

December 11, 2020

**SOLICITATION ADDENDUM NO. 1
RFP 20-0014**

**CM/GC for Beaverton Academy of Science and Engineering (BASE) Career and Technical
Education (CTE) Project**

THE FOLLOWING CHANGES/ADDITIONS TO THE ABOVE CITED SOLICITATION ARE ANNOUNCED:

This Addendum modifies the Request For Proposal (RFP) document(s) only to the extent indicated herein. All other areas not changed or otherwise modified by this Addendum shall remain in full force and effect. This Addendum is hereby made an integral part of the RFP document. Bidder must be responsive to any requirements of this Addendum as if the requirements were set forth in the RFP. Failure to do so may result in Proposal rejection. See the RFP regarding requests for clarification or change and protests of this Addendum, and the deadlines for the foregoing.

This addendum is to be acknowledged in the space provided on the Bidder Certification form supplied in the solicitation document. Failure to acknowledge receipt of this addendum may be cause to reject your offer.

The closing date **REMAINS UNCHANGED: December 18, 2020 at 2:00 PM Pacific Time**

CHANGES:

- 1) The page headers are hereby changed to the following:
 - The third and fourth pages are changed to "SECTION I – INTRODUCTION"
 - The fifth through the eleventh pages are changed to "SECTION II – STATEMENT OF WORK"
 - The ATTACHMENT E, F, and G headers are all changed to reference "SECTION VI – ATTACHMENTS".
- 2) SECTION II – STATEMENT OF WORK, 2. PROJECT GOALS: d. is hereby removed and replaced with the following:

d. Programming Narrative and Project Layout: Proposers shall deliver a project and program consistent with ATTACHMENT I – PROGRAMMING NARRATIVE AND PROJECT LAYOUT.
- 3) The project budget included in in SECTION II – STATEMENT OF WORK, as written under both 1. PURPOSE AND INTRODUCTION and 6. DESCRIPTION OF SERVICES is hereby changed from \$850,000.00 to \$1,200,000.00.
- 4) The Project Budget listed under SECTION V – RESPONSE AND EVALUATION, as written under both iv. CMGC and Value Engineering experience and plan and vii. Fees and Compensation (called "construction cost in this paragraph), is hereby changed from \$850,000.00 to 1,200,000.00.
- 5) The \$850,000.00 written on SECTION VI – ATTACHMENTS, ATTACHMENT F is hereby changed to \$1,200,000.00.
- 6) The following language is added to the end of SECTION II – STATEMENT OF WORK, 6. DESCRIPTION OF SERVICES:, a Phase 1, paragraph vii:

Although all work must be completed by August 13, 2020, the District must receive the final billing for all Work for processing no later than August 8, 2020. This will be the only exception from the regular billing and invoicing language under the Sample Contract.
- 7) The version of ATTACHMENT I – PROGRAMMING NARRATIVE AND PROJECT LAYOUT attached to this Addendum 1 is hereby added to the RFP. ATTACHMENT I is added to the same section of the PROPOSAL SUBMISSION CHECKLIST as ATTACHMENTS G and H, below ATTACHMENT H.
- 8) The following is added under SECTION I – INTRODUCTION, 9. SOLICITATION SCHEDULE, Solicitation Milestones:

Interviews (if required by the District)	January 11, 2020 (10:00 AM – 12:00 PM)
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9) The AIA A101-2017 that was included in ATTACHMENT G Sample Contracts is hereby removed. The attached Control Agreement is hereby added to the Sample Contract and must be executed if the CM/GC chooses for retainage to be held in its own account. Alternatively, the CM/GC may choose to provide a retention bond, in which case the control agreement will not be executed. All other documents in ATTACHMENT G remain unchanged.

QUESTIONS/ANSWERS:

Question: What is the budget for this project? Is this budget include contractor contingency?

Answer: The project budget has been changed from \$850,000.00 to \$1,200,000.00. Please see Changes 2) through 4) for the resulting changes to the Solicitation Documents. The project budget includes the CM/GC's construction contingency.

Question: Can you provide the As-Builts?

Answer: The District is not providing comprehensive as-built drawings, but has included a project Layout ATTACHMENT I (Added by this Addendum 1).

Question: Has there been a determination on if BSD will be handling moving, relocating, staging, etc. of all the "FF&E" items, or will this be part of the GC scope?

Answer: The CM/GC should assume that the majority of moving and logistics for items such as furniture, staff resources, and belongings will be handled by the District. The contractor will be required to coordinate with District staff and their potential logistics contractors on these items and they will need to be incorporated into the overall CM/GC project schedule. The CM/GC will be required to support moving and relocating of certain large and fixed items (e.g., heavy equipment, dust collector, etc.). Staging will be made available in the adjacent parking areas and the contractor can assume that an office space will be made available during construction activities therefore no construction trailer will be required. The CM/GC must provide restroom facilities and handle all job waste and recycling.

Question: Are there any updates on occupancy?

Answer: Not currently. There are empty spaces where there are not programs currently happening. The District will circle around to verify access availability and utilize open spaces for staging as needed. There may be a hybrid model of teaching in March but we are unsure of this currently. Everything depends on county metrics. There are teachers on site but for the most part, the building is unoccupied. While the District will strive to accommodate construction, Proposals shall assume some level of occupied construction.

Question: Is there part of the Grant that is being reserved for new AV and Tech upgrades?

Answer: Any AV/Tech upgrades shall be proposed as part of the Project budget, and shall be in accordance with the program needs. See ATTACHMENT I for a more detailed program narrative.

Question: The RFP requests a "phasing plan" be submitted with our response. Aside from the job walk and verbal description of the project, at this time there are no plans to provide a preliminary phasing plan. Please further describe the expectations of this proposal request.

Answer: The phasing plan should be based on the revised programming layout and project narrative provided in this addendum. It should describe how the contractor would phase the work based on this preliminary information. This information is preliminary and is subject to change.

Question: Similar to the above, the proposal asks for a construction schedule. Without a set of documents, it is difficult to provide a schedule. Please indicate construction schedule expectations.

Answer: **Similar to the previous question, the draft construction schedule should demonstrate the contractor's best preliminary plan to complete the work by the final completion date of Aug. 13th based on the provided documentation/information in the Solicitation Documents. As this is a CM/GC project, we are looking for the contractors to provide their best schedule based on this preliminary knowledge to show how this work could be completed by the stated deadline.**

Question: TRC is indicated as the vendor for "asbestos services." Please confirm this would be limited to testing/survey/monitoring only, and any abatement would be part of the GC scope.

Answer: **Correct, we assume no asbestos containing or hazardous materials in this building. However if any are uncovered or encountered during construction it would be the responsibility of the CM/GC to cover this work.**

Question: How much of the casework is going to be repurposed, relocated?

Answer: **We are only moving cabinetry in one classroom.**

Question: Are the motorcycles classes still scheduled?

Answer: **Normally yes, they are through PCC and on the weekends but due to the pandemic they have not been happening due to the pandemic.**

Question: Are any of the adjacent buildings going to be occupied?

Answer: **The programs within this building are special education which is not currently occupied and to the far east is Nutrition services and they are there. The special education area next to Nutrition services is offering limited in person instruction. Not large numbers of people. The west side of the building is Wells Fargo and they are independent of us and are completely occupied.**

Question: Is it acceptable to have a separate pollution policy outside of our general liability policy as long as the insurance limits are met?

Answer: **Yes, so long as all insurance requirements are met.**

Question: Under item #1.9 in exhibit E Insurance requirements, it states: the contractor shall require all subcontractors to provide and maintain general liability, auto liability, profession liability (as applicable) , and works compensation insurance with coverage equivalent to those required of the general contractors in this agreement. – is it acceptable for subcontractors to have the state and district's minimum requirements for insurance requirements in lieu of equivalent general contractors insurance coverages?

Answer: **The intent of that language is to require the sub contractor to carry the same WC coverage as the prime contractor in terms of what is required under the Solicitation. If the Prime Contractor's coverage exceeds that required in the Solicitation, then sub contractors are still only required to carry coverage that meets the Solicitation requirement.**

Question: Under section 7 Builders risk insurance in Exhibit E subsection 5 “Insured loss” - If the District wishes to have sole power to adjust the claim they will need to provided the Builders risk policy. Please confirm if the district will provide this policy or if the contractor is to provide the policy and be able to adjust the langue in this portion of the insurance requirements.

Answer: **The District is not expected to carry the Builder’s Risk policy. The Solicitation Requirements will not be changes at this time, but the language may be discussed during Contract negotiations with the Awarded Contractor.**

Question: The A133-2009 references specifically the A201-2007, while the attached is the A201-2017. The issue this causes is that the A201-2007 and A201-2017 are different documents that have been reworked and have different language in different sections. For example, §6.3.3 of the A133-2009 references Section 13.5.3 of A201-2007. In the A201-2017, no Section 13.5.3 exists. Also the A201-2007 is no longer a valid document that can be finalized in the AIA system. Furthermore, there is an AIA A101-2017 that is attached, but the RFP specifies that the A133-2009 is the correct document to use. Please specify which contract and version are to be used for the RFP?

Answer: **The Sample Contract consists of the A133-2009 (modified), A133-2009 Exhibit A (modified), and A201-2017 (modified). The awarded contractor will be required to sign a contract substantially similar to the Sample Contract. The identified discrepancies/broken references can be resolved in the awarded contract without changing substantial similarity. The AIA A101-2017 was included in the package in error and is removed (see Changes 9.)**



15895 SW 72ND AVE
SUITE 200
PORTLAND, OR 97224
PHONE: 503.226.1285
FAX: 503.226.1670
INFO@CIDAINC.COM
WWW.CIDAINC.COM

BASE CTE – Scope of Work Narrative

December 10, 2020

PROJECT DESCRIPTION

The BASE CTE 2020 project is an interior renovation to accommodate relocation and consolidation of key program pathways, namely the Biomedical and Engineering pathways. Key concepts of this renovation and consolidation are to capitalize on under-utilized classroom spaces, relocate program functions to spaces more suitable to each programs' needs and reestablish critical program adjacencies. The attached Programming Layout indicates the affected classrooms and their locations both before and after this renovation. All work associated with this project is within the existing building envelope with exception of roof penetrations to accommodate HVAC modifications as noted below. Structural work will be limited to roof bracing at new roof mechanical equipment and equipment seismic bracing as needed.

SCOPE OF WORK

General (Applies to all locations)

Architectural:

Where demo work is noted finishes shall be patched/repaired to match adjacent finishes for 'like new' appearance. Walls in all affected spaces (with exception of Electrical Room south of 1207) to receive new coat of latex paint to match existing. BSD to be responsible for relocation of all non-anchored equipment and furnishings except as otherwise noted below.

Electrical:

All existing lights in renovated rooms will be replaced with LED and updated lighting controls. General receptacles will be relocated or added based on final layout of classroom.

Mechanical:

Existing HVAC systems supplying rooms to be rebalanced as needed for occupancy changes. Code required outside air levels to be updated/alterd as required.

Engineering Program

A. Relocate Wood Shop from Room 1023 to 1207 (Displaces Wet Lab)

Architectural:

Replace countertop with new p-lam countertop at existing casework along south wall of 1207 (Reference plumbing scope below). GC will be responsible for moving CNC machine to new space. BSD will relocate all other existing shop equipment.

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Electrical:

New electrical connections will be required for all the shop tools which includes an industrial router, (3) routers, table saw, industrial planer, (2) jointers, (12) sanders, bandsaw, drill press, and sanding table. General receptacles in combination with pendant receptacles will be needed for mobile student workstations. The new circuits required for this room will be fed from the electrical room south of room 1207.

Plumbing:

Existing sinks in Room 1207 to be relocated to Room 1061. Existing plumbing associated with removed sinks to be demoed and capped below floor and in walls.

Mechanical:

New dust collection trunk lines to be installed in space for usage with CNC machine and shop tools. Trunk lines to connect to new dust collection system in adjacent ELEC space. Existing HVAC systems and OSA values to be rebalanced to meet code and additional exhaust values.

B. Electrical Room (Adjacent to/South of Room 1207)

Architectural:

Install and anchor new pre-fabricated bench-type spray booth. Construct new storage closet with dedicated exhaust for hanging and drying/curing of freshly finished wood projects.

Electrical:

New electrical connections will be required for the new spray booth and relocated air compressor. The new circuits required for this room will be fed from this room.

Plumbing:

Relocated air compressor to be plumbed to provide air supply for equipment hookups in Rooms 1207 & 1209.

Mechanical:

See general work. New dust collection system to be installed and serve adjacent space 1207 trunk lines.

C. Relocate Maker Space from Room 1034 to 1209 (Displaces Chem Lab)

Architectural: Relocate min. of (8) and max. of (10) lab stations to 1023 & 1025. If not all (10) are accommodated with design for new location coordinate storage/salvage requirements of remaining lab stations with BSD. Patch/repair wall and floor finishes at locations of removed lab stations.

Electrical:

New electrical connections will be required for (10) 3D printer stations, (1) large printer, (3) medium printers, (6) small printers, (1) wide format printer and laminator, embroidery machine and computer, and (2) vinyl cutting stations. New electrical and internet connections will be required for (2) laser engravers. A flex work area will house sewing machines, plastic injection molding stations, and a pewter casting station that will not require permanent power connections. The new circuits required for this room will be fed from the electrical room south of room 1207.



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Plumbing:

Existing lab benches from Room 1209 to be relocated to Rooms 1023 & 1025. Existing plumbing associated with removed sinks to be demoed and capped below floor and in walls. New air hookups for equipment in Room 1209 to be provided with supply from relocated air compressor located in Electrical Room.

Mechanical:

See general work. Provide duct from bench mounted spray booth to outside.

D. Relocate Computer Lab from Room 1025 to 1208 (Displaces Motion Lab)

Architectural:

Remove anatomical heart painting on floor and replace resilient tile as needed.

Electrical:

New electrical and wired internet connections will be required for (32) computer workstations. A new electrical connection will be required for a projector or tv. The new circuits required for this room will be fed from the electrical room south of room 1207.

Plumbing:

No plumbing in Room 1208.

Mechanical:

See general work.

E. Relocate Engineering Classroom from 1045 to 1205 (Displaces BioMed Classroom)

Architectural:

See general work.

Electrical:

New power strips are to be installed on the walls at student workstations. The new circuits required for this room will be fed from the electrical room south of room 1207.

Plumbing:

All plumbing to remain as-is in Room 1205.

Mechanical:

See general work.

BioMedical Program

A. Relocate BioMed Classroom from Room 1205 to 1012 & 1013

Architectural:

Demo wall between 1012 and 1013 and patch/repair floor, wall and ceiling finishes to match adjacent condition. GC responsible for relocation of Anatomage digital cadaver table from 1205 to 1012. New casework to include upper and lower casework at north wall of 1012 and new teacher demonstration table. Add fire-rated relites (size TBD) to common wall between 1013 and corridor.

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Electrical:

Floor receptacles will need to be added including HDMI, CAT-5, and Power for two projectors and screens. Receptacles will be required at all the student work stations. The new circuits required for these rooms will be fed from the electrical room south of room 1013.

Plumbing:

Existing sinks & Eyewash in Room 1012 to remain as-is. Provide Cold water for new Ice Machine. Provide Natural Gas for demo purposes. There is no existing or added plumbing in Room 1013.

Mechanical:

See general work.

B. Relocate Chem Lab from 1209 to 1023 & 1025

Architecture:

Demo wall between 1023 and 1025 and patch/repair floor, wall and ceiling finishes to match adjacent condition. Install new fire-rated relite assembly (size TBD) in common wall with corridor. New casework to include new upper cabinets at lab stations and teacher demonstration table with sink.

Electrical:

Receptacles will be added for (8) lab spaces and a demonstration table. New electrical connections will be required for refrigerator, freezer, microwave, dishwasher, fume hood, and ice machine if added to this classroom. The new circuits required for these rooms will be fed from the existing panel in room 1023. New electrical connections will be required for a fume hood if added to this classroom. The new circuits required for this room will be fed from a location determined further into design.

Plumbing:

Existing lab benches from Room 1209 to be relocated to Rooms 1023 & 1025. New Hot water, Cold water, Waste, Vent & Natural Gas will need to be provided to each lab bench. Existing Emergency Shower Eyewash station with associated hot water heater from Room 1209 to be relocated to Room 1023. New Cold water to be provided to eyewash hot water heater.

Mechanical:

See general work.

C. Relocate Chem Storage from Room 1211 to 1038

Architectural:

See general scope of work.

Mechanical:

See general scope of work.

Electrical:

See general scope of work.

Plumbing:

See general scope of work.

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D. Relocate Motion Lab from 1208 to 1034

Architectural:

Install fire-rated relite (size TBD) in common wall with corridor. Provide up to (4) anatomical diagrams on floor (heart, brain, CNS, PNS). Install (2) force plates flush with finish floor.

Electrical:

New electrical connections will be required for fitness equipment. CAT5 and power routed on/above ceiling for cameras. Receptacles will be required at all the student work stations. The new circuits required for this room will be fed from the electrical room south of room 1013.

Plumbing:

No plumbing in Room 1034.

Mechanical:

See general work. Existing HVAC capacity to be verified for exterior windows solar load/heat losses; HVAC systems supplying area along new windows to be rebalanced for new solar load/heat losses.

E. Create new Ward space in Room 1032 (Displaces Math/Green Arch)

Architectural:

See general work.

Electrical:

See general work. The new circuits required for this room will be fed from the electrical room south of room 1013.

Plumbing:

No plumbing in Room 1032.

Mechanical:

See general work.

Other

A. Relocate Math/Green Arch to vacated 1045

Architectural:

See general work.

Electrical:

See general work.

Plumbing:

See general work.

Mechanical:

See general work.

B. Relocate Wet Lab from Room 1207 to 1061

Architectural:

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Remove flooring and finish (grind/seal) concrete slab. New upper and lower casework at wet walls.

Electrical:

See general work.

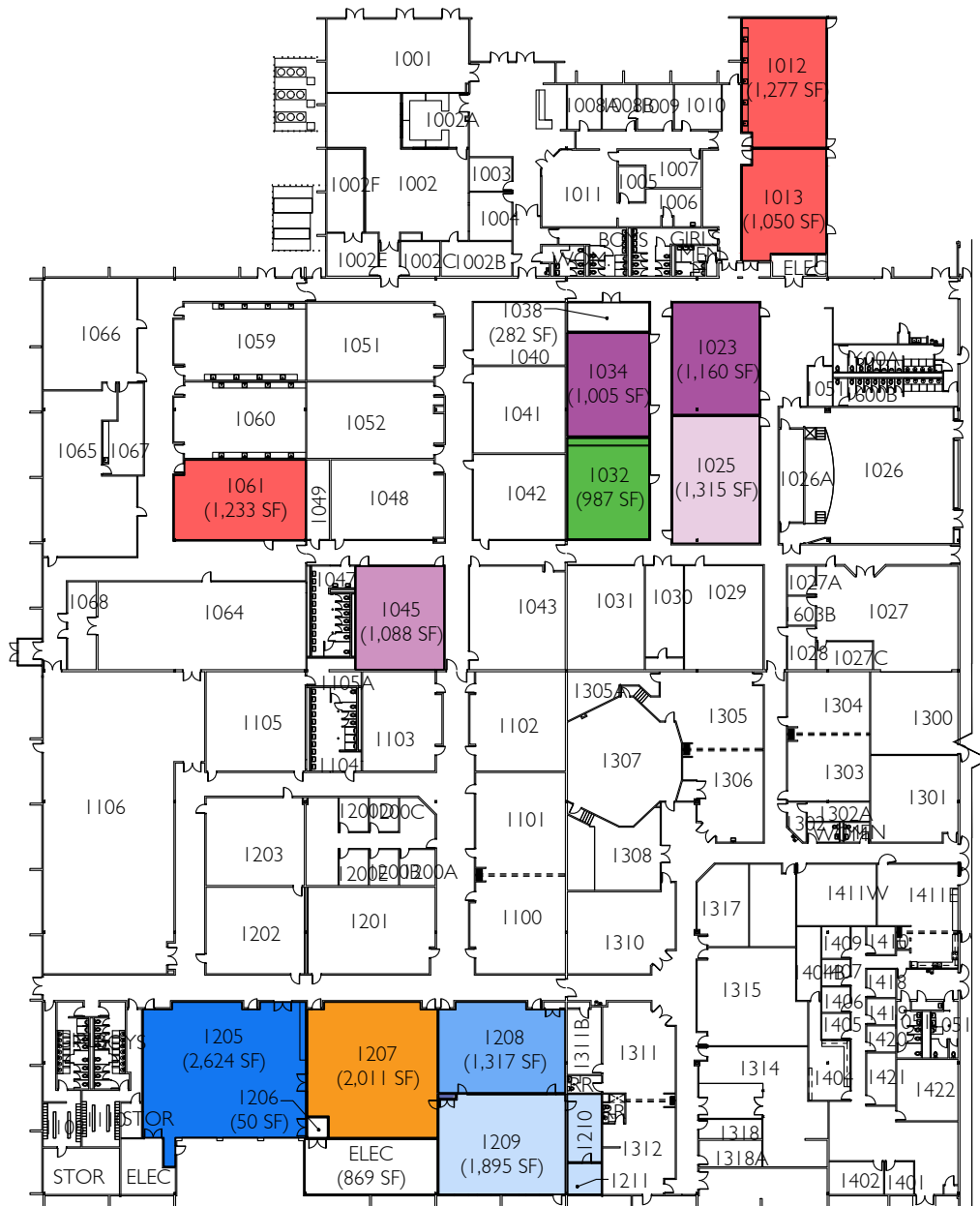
Plumbing:

Existing 8 sinks from Room 1207 to be relocated to Rooms 1061. New Hot water, Cold water, Waste & Vent will need to be provided to each sink. Existing Emergency Shower Eyewash station with associated hot water heater from Room 1207 to be relocated to Room 1061. New Cold water to be provided to eyewash hot water heater.

Mechanical:

See general work.

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EXISTING PLAN
1/64" = 1'-0"



PROPOSED PLAN
1/64" = 1'-0"

LEGEND

EXISTING		
	CHEM LAB	(1,895 SF)
	MOTION LAB	(1,317 SF)
	BIOMED LAB/ ANATOMY	(2,624 SF)
<hr/>		TOTAL EXST. BIOMED SPACE
	ENGINEERING COMPUTER LAB	(1,315 SF)
	ENGINEERING CLASSROOM	(1,088 SF)
	ENGINEERING SPACE/ MAKER SPACE	(2,165 SF)
<hr/>		TOTAL EXISTING ENGINEERING SPACE
	'OTHER' CLASSROOM	(3,560 SF)
	SCIENCE WET LAB	(2,011 SF)
	MATH/ GREEN ARCH	(987 SF)
PROPOSED		
	WARD	(987 SF)
	CHEM LAB	(2,757 SF)
	MOTION LAB	(1,005 SF)
	BIOMED LAB/ ANATOMY	(2,327 SF)
<hr/>		TOTAL PROPOSED BIOMED SPACE
	ENGINEERING COMPUTER LAB	(1,317 SF)
	ENGINEERING CLASSROOM	(2,624 SF)
	ENGINEERING SHOP/ MAKER SPACE	(4,775 SF)
<hr/>		TOTAL PROPOSED ENGINEERING SPACE
	SCIENCE WET LAB	(1,233 SF)
	MATH/ GREEN ARCH	(1,088 SF)

EXISTING AND PROPOSED PROGRAMMING LAYOUTS

BSD BASE CTE PROGRAM RENOVATION

BEAVERTON, OR

1/64" = 1'-0"

CONTROL AGREEMENT (FOR DEPOSIT OF SECURITIES AND BONDS IN LIEU OF
RETAINAGE) AND PLEDGE AND SECURITY AGREEMENT

This “Agreement” is entered into as of ____ day of [Month] [Year], by and between the following parties (collectively the “parties”):

[Contractor’s Name] (the “**Pledgor**”)
[Address line 1]
[Address line 2]

Beaverton School District (the “**Secured Party**”)
16550 SW Merlo Road
Beaverton, OR 97003

[Contractor’s Financial Institution] (the “**Intermediary**”)
[Address line 1]
[Address line 2]

The purpose of this Agreement is to: (1) Effectuate **Pledgor’s** election, pursuant to and in compliance with ORS 279C.560 to ORS 279C.570 and OAR 137-049-0820, 137-049-0830 and 137-049-0840, to deposit securities and bonds in lieu of retainage for the following contract with **Secured Party**: Project Number: [#####], Project Title: [Project name]; (2) Provide for and authenticate **Pledgor’s** pledge and grant of a security interest to **Secured Party** in the assets described below; (3) Set forth the terms of this control Agreement between the parties and perfect **Secured Party’s** security interest by control; and (4) Establish the arrangement with and provide notice and instructions to the **Intermediary** respecting the account and assets described below.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the parties agree as follows, and **Pledgor** and **Secured Party** provide the following instructions to **Intermediary**:

1. **Pledgor** hereby pledges and grants to **Secured Party**, to secure **Secured Party’s** rights to retainage and **Pledgor’s** performance under the above-described contract (the “Construction Contract”), a security interest in all of **Pledgor’s** right, title and interest in and to “Account” no. _____, in the name of [Contractor’s Name] – [Project Name] Project at **Intermediary**, and in and to all securities, bonds, instruments, financial assets, investment property and all other property now or hereafter held in such Account from time to time, all securities entitlements in and to the foregoing collateral, all books and records relating thereto, and all proceeds of the foregoing (collectively the “Pledged Assets”).
2. **Intermediary**, which is a securities **Intermediary**, is instructed to and has or shall establish the above-described Account, which is a securities account, and shall place the Pledged Assets in the Account; provided, however, that to qualify as Pledged Assets to be deposited in the Account the securities or bonds must be of the type or character identified in ORS 279C.560 and OAR 137-049-0820 (3) (a) (B).

CONTROL AGREEMENT (FOR DEPOSIT OF SECURITIES AND BONDS IN LIEU OF
RETAINAGE) AND PLEDGE AND SECURITY AGREEMENT

3. As required by OAR 137-049-0820 (3) (a) (A): the Pledged Assets will be held by **Intermediary** in fully transferable form and under the control of **Secured Party**; non-negotiable Pledged Assets shall have proper instruments attached to enable **Secured Party** to effect transfer of title should **Pledgor** be unable to fulfill its obligations under the Construction Contract; **Intermediary** will issue a safekeeping receipt for the Pledged Assets to **Secured Party**, which will describe the Pledged Assets, the par value, the name of the **Pledgor** and the above-identified project title and contract number; the value placed on the Pledged Assets shall be market value; and the Pledged Assets and the proceeds of the Pledged Assets will be released by **Intermediary** only upon the written instructions and authorization of **Secured Party**. The Pledged Assets offered or deposited by **Pledgor** must be transferable, for example, while time certificates of deposit issued by a commercial bank, savings and loan association or mutual savings bank, duly authorized to do business in Oregon, are permitted by OAR 137-049-0820 (3) (a) (A), such time certificates of deposit shall not be of a nontransferable type or nature.
4. As long as the Pledged Assets are pledged to **Secured Party** and are subject to **Secured Party's** security interest granted to it by **Pledgor** under this Agreement, **Intermediary** will not invade the Pledged Assets to cover any margin debits, calls or other amounts **Pledgor** may owe **Intermediary**, and **Intermediary** subordinates in favor of **Secured Party** any security interest, lien or right of setoff **Intermediary** may have, and acknowledges that neither it, its subsidiaries or its affiliates has or will assert a lien on the Pledged Assets.
5. **Pledgor** represents and warrants that it is the sole owner of the Pledged Assets and that they are free and clear of any liens or encumbrances, and agrees that except for the pledge and security interest granted under this Agreement, no further or additional liens or encumbrances have or will be placed on the Pledged Assets or any part of the Pledged Assets without the express written consent of both **Secured Party** and **Intermediary**.
6. **Intermediary** shall maintain the Pledged Assets, or the proceeds from the sale of the Pledged Assets, together with any income derived there from, but **Pledgor** and **Secured Party** agree that **Intermediary** shall not be held responsible for any market decline in the value of the Pledged Assets.
7. **Intermediary** shall provide to **Secured Party**, with a duplicate copy to **Pledgor**, monthly statements of the Account and of the Pledged Assets and confirmations of any transactions involving the Pledged Assets. The monthly statements to the **Secured Party** shall be mailed to the following:

Tracy Westerfield, Treasury Specialist
Beaverton School District
16550 SW Merlo Road
Beaverton, OR 97003
8. **Pledgor** consents and agrees that the only instructions that shall be given to **Intermediary** respecting the Account or the Pledged Assets shall be given by **Secured Party**. **Intermediary** shall comply with all transfer and redemption notices and other instructions originated by **Secured Party** with respect to the Pledged Assets or any portion of the Pledged Assets, without

CONTROL AGREEMENT (FOR DEPOSIT OF SECURITIES AND BONDS IN LIEU OF
RETAINAGE) AND PLEDGE AND SECURITY AGREEMENT

further consent of **Pledgor**. **Intermediary** shall comply with all notices and instructions from **Secured Party**, and **Intermediary** shall have no duty to determine whether **Secured Party** is acting properly, even if **Pledgor** directs **Intermediary** not to follow **Secured Party's** instructions. **Intermediary** shall not comply with any order or instruction originated by **Pledgor** or any person other than **Secured Party** to sell, transfer, substitute or redeem any of the Pledged Assets, without **Secured Party's** prior written consent; provided, however, that until **Secured Party** shall have notified **Intermediary** otherwise in writing, **Secured Party** consents to **Pledgor** substituting securities (that qualify as provided in paragraph 2 above) of equal or greater value for securities that have matured or have been called by the issuer of the securities, and **Intermediary** may act on such substitution requests by **Pledgor**, but only if the qualifying securities of equal or greater value are deposited in the Account in compliance with the terms of the Agreement and before the securities that have matured or have been called are removed from the account.

9. **Intermediary** represents and warrants that (as is required by ORS 279C.560) it is a bank or a trust company and acknowledges that this Agreement constitutes written notification to it, pursuant to Articles 8 and 9 of the Uniform Commercial Code of the State of Oregon and any applicable federal regulations for the Federal Reserve Book Entry System, of **Secured Party's** security interest in the Pledged Assets. The parties also have entered into this Agreement to provide for **Secured Party's** control of the Pledged Assets and to perfect and confirm the first and exclusive priority of **Secured Party's** security interest in the Pledged Assets. **Intermediary** agrees to promptly make and thereafter maintain all necessary entries and notations in its books and records to reflect **Secured Party's** security interest in the Pledged Assets.
10. The market value of Pledged Assets maintained in the Account at any time must at a minimum equal the amount of any then current retainage under the Construction Contract. The market value of the Pledged Assets will be determined by **Intermediary** on at least a monthly basis and will be included in the monthly statements provided by **Intermediary** pursuant to paragraph 7 above. If at any time the market value of Pledged Assets is insufficient to cover the retainage, **Pledgor** shall deposit additional Pledged Assets to increase the total value of the Pledged Assets to cover the retainage, and until **Pledgor** does so, **Secured Party** may withhold retainage from any payments otherwise due to **Pledgor**.
11. Any reductions in the required retainage, or elimination of the retainage requirement for the Construction Contract, that may be requested by **Pledgor** shall be governed by the provisions of ORS 279C.560 and supplementing administrative rules. **Secured Party** will authorize release of the Pledged Assets to **Pledgor** at such time as **Secured Party** determines the project under the Construction Contract has been satisfactorily and finally completed, **Secured Party** has received from **Pledgor** all documentation necessary for release of all liens (if applicable), and **Secured Party** is satisfied that the Construction Contract has otherwise been fully performed.
12. **Pledgor** agrees that it is solely responsible for all fees and compensation due or to become due to **Intermediary**, and such fees and compensation shall not be charged against the Pledged Assets. **Pledgor** agrees that, as provided by law, **Secured Party** may recover from **Pledgor** all costs

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incurred by **Secured Party** in connection with the retainage and deposits in lieu of retainage and may do so by reducing the final payment to **Pledgor** under the Construction Contract.

13. **Pledgor** agrees to sign and deliver to **Secured Party** any other notices or writings **Secured Party** may deem necessary or desirable to perfect **Secured Party's** security interest in the Pledged Assets, including but not limited to a Uniform Commercial Code financing statement.
14. This Agreement, which includes the pledge and security agreement, the control agreement and the notice and instructions to **Intermediary**, and all other agreements, terms and provisions of this Agreement, shall be governed by and construed in accordance with the laws of the State of Oregon without regard to principles of conflicts of laws.
15. **Secured Party** shall have and may exercise any or all of the rights and remedies of a secured creditor under the provisions of the Uniform Commercial Code of the State of Oregon, at law, in equity, under this Agreement, or otherwise. All such rights and remedies shall be cumulative and may be exercised singularly or concurrently.
16. This Agreement shall be binding upon and inure to the benefit of the heirs, successors and assigns of the respective parties; provided, however, that **Pledgor** shall have no right to assign any rights or obligations with respect to the Pledged Assets except as may be provided in this Agreement.
17. This Agreement cannot be waived, altered or amended in any manner without the express written approval of all parties. If any term or provision of this Agreement is determined to be invalid or unenforceable, the remainder of this Agreement shall be construed in all respects as if the invalid or unenforceable term or provisions were omitted.
18. This Agreement may be executed in counterparts and each such counterpart shall be deemed an original and all such counterparts, taken together, shall constitute a single agreement. This Agreement shall be effective when counterparts have been executed by each of the parties.
19. **Intermediary** may terminate this Agreement at any time by giving 30 days advance written notice to the other parties. During the 30-day period following **Secured Party's** receipt of the notice, **Intermediary** shall continue to maintain the Account and the Pledged Assets and continue to comply with any orders or instructions it may receive from **Secured Party** with respect to the Pledged Assets, including but not limited to orders to transfer the Pledged Assets to any account designated by **Secured Party**. Unless so terminated, this Agreement shall remain in effect until **Secured Party** notifies **Intermediary** in writing that it no longer claims a security interest in the Pledged Assets.

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PLEDGOR:

[Name], [Title] Date
(Signature of authorized signer)

SECURED PARTY:

Tracy Westerfield, Treasury Specialist Date

Jason Guchereau, Finance Manager Date

INTERMEDIARY:

[Name], [Title] Date
(Signature of authorized signer)