



SOURCEWELL – WASHINGTON PARTICIPATION AGREEMENT

Sourcewell Agreement No.: 120822-MMR

Contract Category: Relocatable Building Solutions

Awarded Contractor: McGrath RentCorp DBA Mobile Modular Management Corp.

Washington Statewide Contract No.: 01124

This Participation Agreement (“Participation Agreement”) for the above referenced Sourcewell Cooperative Purchasing Agreement (“Sourcewell Agreement”) 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 McGrath RentCorp DBA Mobile Modular Management Corp., a California Corporation, (“Contractor”) and is dated and effective as of March 1st, 2024.

RECITALS

- A. The Washington State Legislature created Enterprise Services to function, in part, as Washington State’s central procurement authority for goods and/or services and authorized Enterprise Services to enter into contracts on behalf of the State to provide goods and/or services for state agencies and other designated entities. See RCW 43.19.005 and 43.19.011; *see also*, RCW 39.26.050.
- B. The Washington State Legislature further authorized Enterprise Services, on behalf of the State of Washington, to participate in cooperative purchasing agreements with designated entities (e.g., other states engaged in public procurement for goods and/or services) to utilize their competitively solicited and awarded contracts to procure goods and/or services and to make such contracts available to Washington state agencies and designated eligible purchasers, to function as enterprise procurement solutions, consistent with terms and conditions set forth by Enterprise Services. See RCW 39.26.060.
- C. Sourcewell is a State of Minnesota local government unit and service cooperative created by the Minnesota legislature under the laws of the State of Minnesota (Minnesota Statutes Section 123A.21). See Minn. Const. art. XII, sec. 3. Under its enabling statute, Sourcewell is authorized to provide cooperative purchasing services to eligible members. Minn. Stat. § 123A.21 Subd. 7(23). Sourcewell follows the competitive contracting law process to solicit, evaluate, and award cooperative purchasing contracts for goods and services (Sourcewell Agreements). Sourcewell Agreements are made available through the joint exercise of powers law to eligible agencies. Minn. Stat. § 471.59 (2019).
- D. Pursuant to an Interagency Joint Powers Agreement between Enterprise Services and Sourcewell, Enterprise Services may participate in and authorize participation in competitively procured Sourcewell Agreements.

- E. The above-referenced Sourcewell Agreement is the result of a competitive solicitation process undertaken by Sourcewell.
- F. Enterprise Services timely provided public notice, through Washington’s Electronic Business Solutions (WEBS) system, of the competitive solicitation process conducted by Sourcewell.
- G. Sourcewell, as part of its competitive solicitation process, evaluated all responses to its procurement and identified Contractor as an apparent successful bidder and awarded the above-referenced Sourcewell Agreement to Contractor.
- H. Enterprise Services has determined that participating in this Sourcewell Agreement is in the best interest of the State of Washington.
- I. The purpose of this Participation Agreement is to enable eligible purchasers, as defined herein, to utilize the Sourcewell Agreement as conditioned by this Participation Agreement.

AGREEMENT

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

- 1. TERM.** This Participation Agreement is effective as of the first date written above and continues for the duration of the term of the Sourcewell Agreement unless terminated earlier as set forth herein.
- 2. SCOPE.** This Participation Agreement covers the above-referenced contract category for the above-referenced Sourcewell Agreement with the above-referenced awarded Contractor. The scope of this Participation Agreement is limited to rent or purchase of prefabricated Relocatable Building Solutions. This Participation Agreement does not cover any services that would qualify as Public Works, Architecture and Engineering Services, or Engineering and Land Surveying services, including but not limited to, permanent construction, connection of utilities, or installation on a foundation. *See RCW 39.04, RCW 39.80, and RCW 18.43.*
- 3. PRICING.** Pricing shall be as specified in the above-referenced Sourcewell Agreement.
- 4. PARTICIPATION.** Pursuant to this Participation Agreement and the Interagency Joint Powers Agreement between Enterprise Services and Sourcewell, the above-referenced Sourcewell Agreement may be utilized by the following, each of which is an authorized eligible purchaser (“Purchaser”).
 - 4.1. **WASHINGTON STATE AGENCIES.** All Washington state agencies, departments, offices, divisions, boards, and commissions.
 - 4.2. **WASHINGTON STATE INSTITUTIONS OF HIGHER EDUCATION.** Any the following specific institutions of higher education (colleges) in Washington:
 - State universities – i.e., University of Washington & Washington State University;
 - Regional universities – i.e., Central Washington University, Eastern Washington University, & Western Washington University
 - Evergreen State College;
 - Community colleges; and

- Technical colleges.
- 4.3. CONTRACT USAGE AGREEMENT PARTIES. The Sourcewell Agreement also may be utilized by any of the following types of entities that have executed a Contract Usage Agreement with Enterprise Services:
- Political subdivisions (e.g., counties, cities, school districts, public utility districts, ports) in the State of Washington;
 - Federal governmental agencies or entities;
 - Public-benefit nonprofit corporations (i.e., public benefit nonprofit corporations as defined in RCW 24.03A.245 who receive federal, state, or local funding); and
 - Federally recognized Indian Tribes located in the State of Washington.

By placing an order under this Participation Agreement, each Purchaser agrees to be bound by the terms and conditions of this Participation Agreement, including the Sourcewell Agreement. Each Purchaser is responsible for its compliance with such terms and conditions.

5. STATE OF WASHINGTON MODIFICATIONS OR ADDITIONS TO THE SOURCEWELL AGREEMENT.

- 5.1. WASHINGTON'S ELECTRONIC BUSINESS SOLUTIONS (WEBS) SYSTEM. Within seven (7) days of execution of this Participation Agreement, 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 Sourcewell Agreement, Contractor shall maintain an accurate profile in WEBS.
- 5.2. WASHINGTON'S STATEWIDE PAYEE DESK. To be paid for contract sales, Contractor 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](#).
- 5.3. 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) 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.
 - (c) DATA. Each sales report must identify every authorized Purchaser by name as it is known to Enterprise Services 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). The "Miscellaneous" option may be used only with prior approval by Enterprise Services. Upon request, Contractor shall provide contact

information for all authorized Purchasers specified herein during the term of this Participation Agreement, which term shall run from the effective date of this Participation Agreement until the end of the Sourcewell Agreement; Provided, however, that Enterprise Services may terminate this Participation Agreement earlier by written notice. 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.

- (d) 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	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

5.4. 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 Participation Agreement.

- (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 invoice number.
- (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 Participation Agreement or exercise any other remedies as provided by law.
- (e) Enterprise Services reserves the right, upon thirty (30) days advance written notice, to increase, reduce, or eliminate the VMF for subsequent purchases.
- (f) For purposes of the VMF, the parties agree that the initial

management fee is included in the pricing. Therefore, any increase or reduction of the management fee must be reflected in contract pricing commensurate with the adjustment.

5.5. NONDISCRIMINATION.

- (a) NONDISCRIMINATION REQUIREMENT. During the term of this Participation Agreement, 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 Participation Agreement 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 Participation Agreement, 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 Participation Agreement 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 may 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 including, but not limited to, any cost difference between the original Participation Agreement and the replacement or cover contract and all administrative costs directly related to the replacement contract, which damages are distinct from any penalties imposed under Chapter 49.60, RCW. Enterprise Services and/or Purchasers shall have the right to deduct from any monies due to Contractor or subcontractor, or that thereafter become due, an amount for damages Contractor or subcontractor will owe Enterprise Services and/or Purchasers for default under this provision.

5.6. CONTRACTOR REPRESENTATIONS AND WARRANTIES. Contractor makes each of the

following representations and warranties as of the effective date of this Participation Agreement and at the time any order is placed pursuant to the above-referenced 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 Participation Agreement and the three (3) year period immediately preceding this Participation Agreement, 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.

5.7. SUSTAINABLE PRODUCTS. Contractor shall use commercially reasonable efforts to help Purchasers identify and select sustainable and environmentally friendly solutions that meet the [State’s Efficiency and Environmental Performance priorities](#), and are designed to minimize the use of unnecessary product packaging, reduce the use of toxic chemicals.

5.8. 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.

5.9. CONTRACTOR’S SALES AUTHORITY; PURCHASE ORDERS; & INVOICES:

- (a) CONTRACTOR’S SALES AUTHORITY. Pursuant to this Participation Agreement, Contractor is authorized to provide only those goods

and/or services set forth in the above-referenced contract category for the above-referenced Sourcewell Agreement as conditioned by this Participation Agreement. Contractor shall not represent to any Purchaser hereunder that it has any authority to sell any other goods and/or services.

(b) PURCHASE ORDERS. To utilize the Sourcewell Agreement, each Purchase Order must include the following information and be submitted to Contractor or its authorized dealer:

1. Each of following contract identification numbers, which are set forth on the first page of this Participation Agreement:
 - Washington Statewide Contract Number; and
 - Sourcewell Agreement Number;
2. Purchase Order amount; and
3. Purchaser's contact information (i.e., name, address, telephone number, email).

(c) 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 following:

1. Each of following contract identification numbers, which are set forth on the first page of this Participation Agreement:
 - Washington Statewide Contract Number; and
 - Sourcewell Agreement Number;
2. Contractor's statewide vendor registration number assigned by the Washington State Office of Financial Management (OFM);
3. Applicable Purchaser's Purchase Order number; and
4. Invoices must be prominently annotated by the Contractor with all applicable volume discount(s).

6. **PRIMARY CONTACTS.** The primary contacts for this Participation Agreement are as follows (or their named successors):

State of Washington

Attn: Julie Hannah
Washington Dept. of Enterprise Services
PO Box 41411
Olympia, WA 98504-1411
Tel: 360-407-2215
Email: DESContractsTeamCedar@des.wa.gov

McGrath RentCorp dba Mobil Modular
Manatgement Corp

Attn: Patrick Muchmore
5700 Las Positas Rd
Livermore CA, 94551
Tel: (704) 614-7616

Email: patrick.muchmore@mobilemodular.com

7. SUBCONTRACTORS AND DEALERS, DISTRIBUTORS, AND/OR RESELLERS. Contractor is authorized, without additional consent, to utilize its subcontractors, dealers, distributors, and/or resellers (“Designated Subcontractors”) 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 Sourcewell Agreement and this Participation Agreement. Contractor shall maintain a list of such Designated Subcontractors utilized for this Participation Agreement, and, upon request, promptly provide Enterprise Services with such list and any updates.

7.1. **CONTRACTOR RESPONSIBILITY FOR SUBCONTRACTORS.** Contractor shall be responsible to ensure that all requirements of the Sourcewell Agreement (including, but not limited to, insurance requirements, indemnification, Washington State business registration, etc.) flow down to any and all Designated Subcontractors. In no event shall the existence of a subcontract between Contractor and its Designated Subcontractor operate to release or reduce Contractor’s liability to Enterprise Services or any Purchaser for any breach of the Sourcewell Agreement or this Participation Agreement. As to Enterprise Services and Purchasers hereunder, Contractor shall have full and complete responsibility and liability for any act or omission by Contractor’s Designated Subcontractors.

7.2. **PURCHASER PAYMENT REGARDING CONTRACTOR’S SUBCONTRACTORS.** Notwithstanding any provision to the contrary, the parties understand and agree that for any contract sales or service provided pursuant to the Sourcewell Agreement and this Participation Agreement, Purchaser payment shall be made directly to Contractor as the awarded vendor pursuant to the competitive procurement.

7.3. **CONTRACT SALES REPORTING.** Notwithstanding any provision to the contrary, Contractor shall report to Enterprise Services total contract sales, delineated by purchaser, 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 Sourcewell Agreement’s records retention requirements.

8. ORDERS. Unless the parties to the Purchase Order agree in writing that another contract or agreement applies to such order, any Purchase Order placed by a Purchaser for any good and/or service in the above-referenced contract category for the above-referenced Sourcewell Agreement shall be deemed to be a sale under (and governed by the prices and other terms and conditions of) the Sourcewell Agreement as conditioned by this Participation Agreement.

9. GENERAL.

9.1. **INTEGRATED AGREEMENT; MODIFICATION.** This Participation Agreement and Sourcewell 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 Participation Agreement may not be modified except in writing signed by the Parties.

9.2. **AUTHORITY.** Each party to this Participation Agreement, 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 Participation Agreement and that its execution, delivery, and performance of this Participation Agreement has been fully

authorized and approved, and that no further approvals or consents are required to bind such party.

- 9.3. ELECTRONIC SIGNATURES. An electric signature or electronic record this Participation Agreement or any other ancillary agreement shall be deemed to have the same legal effect as delivery of an original executed copy of this Participation Agreement or such other ancillary agreement for all purposes.
- 9.4. COUNTERPARTS. This Participation Agreement 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 Participation Agreement 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 Participation Agreement.

EXECUTED as of the date and year first above written.

STATE OF WASHINGTON
DEPARTMENT OF ENTERPRISE SERVICES

MCGRATH RENTCORP DBA MOBILE MODULAR
MANAGEMENT CORP.
A CALIFORNIA CORPORATION

By: Elena McGrew
Elena McGrew
Its: Enterprise Procurement Manager

By: Philip Hawkins
Signer ID: FTTE4SZKT8...
Philip Hawkins
Its: Senior Vice President