop Drawings for the City’s review and approval. Shop drawings shall be revised as needed through an iterative process with the City of Kirkland. Completion of this milestone includes all modeling and drawing and details and is expected to occur through an iterative review process between the supplier and the City of Kirkland.
- B. **100% Permit Set:** This milestone includes the Supplier providing the City of Kirkland with all documents necessary to meet permit requirements, including structural drawings and calculations signed and stamped by a PE. This milestone includes the initial submittal and additional resubmittals, if necessary.
- C. **Material Procurement:** This milestone includes advance payment for material procurement for fabrication (containers, steel, stairs, LPG system, etc.). Supplier must not begin ordering materials specifically for this project until after City authorizes it in writing. To invoice, the Supplier must provide proof of payment for materials or proof of receipt and storage of materials. Materials shall be kept in a location with property insurance for which stored materials are covered.
- D. **50% Fabrication:** This milestone is complete when fabrication is 50% complete. Photos must be provided, showing progress, container numbers, and material storage for remaining fabrication.
- E. **Delivery Onsite:** Supplier shall deliver all containers onsite. Acceptance for the containers and/or other materials includes inspection and approval by the City’s project engineer. This milestone is complete once the containers have been approved by the City.
- F. **On-site Assistance:** Supplier will provide on-site assistance while the City’s contractor installs the containers. This milestone is complete once on-site assistance has been provided.
- G. **On-site Training:** City will request training to occur once containers are installed and City can schedule staff training time. Milestone complete when all training is complete.
- H. **O&M Manual:** Complete when the O&M Manual has been approved by City.

Milestone/ Deliverable	Percent	Percent Complete	Townhouse Prop	Mixed Use Prop	Total
60% Review Set	5%	5% complete	\$ 51,166.20	\$ 38,466.55	\$ 89,632.75
100% Permit Set	5%	10% complete	\$ 51,166.20	\$ 38,466.55	\$ 89,632.75
Material Procurement	10%	20% complete	\$ 102,332.40	\$ 76,933.10	\$ 179,265.50
50% Fabrication	20%	40% complete	\$ 204,664.80	\$ 153,866.20	\$ 358,531.00
Delivery Onsite	57%	97% complete	\$ 583,294.68	\$ 438,518.67	\$ 1,021,813.35
Onsite Assistance	1%	98% complete	\$ 10,233.24	\$ 7,693.31	\$ 17,926.55
Onsite Training	1%	99% complete	\$ 10,233.24	\$ 7,693.31	\$ 17,926.55
O&M Manuals	1%	100% complete	\$ 10,233.24	\$ 7,693.31	\$ 17,926.55
Totals			\$ 1,023,324.00	\$ 769,331.00	\$ 1,792,655.00

**6. CHANGE ORDERS:**

A. Changes in the equipment or scope of work (either increased, decreased, or modified scope) may be recognized and incorporated into the Contract solely by a written change order, which shall be based upon agreement among the Owner and Contractor.

B. Any Change Order that modifies or amends the Contract shall include details on (1) a change in the equipment or scope work, (2) the amount of any adjustment in the total contract sum, which shall be negotiated based on market value, and (3) the extent of any adjustment in the contract duration. The Change Order shall constitute full payment and final settlement of all claims for time and direct, indirect, and consequential costs, including costs of delays, inconvenience, disruption of schedule, or loss of efficiency or productivity, related to any equipment or work either covered or affected by the Change Order, or related to the events giving rise to the Change Order.

7. **WARRANTY:** The training prop containers (props) shall be covered by a (1) year warranty period, from the time of delivery acceptance, for workmanship & materials. Acceptance will be determined by the City of Kirkland at the time when all materials have been delivered. Supplier's warranty is limited to the repair, at Supplier's expense, of any portion of the equipment or work that is defective.

This warranty does not cover repairs required as a result of owner's abuse, misuse, negligence, or improperly or incorrectly performed maintenance, and this warranty shall be invalidated if repair is made by someone other than Supplier. This warranty shall apply to the City only and is not assignable.

Supplier warrants the sufficiency and accuracy of the plans and specifications provided by the Supplier. City warrants that it has performed an independent site investigation and determined that the container(s) is/are sufficient for city's intended purpose(s), and further determined that the container(s) may be installed on City's property.

Supplier shall in no event be liable for any incidental or contingent, special, or consequential damages arising out of the work performed by Supplier. Supplier shall in no event be liable for any death, injuries to persons, or damage to property arising out of the work performed by the City or the City's contractor installing the prop units, except to the extent such death, injuries, or damages are the result of Supplier's negligence or intentional misconduct.

8. **ASSUMPTION OF RISK, WAIVER, AND INDEMNIFICATION:** All live fire training is intended to be in compliance with the current edition of any applicable NFPA 1403 standards and requirements, which are incorporated here by this reference. Additionally, by purchasing the goods for use in fire training and acknowledging and understanding that its intended use is an inherently dangerous activity. Owner waives any claims against Supplier arising from or related to its inherently dangerous training activities and use of the goods. Supplier shall not be liable for property damage, bodily injury, or death which result from inherently dangerous use of the goods. Owner understands that its intended use involves risks and dangers which include, without limitation, the potential for serious bodily injury, sickness and disease, permanent disability, paralysis and loss of life, loss of or damage to equipment/property, exposure to extreme conditions and circumstances, accidents, inadequate safety measures, participants of varying skill levels, and other undefined risks and dangers which may not be readily foreseeable or are presently unknown (the "Risks"). Owner understands and expressly assumes all such Risks and responsibility for any damages, liabilities, losses, or expenses, which directly or indirectly arise from the inherently dangerous nature of the fire training activities and use of the container(s).

Owner hereby releases, waives, and covenants not to sue Supplier for claims or liability related to inherently dangerous use of the goods. Owner further agrees to indemnify, defend and hold Supplier harmless, from any liability, claims, demands, causes of action, damages, loss or expense, including court costs and reasonable attorney's fees of any kind or nature which may arise out of, result from, or relate to inherently dangerous use of the goods. However, Owner does not release or waive and shall not be required to defend or indemnify Supplier for claims arising from Supplier's negligence or

intentional misconduct or fraud.

9. **COMPLIANCE WITH LAWS:** The Supplier shall comply with all applicable federal, state, and local laws, rules, and regulations affecting its performance and hold the Purchaser harmless against any claims arising from the violation thereof. This requirement includes, but is not limited to, protection of public and employee safety and health; environmental protection; waste reduction and recycling; the protection of natural resources; permits; fees; taxes; and similar subjects.
10. **NON-COLLUSION:** The Supplier has certified that their firm has not entered into any agreement of any nature whatsoever to fix, maintain, increase, or reduce the prices or competition regarding the items covered in this Invitation for Bids.
11. **FREIGHT TERMS:** Quoted price is to include delivery to designated location (Fire Station 24, 9824 NE 132nd St, Kirkland, WA 98034). Shipping will be FOB destination and includes delivery.
12. **NON-DISCRIMINATION:** The City of Kirkland requires that no person shall, on the grounds of race, religion, color, national origin, sex, age, marital status, political affiliation, sexual orientation, or the presence of any sensory, mental or physical disability be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. The City of Kirkland further assures that every effort will be made to ensure non-discrimination in all of its programs and activities, whether those programs are federally funded or not.
13. **TERMINATION:** Upon ten (10) days' written notice to Supplier, the City may, for its convenience and without cause, elect to terminate this Contract or any portion of this Contract. In such event, the City shall (subject to the limitation set forth in the Payment Terms and Schedule of Work) pay Supplier for that portion of the Contract Price that corresponds to the percentage of completion of Work in accordance with the Deliverables, plus the reasonable administrative costs of and fee on completed scope of work prior to the termination, but shall not be entitled to any other costs or damages whatsoever (including profit on terminated scope of work).

IN WITNESS WHEREOF, the parties hereto have executed this Purchase Letter of Agreement to be effective on the dates written below:

SUPPLIER:

CITY OF KIRKLAND:

By: Taylor Rowan  
Taylor Rowan (Oct 14, 2024 10:49 PDT)

By: Julie Underwood  
Julie Underwood (Oct 14, 2024 12:01 PDT)  
Julie Underwood, Deputy City Manager

Name: Taylor Rowan

Title: Owner

Date: Oct 14, 2024