



PLEASE NOTE: This meeting will be held at City Hall, 920 SE Cedar Falls Way, North Bend, WA.

Members of the public may choose to attend in person or by teleconference. As the in-person/teleconference hybrid meeting option is new technology to City Staff it is strongly encouraged that members of the public that are attending by teleconference provide comments in advance of the meeting. Please email comments on any agenda items prior to the meeting to the Deputy City Clerk at ibourlin@northbendwa.gov. Please provide comments by 5 p.m., Tuesday, March 7, 2023 so a copy can be provided to the City Council prior to the meeting.

Members of the public that wish to attend by teleconference may do so by using the Zoom Meetings platform. Instructions on how to access the meeting and provide public comment are available at the following link: [March 7, 2023 City Council Meeting Calendar Item](#). You will be required to have a registered Zoom account and display your full name to be admitted to the online meeting.

Zoom Meeting Information:

To Sign Up for a Zoom Account: <https://zoom.us/join>

Meeting ID: 881 2610 1456

Password: 658184

Call In Phone Number: 1-253-215-8782

CITY COUNCIL MEETING

March 7, 2023 – Agenda

City Hall, 920 SE Cedar Falls Way, North Bend, Washington

7:00 P.M. – CALL TO ORDER, ROLL CALL, FLAG SALUTE

CONSENT AGENDA:

			Pg.#
1)	Minutes	City Council Meeting of February 21, 2023	1
2)	Payroll	February 17, 2023 – 28604 through 28610, in the amount of \$261,482.63	
3)	Checks	March 7, 2023 – 73677 through 73744, in the amount of \$506,539.18	
4)	AB23-023	Resolution – Accepting North Bend Way Sidewalk Project	Mr. Mohr
5)	AB23-024	Resolution – Accepting 2 nd Street Water & Roadway Improvement Capital Project	Mr. Mohr
6)	AB23-025	Motion – Authorizing Contract with Hydrevco for Leak Detection Survey	Mr. DeBerg
7)	AB23-026	Motion – Authorizing 2 nd Amendment to DKS Contract for Additional Transportation, Planning and Engineering Support	Mr. Mohr
8)	AB23-027	Motion Authorizing Contract with Keithly Electric	Mr. DeBerg
9)	AB23-028	Motion Authorizing 1 st Amendment to SOVA Consulting Contract	Mr. Mohr
10)	AB23-029	Motion Authorizing Contract with The Watershed Company for Shoreline Master Program User Guide and Enhancements	Ms. Deming

CITIZEN'S COMMENTS: (Please restrict comments to 3 minutes)

**ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:**

11) Presentation State of the City Address Mayor McFarland

INTRODUCTIONS:

12) AB23-030 First Reading, Ordinance Adopting NBMC 3.78 RE Multi-Family Tax Ms. Marshall **83**
Exemption Program

13) AB23-031 Motion Authorizing Contract with Quality Control Corp. for Mr. DeBerg **97**
WWTP/SCADA Upgrade

MAYOR, COUNCIL & ADMINISTRATOR CONCERNS AND INITIATIVES: (Business and general information presented that may be deliberated upon by the Council. Formal action may be deferred until a subsequent meeting; immediate action may be taken upon a vote of a majority of all members of the Council.)

Executive Session – To Discuss Collective Bargaining Negotiations, pursuant to RCW 42.30.140(4)

ADJOURNMENT:

NORTH BEND CITY COUNCIL MINUTES

February 21, 2023

City Hall, 920 SE Cedar Falls Way, North Bend, Washington

CALL TO ORDER, ROLL CALL:

Mayor Pro Tem Koellen called the regular meeting to order at 7:00 p.m.

Councilmembers Present: Elwood, Gothelf, Joselyn, Koellen, Loudenback, and Miller. Councilmember Rosen was excused.

Mayor Pro Tem Koellen recessed the regular meeting for an Executive Session at 7:01 p.m. to discuss current litigation, pursuant to RCW 42.30.110(1)(i). The Executive Session was expected to last thirty minutes and videotaping of the meeting ceased.

At 7:29 p.m. it was announced to audience members outside the adjournment room that the Executive Session was expected to last an additional twenty minutes.

The regular meeting reconvened at 7:50 p.m.

CONSENT AGENDA:

Minutes – City Council Meeting of February 7, 2023

Payroll – February 3, 2023 – 28597 through 28603, in the amount of **\$328,921.29**

Checks – February 21, 2023 – 73609 through 73676, in the amount of **\$1,456,333.94**

Councilmember Loudenback **MOVED**, seconded by Councilmember Elwood to approve the consent agenda as presented. The motion **PASSED** 6-0.

CITIZEN'S COMMENTS:

Michele Drovahl and Irene Wickstrom, 115 E 4th Street, King County Library System (KCLS) Representatives, provided 2022 statistics on North Bend Library visits and checkouts and a 2021 year in review report for the entire KCLS. They mentioned various programs the library provides such as children's story time at Si View Metropolitan Park District and the Farmers Market, Summer Fest, Life after High School resources, adult book club, adult writers group and Friends of the Library book sales.

Councilmember Miller **MOVED**, seconded by Councilmember Loudenback to postpone AB23-022 – Ordinance Adopting NBMC 3.78 Multifamily Tax Exemption to the March 21, 2023 City Council meeting. The motion **PASSED** 6-0.

ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:**Presentation – Police Services Update****Audio: 7:30**

Police Chief Phipps provided an update on police services which included discussion on the following items: organization/staffing, calls for service and response times, specific calls for service in North Bend, operations statistics, items of importance (staffing and levels of service, police legislative reform, crisis intervention, officer involvement and significant cases) and goals.

COMMISSION AND COMMITTEE REPORTS:

Community & Economic Development Committee – Councilmember Miller, Chair
A report of the February 21st meeting was provided.

Finance & Administration Committee – Councilmember Gothelf, Chair
No report. The February 14th meeting was cancelled.

Public Health & Safety Committee – Councilmember Rosen, Chair
A report of the February 7th meeting was provided.

Transportation & Public Works Committee – Councilmember Loudenback, Chair
A report of the January 24th meeting was provided.

Council Workstudy – Mayor Pro Tem Koellen
A report of the February 14th Special Meeting was provided.

Parks Commission
A report of the January 25th meeting was provided.

Planning Commission
A report of the January 18th meeting was provided.

Economic Development Commission
A report of the January 24th meeting was provided.

Eastside Fire & Rescue Board Meeting – Councilmember Gothelf
A report of the February 9th meeting was provided.

Snoqualmie Valley Government Association – Councilmember Miller
A report of the January 25th meeting was provided.

Sound Cities Association Public Issues Committee – Councilmember Loudenback
A report of the February 8th meeting was provided.

DRAFT

Sound Cities Association Board of Health – Councilmember Koellen
A report of the February 16th meeting was provided.

MAYOR, COUNCIL, AND ADMINISTRATOR CONCERNS AND INITIATIVES:

Councilmember Miller mentioned a possibility for snowy weather and encouraged all to be safe when travelling.

Councilmember Elwood mentioned this weekend was the final production of “I & You” at Valley Center Stage.

City Administrator Miller announced Mike McCarty’s recent promotion to Principal Planner.

Mayor Pro Tem Koellen spoke regarding the following items:

- Housing Action Plan Open House – March 1st 5:30 p.m. @ City Hall

ADJOURNMENT:

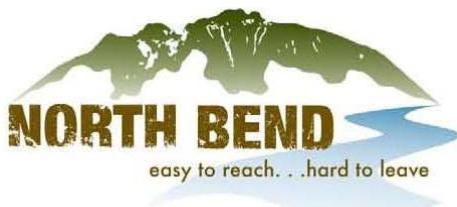
Councilmember Joselyn **MOVED** to adjourn, seconded by Councilmember Gothelf. The motion **PASSED** 6-0.

The meeting adjourned at 8:34 p.m.

ATTEST:

Heather Koellen, Mayor Pro Tem

Susie Oppedal, City Clerk



City Council Agenda Bill

SUBJECT:	Agenda Date: March 7, 2023	AB23-023
Resolution Accepting North Bend Way Sidewalk Capital Project as Complete and Authorizing Release of Retainage	Department/Committee/Individual	
	Mayor Rob McFarland	
	City Administrator – David Miller	
	City Attorney – Mike Kenyon/Lisa Marshall	
	City Clerk – Susie Oppedal	
	Administrative Services – Lisa Escobar	
	Comm & Econ Development – Rebecca Deming	
	Finance – Richard Gould	
Cost Impact: N/A	Public Works – Mark Rigos, P.E.	X
Fund Source: N/A		
Timeline: Immediate		

Attachments: Resolution**SUMMARY STATEMENT:**

In June 2022, the City Council approved a contract amount of \$337,115 including sales tax with RW Scott Construction Co. (Contractor) for the North Bend Way Sidewalk Capital Project that has been listed on the City's 6-Year Transportation Improvement Program (TIP). The project was located on the south side of North Bend Way near Rio Bravo restaurant and recent Park Street Roundabout. Work included: mobilization and traffic control; construction of new curb, gutter, driveway, sidewalk, and ADA curb ramps; sidewalk and driveway reconstruction; construction of storm drainage collection and conveyance infrastructure; and planting of street trees, tree grates and other work as required to complete the project.

The project had two change orders dealing with contaminated soils that totaled \$40,388.32 which brought the total contract amount to \$377,503.32 including sales tax. The contractor finished this work scope within the contracted timeline. Final project cost was \$377,503.32 including change orders and sales tax. Construction commenced July 18, 2022 and was physically completed November 28, 2022. This project improved pedestrian walkability and pedestrian public safety. All necessary documentation has been received by the City and the project is ready for close-out.

Retainage cannot be released until the project has been accepted by City Council, all liens have been satisfied, and all taxes have been paid. Upon receipt of all necessary documentation, retainage shall be released.

APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services including transportation and traffic management.

COMMITTEE REVIEW AND RECOMMENDATION: This item was discussed at the February 28, 2023 Transportation and Public Works Committee meeting and was recommended for approval and placement on Consent Agenda.

RECOMMENDED ACTION: **MOTION to approve AB23-023, a resolution accepting the North Bend Way Sidewalk Capital Project as complete and authorizing the release of retainage.**

RECORD OF COUNCIL ACTION

Meeting Date	Action	Vote
March 7, 2023		

RESOLUTION

A RESOLUTION OF THE CITY OF NORTH BEND, WASHINGTON, ACCEPTING THE NORTH BEND WAY SIDEWALK CAPITAL PROJECT AS COMPLETE AND AUTHORIZING THE RELEASE OF RETAINAGE

WHEREAS, City of North Bend (City) staff requested bids for the North Bend Way Sidewalk Project (Project); and

WHEREAS, RW Scott Construction Co. submitted the lowest responsive and responsible bid; and

WHEREAS, the Project was awarded to RW Scott Construction Co. on June 7, 2022; and

WHEREAS, RW Scott Construction Co. started the work on July 18, 2022 and completed work on November 28, 2022; and

WHEREAS, the final cost of the project was \$377,503.32 including sales tax; and

WHEREAS, the City must accept projects prior to submitting for releases from the State Department of Revenue, Department of Labor and Industries, and the Employment Security Department for the retainage of the contractors;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. The City of North Bend accepts RW Scott Construction Co. work on the North Bend Way Sidewalk Project.

Section 2. The City of North Bend authorizes the release of the retainage on the contract upon receipt of the appropriate clearances from the state.

**PASSED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND,
WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 7TH DAY OF
MARCH, 2023.**

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Rob McFarland, Mayor

Lisa Marshall, City Attorney

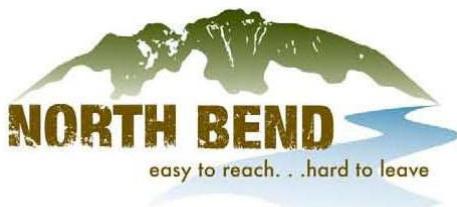
ATTEST/AUTHENTICATED:

Effective:

Posted:

Resolution

Susie Oppedal, City Clerk



City Council Agenda Bill

SUBJECT:	Agenda Date: March 7, 2023	AB23-024
Resolution Accepting 2nd Street Water and Roadway Improvement Capital Project as Complete and Authorizing Release of Retainage	Department/Committee/Individual	
Cost Impact: N/A	Mayor Rob McFarland	
Fund Source: N/A	City Administrator – David Miller	
Timeline: Immediate	City Attorney – Mike Kenyon/Lisa Marshall	
	City Clerk – Susie Oppedal	
	Administrative Services – Lisa Escobar	
	Comm & Econ Development – Rebecca Deming	
	Finance – Richard Gould	
	Public Works – Mark Rigos, P.E.	X

Attachments: Resolution**SUMMARY STATEMENT:**

In May of 2022, the City Council approved a contract amount of \$1,179,901.04 including sales tax with Fury Site Works, Inc. (Fury) for the 2nd Street Water and Roadway Improvement Project. The Project location was in between Ballarat Avenue and SR-202. Much of the project occurred at the intersection of Main Avenue / 2nd Street. Work included mobilization; traffic control; new curb, gutter, driveway, and sidewalk reconstruction; ADA curb ramp installation; storm drain system replacement including box culvert lid replacement; watermain replacement; road widening; grind and overlay; parking pad installation and other work as required to complete the project.

There was one change order on this project for \$161,222.89 which brought the approved contract amount to \$1,341,123.93 including sales tax. Fury finished the work scope within the contractual timeline. Final project cost was \$1,220,423.62 including sales tax which was \$120,700.31 below the approved contract amount including the change order. Construction started on June 21, 2022 and was physically completed on October 17, 2022. All necessary documentation has been received by the City and the project is ready for close-out.

Retainage cannot be released until the project has been accepted by the City Council, all liens have been satisfied, and all taxes have been paid. Upon receipt of all necessary documentation, retainage shall be released.

APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services including transportation and traffic management.

COMMITTEE REVIEW AND RECOMMENDATION: This item was discussed at the February 28, 2023 Transportation and Public Works Committee meeting and was recommended for approval and placement on Consent Agenda.

RECOMMENDED ACTION: **MOTION to approve AB23-024, a resolution accepting the 2nd Street Water and Roadway Improvement Capital Project as complete and authorizing the release of retainage.**

RECORD OF COUNCIL ACTION

Meeting Date	Action	Vote
March 7, 2023		

RESOLUTION

A RESOLUTION OF THE CITY OF NORTH BEND, WASHINGTON, ACCEPTING THE 2ND STREET WATER AND ROADWAY IMPROVEMENT CAPITAL PROJECT AS COMPLETE AND AUTHORIZING THE RELEASE OF RETAINAGE

WHEREAS, City of North Bend (City) staff requested bids for the 2nd Street Water and Roadway Improvement Capital Project (Project); and

WHEREAS, Fury Site Works, Inc. submitted the lowest responsive and responsible bid; and

WHEREAS, the Project was awarded to Fury Site Works, Inc. on May 17, 2022; and

WHEREAS, Fury Site Works, Inc. started the work on June 21, 2022 and completed work on October 17, 2022; and

WHEREAS, the final cost of the project was \$1,220,423.62 including sales tax for Schedules A and B; and

WHEREAS, the City must accept projects prior to submitting for releases from the State Department of Revenue, Department of Labor and Industries, and the Employment Security Department for the retainage of the contractors;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND,
WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:**

Section 1. The City of North Bend accepts Fury Site Works, Inc work on the 2nd Street Water and Roadway Improvement Project.

Section 2. The City of North Bend authorizes the release of the retainage on the contract upon receipt of the appropriate clearances from the state.

**PASSED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND,
WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 7TH DAY OF
MARCH, 2023.**

CITY OF NORTH BEND:

APPROVED AS TO FORM:

Rob McFarland, Mayor

Lisa Marshall, City Attorney

Effective:

Posted:

Resolution

ATTEST/AUTHENTICATED:

Susie Oppedal, City Clerk



City Council Agenda Bill

SUBJECT:	Agenda Date: March 7, 2023	AB23-025
Motion Authorizing a Contract with Hydrevo, LLC for a Leak Detection Survey	Department/Committee/Individual	
	Mayor Rob McFarland	
	City Administrator – David Miller	
	City Attorney – Lisa Marshall	
	City Clerk – Susie Oppedal	
	Administrative Services – Lisa Escobar	
	Comm. & Economic Development – Rebecca Deming	
	Finance – Richard Gould	
Cost Impact: \$11,427	Public Works – Mark Rigos	X
Fund Source: Water Operations		
Timeline: Immediate		
Attachments: Professional Services Agreement, Scope with Fee Estimate		

SUMMARY STATEMENT:

A leak detection survey is a physical evaluation of a water system to identify specific leaks. It involves using a listening device to find leaks in pipes or fittings throughout the water distribution system. The City of North Bend began its leak detection program in 2010. The program calls for system-wide leak detection at a minimum of every three years or whenever a large increase in distribution system leakage (DSL) is observed. In 2021, 33 leaks were discovered during the leak detection survey, also performed by Hydrevo, LLC.

There are many benefits to reducing DSL including greater reliability through an efficient water system, reduced costs for pumping, treating, and conserving water supplies for future use. Leak prevention also reduces liability of property damage and may postpone or eliminate the need for additional infrastructure to meet customer demands.

This project consists of a “point to point” survey which involves testing all available valves, hydrants, and services of the City’s water system. The City’s water system includes approximately 40 miles of watermain, 290 fire hydrants, 1,200 main valves and 2,300 water services.

Attached is the work scope prepared by Hydrevo, LLC, which includes a cover letter, company profile, references, procedures & methods, preparations for service, list of equipment to be used and fees. The three references Hydrevo provided were checked and they all highly recommend them. City staff recommend this project move forward.

APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic professional services.

COMMITTEE REVIEW AND RECOMMENDATION: This item was reviewed by the Transportation and Public Works Committee at their February 28, 2023 meeting and was recommended for approval and placement on Consent Agenda.

RECOMMENDED ACTION: **MOTION to approve AB23-025, authorizing a contract with Hydrevo, LLC for leak detection survey of the City’s water system, in a form and content acceptable to the City Attorney, in an amount not to exceed \$11,427.**

RECORD OF COUNCIL ACTION

Meeting Date	Action	Vote
March 7, 2023		

**PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN THE CITY OF NORTH BEND
AND HYDREVO, LLC.**

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into this _____ day of _____, 2023, by and between the City of North Bend, a municipal corporation of the State of Washington (“the City”) and Hydrevo, LLC. (“Consultant”) in consideration of the mutual benefits and conditions contained herein.

WHEREAS, the City has determined a need to have certain services performed for its citizens; and

WHEREAS, Consultant is in the business of performing such services, which are described below; and

NOW, THEREFORE, the parties hereby agree as follows:

1. **Scope of Services.** Consultant shall perform those services described on **Exhibit A** attached hereto, which is incorporated by this reference as if fully set forth. All such services will be rendered with the degree of skill and care exercised by members of Consultant’s profession practicing under similar circumstances at the same time and in the same or similar locale, and in compliance with all federal, state, and local statutes, rules, and ordinances applicable to the performance of such services and the handling of any funds used in connection therewith.
2. **Compensation and Method of Payment.** Consultant will invoice the City monthly based upon the fee schedule set forth in **Exhibit B** attached hereto, which is incorporated by this reference as if fully set forth. Consultant shall be paid a total amount not to exceed ELEVEN THOUSAND FOUR HUNDRED TWENTY-SEVEN DOLLARS AND 00/100 (\$11,427.00) without written modification of this Agreement signed by the City. The City shall pay Consultant for services rendered under this Agreement within ten (10) days after City Council voucher approval. Consultant agrees to complete and return the attached **Exhibit C** (Taxpayer Identification Number) to the City prior to or along with the first invoice.
3. **Duration of Agreement.** This Agreement shall be in full force and effect for a period commencing upon execution of this contract and ending December 31, 2023 unless earlier terminated in accordance with Section 11 herein or extended by written amendment in accordance with Section 14 herein.
4. **Ownership, Form, and Use of Documents.** All documents, drawings, specifications, and other materials produced by Consultant in connection with the services rendered under this Agreement shall be the property of the City whether the project for which they are made is executed or not. Except as otherwise stated in Exhibit A, Consultant shall provide to the City all final documents, reports, or studies in printed and electronic form. Unless otherwise directed in writing by the City, all final documents, reports, or studies shall be provided to the City in both a PDF and Word format. Where applicable, all Complete Plan Set Drawings shall include all Specifications and shall be submitted to the City in the most updated version of AutoCAD in an unrestricted format and in accordance with City Code. Consultant shall not be responsible for any use or modifications of said documents, drawings, specifications, or other materials by the City or its representatives for any purpose other than the project specified in this Agreement.
5. **Independent Contractor.** The City and Consultant agree that Consultant is an independent contractor with respect to the services provided pursuant to this Agreement. Nothing in this

Agreement shall be considered to create an employer-employee relationship between the parties hereto. Neither Consultant nor any of Consultant's employees shall be entitled, by virtue of the services provided under this Agreement, to any benefits afforded to City employees. The City shall not be responsible for paying, withholding, or otherwise deducting any customary state or federal payroll deductions, including but not limited to FICA, FUTA, state industrial insurance, state workers' compensation, or for otherwise assuming the duties of an employer with respect to Consultant or Consultant's employees.

6. **Indemnification.** Consultant shall indemnify, defend, and hold harmless the City, its officers, officials, employees and volunteers from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the City.

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 bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, Consultant's liability hereunder—including the duty and cost to defend—shall be only to the extent of the Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the Consultant's waiver of immunity under *Industrial Insurance*, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

7. **Insurance.** Consultant shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Consultant, its agents, representatives, or employees. Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit Consultant's liability to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

A. **Scope of Required Insurance.** Consultant shall maintain insurance of the types and coverage described below:

1. **Automobile liability insurance**, with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident, covering all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage.
2. **Commercial general liability insurance**, written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate, which shall be at least as broad as ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, stop-gap independent Consultants and personal injury and advertising injury. The City shall be named as an additional insured under 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.
3. **Professional liability insurance** appropriate to the Consultant's profession, written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

4. **Workers' compensation coverage** as required by the Industrial Insurance laws of the State of Washington.
- B. **Additional Insurance Provisions.** Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII. Consultant's automobile liability and commercial general liability insurance policies are to contain, or be endorsed to contain, that they 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 Consultant's insurance and shall not contribute with it. Consultant shall provide the City with written notice of any policy cancellation within two (2) business days of Consultant's receipt of such notice.
- C. **Certificates of Insurance.** Within fifteen (15) days of the execution of this Agreement, Consultant shall deliver original certificates and a copy of amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance coverage required by this Section 7.
- D. **Failure to Maintain Insurance.** Consultant's failure to maintain insurance as required shall constitute a material breach of this Agreement, upon which the City may, after giving five (5) business days' notice to the Consultant to correct the breach, immediately terminate this Agreement or, at its sole 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 Consultant from the City.
- E. **Full Availability of Consultant Limits.** If 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 Consultant, irrespective of whether such limits maintained by 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 Consultant.

8. Recordkeeping and “Red Flag” Rules.

- A. 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. 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 and of the parties' compliance with this Agreement.
- B. These records shall be maintained for a period of seven (7) years after termination hereof unless permission to destroy them is granted by the Office of the Archivist in accordance with Chapter 40.14 RCW and by the City.
- C. Consultant acknowledges receipt of and agrees to adhere to the City's Identity Theft Prevention Program (“Red Flag” rules), a copy of which is attached hereto as **Exhibit D**.

9. Taxes, Licenses and Permits.

- A. Consultant shall procure and maintain a City business license in accordance with Chapter 5.04 NBMC, *Business Licenses and Business and Occupation Tax*, prior to beginning work under this

Agreement. Consultant assumes responsibility for and ensures that all contractors, subcontractors and suppliers shall also obtain a City business license.

- B. Consultant acknowledges that it is responsible for the payment of all charges and taxes applicable to the services performed under this Agreement, including taxes and fees assessed pursuant to Chapters 5.04 and 5.05 NBMC, and Consultant agrees to comply with all applicable laws regarding the reporting of income and maintenance of records, and with all other requirements and obligations imposed pursuant to applicable law. If the City does not receive, or is assessed, made liable, or responsible in any manner for such charges or taxes, Consultant shall reimburse and hold the City harmless from such costs, including attorneys' fees. Consultant shall also require all contractors, subcontractors and suppliers to pay all charges and taxes in accordance with this Section 9.
- C. In the event Consultant fails to pay any taxes, assessments, penalties, or fees imposed by the City or any other governmental body, then Consultant authorizes the City to deduct and withhold and/or pay over to the appropriate governmental body those unpaid amounts upon demand by the governmental body. This provision shall, at a minimum, apply to taxes and fees imposed by City ordinance. Any such payments shall be deducted from the Consultant's total compensation.

10. Audits and Inspections. The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review, or audit by law during the term of this Agreement. The City shall have the right to conduct an audit of Consultant's financial statement and condition and to a copy of the results of any such audit or other examination performed by or on behalf of Consultant.

11. Termination. This Agreement may be terminated by the City at any time upon thirty (30) days' written notice; provided, that if Consultant's insurance coverage is canceled for any reason, the City shall have the right to terminate this Agreement as provided in Subsection 7(D) herein.

12. Discrimination Prohibited. Consultant shall not discriminate against any employee, applicant for employment, or any person seeking Consultant's services under this Agreement on the basis of race, color, religion, creed, sex, age, national origin, marital status, or presence of any sensory, mental, or physical handicap.

13. Assignment and Subcontract. Consultant shall not assign or subcontract any portion of the services contemplated by this Agreement without the prior written consent of the City.

14. Entire Agreement; Modification. This Agreement contains the entire agreement between the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind any of the parties hereto. Proposed changes which are mutually agreed upon shall be incorporated by written amendments or addenda signed by both parties.

15. Notices. Notices required hereunder shall be delivered via certified U.S. mail to the addresses below:

To the City of North Bend: David Miller, City Administrator
 City of North Bend
 920 SE Cedar Falls Way
 North Bend, Washington 98045
 Phone: (425) 888-1211

To Consultant: Rob Meston
President
Hydrevo, LLC.
1916 Pike Place Ste. 12-1370
Seattle, WA 98101
Phone: 844.493.7386
Email: hydrevolution.com

16. Applicable Law; Venue; Attorneys' Fees. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be properly and exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its costs of suit, including attorneys' fees and expert witness fees.

BY THEIR SIGNATURES BELOW, the authorized agents of the parties enter into this Agreement as of the day and year first written above.

CITY OF NORTH BEND

By: _____
Rob McFarland, Mayor

HYDREVO, LLC.

By: _____
Printed Name: _____
Title: _____

Attest/Authenticated:

Susie Oppedal, City Clerk

Approved As To Form:

Lisa Marshall, City Attorney

EXHIBIT C:
TAXPAYER IDENTIFICATION NUMBER

CITY OF NORTH BEND
920 SE Cedar Falls Way
North Bend, WA 98045
Phone: (425) 888-1211
FAX: (425) 831-6200

In order for you to receive reimbursement from the City of North Bend, we must have either a Taxpayer Identification Number or a Social Security Number. The Internal Revenue Code requires a Form 1099 for payments to every person or organization other than a corporation for services performed in the course of trade or business. Further, the law requires us to withhold 20% on reportable amounts paid to unincorporated persons who have not supplied us with their correct Tax Identification Number or Social Security Number.

Please complete the following information request form and return it to the City of North Bend before or along the submittal of the first billing voucher.

Please check the appropriate category:

Corporation Partnership Government Agency
 Individual/Sole Proprietor Other (please explain)

TIN#: _____

SS#: _____

Print Name: _____

Print Title: _____

Business Name: _____

Business Address: _____

Business Phone: _____

EXHIBIT D:

**CITY OF NORTH BEND
IDENTITY THEFT PREVENTION PROGRAM**

I. PROGRAM ADOPTION

The City of North Bend developed this Identity Theft Prevention Program (“Program”) pursuant to the Federal Trade Commission’s Red Flags Rule (“Rule”), which implements Sections 114 and 315 of the Fair and Accurate Credit Transactions Act of 2003. This Program was developed with the oversight and approval of the City’s Finance Director. After consideration of the size and complexity of the City’s operations and account systems, and the nature and scope of the City’s activities, the City Council determined that this Program was appropriate for the City, and therefore approved this Program by the adoption of Ordinance No.1351 on the 21 day of April, 2009.

II. PROGRAM PURPOSE AND DEFINITIONS

A. Fulfilling Requirements of the Red Flags Rule. Under the Red Flags Rule, every financial institution and creditor is required to establish an identity theft prevention program tailored to its size, complexity and the nature of its operation. The Program must contain reasonable policies and procedures to:

- Identify relevant red flags as defined in the Rule and this Program for new and existing covered accounts, and incorporate those red flags into the Program;
- Detect red flags that have been incorporated into the Program;
- Respond appropriately to any red flags that are detected to prevent and mitigate identity theft; and
- Update the Program periodically to reflect changes in risks to customers or to the safety and soundness of the City from identity theft.

B. Red Flags Rule Definitions Used in this Program. For the purposes of this Program, the following definitions apply:

“Account” means a continuing relationship established by a person with a creditor to obtain a product or service for personal, family, household or business purposes.

“Covered account” means:

1. Any account the City offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
2. Any other account the City offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the City from identity theft.

“Creditor” has the same meaning as defined in Section 701 of the Equal Credit Opportunity Act, 15 U.S.C. 1691a, and includes a person or entity that arranges for the extension, renewal or continuation of credit, including the City.

“Customer” means a person or business entity that has a covered account with the City.

“Financial institution” means a state or national bank, a state or federal savings and loan association, a mutual savings bank, a state or federal credit union, or any other entity that holds a “transaction account” belonging to a customer.

“Identifying information” means any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including name, address, telephone number, social security number, date of birth, government passport number, employer or taxpayer identification number or unique electronic identification number.

“Identity theft” means fraud committed using the identifying information of another person.

“Red flag” means a pattern, practice, or specific activity that indicates the possible existence of identity theft.

“Service provider” means a person or business entity that provides a service directly to the City relating to or in connection with a covered account.

III. IDENTIFICATION OF RED FLAGS

In order to identify relevant red flags, the City shall review and consider the types of covered accounts that it offers and maintains, the methods it provides to open covered accounts, the methods it provides to access its covered accounts, and its previous experiences with identity theft. The City identifies the following red flags, in each of the listed categories:

A. Notification and Warnings from Credit Reporting Agencies – Red Flags.

- Report of fraud accompanying a credit report;
- Notice or report from a credit agency of a credit freeze on a customer or applicant;
- Notice or report from a credit agency of an active duty alert for an applicant; and
- Indication from a credit report of activity that is inconsistent with a customer’s usual pattern or activity.

B. Suspicious Documents – Red Flags.

- Identification document or card that appears to be forged, altered or inauthentic;
- Identification document or card on which a person’s photograph or physical description is not consistent with the person presenting the document;
- Other document with information that is not consistent with existing customer information (such as a person’s signature on a check appears forged); and
- Application for service that appears to have been altered or forged.

C. Suspicious Personal Identifying Information – Red Flags.

- Identifying information presented that is inconsistent with other information the customer provides (such as inconsistent birth dates);
- Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a driver’s license);
- Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
- Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
- Social security number presented that is the same as one given by another customer;
- An address or phone number presented that is the same as that of another person;

- Failing to provide complete personal identifying information on an application when reminded to do so (however, by law social security numbers must not be required); and
- Identifying information which is not consistent with the information that is on file for the customer.

D. Suspicious Account Activity or Unusual Use of Account – Red Flags.

- Change of address for an account followed by a request to change the account holder's name;
- Payments stop on an otherwise consistently up-to-date account;
- Account used in a way that is not consistent with prior use (such as very high activity);
- Mail sent to the account holder is repeatedly returned as undeliverable;
- Notice to the City that a customer is not receiving mail sent by the City;
- Notice to the City that an account has unauthorized activity;
- Breach in the City's computer system security; and
- Unauthorized access to or use of customer account information.

E. Alerts from Others – Red Flag.

- Notice to the City from a customer, a victim of identity theft, a law enforcement authority or other person that it has opened or is maintaining a fraudulent account for a person engaged in identity theft.

IV. DETECTING RED FLAGS

A. New Accounts. In order to detect any of the red flags identified above associated with the opening of a **new account**, City personnel will take the following steps to obtain and verify the identity of the person opening the account:

- Require certain identifying information such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification;
- Verify the customer's identity (for instance, review a driver's license or other identification card);
- Review documentation showing the existence of a business entity; and
- Independently contact the customer.

B. Existing Accounts. In order to detect any of the red flags identified above for an **existing account**, City personnel will take the following steps to monitor transactions with an account:

- Verify the identification of customers if they request information (in person, via telephone, via facsimile, via email);
- Verify the validity of requests to change billing addresses; and
- Verify changes in banking information given for billing and payment purposes.

V. PREVENTING AND MITIGATING IDENTITY THEFT

In the event City personnel detect any identified red flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the red flag:

A. Prevent and Mitigate Identity Theft.

- Monitor a covered account for evidence of identity theft;

- Contact the customer with the covered account;
- Change any passwords or other security codes and devices that permit access to a covered account;
- Not open a new covered account;
- Close an existing covered account;
- Reopen a covered account with a new number;
- Not attempt to collect payment on a covered account;
- Notify the Finance Director for determination of the appropriate step(s) to take;
- Notify law enforcement; or
- Determine that no response is warranted under the particular circumstances.

B. Protect Customer Identifying Information. In order to further prevent the likelihood of identity theft occurring with respect to City accounts, the City shall take the following steps with respect to its internal operating procedures to protect customer identifying information:

- Secure the City website but provide clear notice that the website is not secure;
- Undertake complete and secure destruction of paper documents and computer files containing customer information;
- Make office computers password protected and provide that computer screens lock after a set period of time;
- Keep offices clear of papers containing customer identifying information;
- Request only the last 4 digits of social security numbers (if any);
- Maintain computer virus protection up to date; and
- Require and keep only the kinds of customer information that are necessary for City purposes.

VI. PROGRAM ADMINISTRATION

A. Oversight. The Finance Director or other designated city employee at the level of senior management shall be responsible for developing, implementing, and updating the Program.

The Finance Director shall also be responsible for the Program administration, for appropriate training of City staff on the Program, for reviewing the annual staff report required under the Program, as well as any other staff reports regarding the detection of red flags and the steps for preventing and mitigating identity theft, determining which steps of prevention and mitigation should be taken in particular circumstances, and considering periodic changes to the Program.

B. Staff Training and Reports. City staff responsible for implementing the Program shall be trained either by or under the direction of the Finance Director in the detection of red flags, and the responsive steps to be taken when a red flag is detected. Additionally, a compliance report shall be provided annually to the Finance Director. The annual compliance report shall at a minimum address the following:

1. The effectiveness of the City's policies and procedures in addressing the risk of identity theft in connection with the opening of covered accounts and with respect to existing covered accounts;
2. Service provider arrangements;
3. Significant incidents involving identity theft and the City's response; and
4. Recommendations for material changes to the Program.

C. Service Provider Arrangements. In the event the City engages a service provider to perform an activity in connection with one or more covered accounts, the City shall take the following steps to require that the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft.

- Require, by contract, that service providers acknowledge receipt and review of the Program and agree to perform their activities with respect to City covered accounts in compliance with the terms and conditions of the Program and with all instructions and directives issued by the Finance Director relative to the Program; or
- Require, by contract, that service providers acknowledge receipt and review of the Program and agree to perform their activities with respect to City covered accounts in compliance with the terms and conditions of the service provider's identity theft prevention program and will take appropriate action to prevent and mitigate identity theft; and that the service providers agree to report promptly to the City in writing if the service provider in connection with a City covered account detects an incident of actual or attempted identity theft or is unable to resolve one or more red flags that the service provider detects in connection with a covered account.

D. Customer Identifying Information and Public Disclosure. The identifying information of City customers with covered accounts shall be kept confidential and shall be exempt from public disclosure to the maximum extent authorized by law, including RCW 42.56.230(4). The City Council also finds and determines that public disclosure of the City's specific practices to identify, detect, prevent, and mitigate identify theft may compromise the effectiveness of such practices and hereby direct that, under the Program, knowledge of such specific practices shall be limited to the Finance Director and those City employees and service providers who need to be aware of such practices for the purpose of preventing identity theft.

VII. PROGRAM UPDATES

The Program will be periodically reviewed and updated to reflect changes in risks to customers and to the safety and soundness of the City from identity theft. The Finance Director shall at least annually review the annual compliance report and consider the City's experiences with identity theft, changes in identity theft methods, changes in identity theft detection and prevention methods, changes in types of accounts the City maintains and changes in the City's business arrangements with other entities and service providers. After considering these factors, the Finance Director shall determine whether changes to the Program, including the listing of red flags, are warranted. If warranted, the Finance Director shall present the recommended changes to the City Council for review and approval.

EXHIBIT A

**PROPOSAL -
WATER SYSTEM
LEAK DETECTION
SURVEY**

**PREPARED
FOR -
CITY OF
NORTH BEND, WA**

Hydrovo, LLC
1916 Pike Place, Ste. 12-1370
Seattle, WA 98101
206-954-3356



January 16, 2023

City of North Bend
Attn: Ted Stonebridge
1155 E. North Bend Way
North Bend, WA 98045

Subject: Proposal for 2023 Water Distribution System Leak Survey

Dear Mr. Stonebridge,

Hydrevolution, LLC (Hydrevolution) would like to thank you for the opportunity to submit this quote for a water leak detection survey for the City of North Bend (City).

We have proposed two (2) different options (methods) for consideration:

1. A **“point-to-point”** survey, which involves testing all available appurtenances (valves, hydrants, services) regardless of pipe type/size/pressure. This method will find more leaks.
2. A **“standard survey”**, which includes testing all available valves, hydrants and selected services (services are tested when contact to valves and hydrants exceeds +/-400' between points). Whenever PVC is surveyed, all access points will be tested, due to the poor sound propagation on PVC pipe.

Hydrevolution specializes in water leak detection on distribution and transmission systems. Our staff has over 32 years of acoustic leak detection experience. Hydrevolution provides a highly technical and professional service. We use the most current suite of equipment including, but not limited to, leak survey tools, acoustic ground microphones and leak noise correlators.

As owner/operator, I will work directly with the City to accomplish our mutual goal of locating your water losses from leaks so that they can be repaired as quickly as possible, saving the City money while conserving water. This proposal includes the following sections:

Company Profile – Page 3

References – Page 4

Procedures and Methods – Page 5

Preparations for Service – Page 7

List of Equipment to be Used – Page 7

Pricing – Page 8

Council Packet March 7, 2023

We appreciate your interest in our services. If you have any questions about this proposal or to schedule the work, please contact me at 206-665-5828 or rlesnick@hydrevolution.com.

Sincerely,

Randall Lesnick

Randall Lesnick
Sales Manager

COMPANY PROFILE

Profile

Hydrevo was formed in early 2019 by Rob Meston. Rob has spent over 32 years in the acoustic leak detection field. Rob's experience includes the acoustic leak survey of hundreds of water systems, covering tens of thousands of miles of water lines. Recognized as one of the foremost experts in acoustic leak detection in the United States, Rob also trains utilities around the country on how to survey their own systems for leaks. Hydrevo was created to offer utilities several options on approaching water loss control in their water distribution and transmission systems.

We offer the following services:

- **LEAK DETECTION SURVEYS**
- **LEAK DETECTION TRAINING**
- **LEAK DETECTION EQUIPMENT SALES**
- **PURCHASE OF USED LEAK DETECTION EQUIPMENT**
- **VALVE EXERCISING**
- **WATER AUDIT VALIDATION**

We provide our services to the following clients:

- **MUNICIPALITIES (PUBLIC AND PRIVATE)**
- **PUBLIC UTILITY DISTRICTS**
- **WATER COMPANIES**
- **COMMUNITY SERVICES DISTRICTS**
- **DEPARTMENT OF DEFENSE**
- **ENGINEERING FIRMS**
- **CONTRACTORS**
- **COMMERCIAL AND RESIDENTIAL CLIENTS**

Financial Condition

HYDREVO does not have any bankruptcy, pending litigation, or any negative credit. In addition, we have a strong balance sheet and Hydrevo is debt free.

Employee Experience

Rob Meston, President/Field Technician

Overall Experience - Rob Meston has nearly 31 years of experience in water conservation. He started as a Leak Detection Field Technician with Utility Services Associates, a small Montana company, in 1990. In 1994, Rob was promoted to Branch Manager, in charge of operations. Shortly thereafter, Utility Services Associates was sold to Hughes Supply and then HD Supply. Rob and two business partners purchased the leak detection assets from HD Supply in 2008 and re-formed Utility Services Associates.

In 2019, Rob left Utility Services to start Hydrevolution so that he could focus on leak detection training and equipment sales. Rob is one of the most senior leak detection experts in the country. Collectively, he has surveyed tens of thousands of miles of pipe for leaks and has located

thousands of leaks of all types and sizes. Rob's project experience ranges from finding single leaks for homeowners to large scale leak survey and training projects, covering thousands of miles of pipe across the US and many overseas locations.

As owner/operator at Hydrevo, Rob will be directly responsible with all facets of the City project including administration and the fieldwork.

Field Leak Detection Experience - Rob has completed thousands of projects on water systems of all sizes and types and has located and pinpointed tens of thousands of leaks. Rob has been directly involved in many of the past projects at the City, having most recently completed the 2020 survey for the City.

Equipment Experience - Rob has extensive use of all types of leak detection equipment, from leak noise correlators to non-electronic listening devices. In fact, Rob is often called upon by manufacturers to test different technologies.

REFERENCES

Our owner/operator has been involved in thousands of leak detection projects on all types and sizes of water systems. He has located and pinpointed thousands of leaks. Following are 3 current references for projects completed by Hydrevo:

1. Project Name: 2020 Water System Leak Survey

Client Name: King County Water District No. 111, SeaTac, WA

Client Contact: Mr. Dylan Baily, Superintendent

Phone: 206-242-9547

dylanbailey@waterdistrict125.com

Project Details: We completed a "standard survey" (checking all hydrants, valves, and selected services) of approximately 50 miles of pipe in 10 days, locating 21 leaks estimated to be approximately 60 GPM loss in total. We used an FCS S30 acoustic leak noise survey for the initial survey and a SubSurface LC-2500 leak noise correlator for pinpointing. We also used a SubSurface LD-12 ground microphone for confirming leaks pinpointed with the correlator as well as for pinpointing leaks that could not be found with the correlator (limited access lines, etc.).

2. Project Name: 2020 Water System Leak Survey

Client Name: City of Ellensburg, WA

Client Contact: Mr. Mike Helgeson, Assistant PW Director

Phone: 509-962-7133

helgy@ci.ellensburg.wa.us

Project Details: We completed a "standard survey" of approximately 100 miles of pipe in 20 days, locating 27 leaks estimated to be approximately 150 GPM loss in total. We used an FCS S30 acoustic leak noise survey for the initial survey and a SubSurface LC-2500 leak noise correlator for pinpointing. We also used a SubSurface LD-12 ground microphone for confirming leaks pinpointed with the correlator as well as for pinpointing leaks that could not be found with the correlator (limited access lines, etc.).

3. Project Name: 2020 Water System Leak Survey

Client Name: DeKalb County DWM, GA

Client Contact: Mr. Arjem Bootsma, Engineer

Phone: 404-698-7102

abootsma@dekalbcountyga.gov

Project Details: We completed a “point to point” (checking all available valves, hydrants and services) of approximately 75 miles (estimated) of pipe in 40 days (over 4 different visits), locating 100 leaks estimated to be approximately 203 GPM loss in total. We used an FCS S30 acoustic leak noise survey for the initial survey and a SubSurface LC-2500 leak noise correlator for pinpointing. We also used a SubSurface LD-12 ground microphone for confirming leaks pinpointed with the correlator as well as for pinpointing leaks that could not be found with the correlator (limited access lines, etc.).

PROCEDURES AND METHODS

Our methodologies are the standards we live by. Every project is unique, and in each case, we highlight, summarily, what is specified and expected. For the City, we offer the following two (2) options as outlined in the Cover Letter:

Option 1 – “Point to Point” Survey

- a. Hydrex will contact **all available** access points, including hydrants, valves, and services. This step will be done using a leak noise amplifier as described in the Equipment List, which is listed on pages 7 and 8.
- b. Cross country lines and lines with limited access will be checked using an acoustic ground microphone and/or a probe and leak noise amplifier if they are suspected to be leaking.
- c. Whenever leak noise is detected, we will record the location and appurtenance(s) where the noise was detected. This is done electronically, using Apple Notepad or on a Leak Noise Sheet. On a project of this nature, we will typically survey (listen) Monday through Thursday.
- d. Possible leak locations will be re-checked, and if the noise is still present, we will use various acoustic leak detection equipment to pinpoint the leakage (equipment follows on pages 7 and 8). **Note** - If a large leak is suspected, we will point that leak within 2 hours of detection and report it to the City so that repairs can begin as quickly as possible. Other noises will typically be pinpointed on Friday's of each week. Hydrant leaks and other obvious, visible leaks (meter gaskets, curb stops, etc.) will be pinpointed as they are found.
- e. A Leak Sheet will be drawn up at each location and will include:
 - Leak Type
 - Leak Location (Address)
 - Estimated Water Loss (Gallons Per Minute)
 - Each leak location will be painted as a blue X and marked “LEAK” using environmentally friendly paint.
 - We will provide the City with a copy of Leak Sheets at the beginning of each day (from leaks pinpointed the day before).
- f. Hydrex will resurvey areas where leaks are found and repaired (while still on site) to ensure no quiet leaks were masked by the original leak.
- g. Hydrex will provide a Final Report within 15 days of project completion. The City will receive one copy of each (hard and electronic), however, if more copies are required. Hydrex will supply as many as required at no additional charge. The Final Report will include the following:
 - **Cover Letter** with Executive Summary in Narrative Format. The Executive Summary will include tables for time spent surveying, pinpointing, approximate footage surveyed, estimated GPD water loss, quantity of leaks found, type of leaks found, and project observations with recommendations for system improvements

(as well as a list of maintenance items discovered during the survey such as missing or broken valve lids, etc.)

- **Survey Review** discussing the procedures and methods used during the survey phase.
- **Pinpointing Review** discussing the procedures and methods used during the pinpointing phase.
- **Leak Sheets** detailing the location of the leak, time spent pinpointing the leak, type of leak, estimated size (in gallons), a drawing of the leak location, leak classification (based on estimated severity of the leak), GPS waypoints, and a photo of the leak location.

Option 2 – “Standard Survey”

- a. Hydrevo will contact **available** access points, including all hydrants, all valves, and selected services. Survey distances will average no more than +/- 400' in most areas. Whenever distances exceed this, we will test selected services in between, reducing survey distances. This step will be done using a leak noise amplifier as described in the Equipment List, which is listed on pages 7 and 8.
- b. Cross country lines and lines with limited access will be checked using an acoustic ground microphone and/or a probe and leak noise amplifier if they are suspected to be leaking.
- c. Whenever leak noise is detected, we will record the location and appurtenance(s) where the noise was detected. This is done electronically, using Apple Notepad or on a Leak Noise Sheet. On a project of this nature, we will typically survey (listen) Monday through Thursday.
- d. Possible leak locations will be re-checked, and if the noise is still present, we will use various acoustic leak detection equipment to pinpoint the leakage (equipment follows on pages 7 and 8). **Note** - If a large leak is suspected, we will point that leak within 2 hours of detection and report it to the City so that repairs can begin as quickly as possible. Other noises will typically be pinpointed on Friday's of each week. Hydrant leaks and other obvious, visible leaks (meter gaskets, curb stops, etc.) will be pinpointed as they are found.
- e. A Leak Sheet will be drawn up at each location and will include:
 - a. Leak Type
 - b. Leak Location (Address)
 - c. Estimated Water Loss (Gallons Per Minute)
 - d. Each leak location will be painted as a blue X and marked “LEAK” using environmentally friendly paint.
 - e. We will provide the City with a copy of Leak Sheets at the beginning of each day (from leaks pinpointed the day before).
- f. Hydrevo will resurvey areas where leaks are found and repaired (while still on site) to ensure no quiet leaks were masked by the original leak.

As with Option 1, Hydrevo will provide a Final Report within 15 days of project completion. The City will receive one copy of each (hard and electronic), however, if more copies are required, Hydrevo will supply as many as required at no additional charge. The Final Report will include the following:

Cover Letter with Executive Summary in Narrative Format. The Executive Summary will include tables for time spent surveying, pinpointing, approximate footage surveyed, estimated GPD water loss, quantity of leaks found, type of leaks found, and project observations with recommendations for system improvements (as well as a list of maintenance items discovered during the survey such as missing or broken valve lids, etc.)

Survey Review discussing the procedures and methods used during the survey phase.

Pinpointing Review discussing the procedures and methods used during the pinpointing phase.

Leak Sheets detailing the location of the leak, time spent pinpointing the leak, type of leak, estimated size (in gallons), a drawing of the leak location, leak classification (based on estimated severity of the leak), GPS waypoints, and a photo of the leak location.

PREPARATIONS FOR SERVICE

While preparations for service are important for several reasons, Hydrevo can effectively survey the lines with minimal preparations for our service. If possible, we ask that the City clean all valve boxes in the survey area for easy contact of our equipment to each operating nut. This minimizes the use of a probe rod, which can amplify ambient noise and possibly mask quieter leak noises.

Meter boxes are often filled with dirt. We will use a small probe if the curb stop is not easily accessed, however, in most cases, we are able to shovel any dirt from the curb stop for direct contact of our equipment.

LIST OF EQUIPMENT TO BE USED

Hydrevo utilizes state of the art leak detection equipment including, but not limited to the following:

1. A **leak noise surveyor** allows the operator to listen for leak noise by placing an acoustic sensor (transducer) in contact with any access point in the distribution system (valve, hydrant, service, etc.). Sound from the pipeline is transmitted through aviator-quality headphones, which allows the operator to determine if leak type noise is present. We use the follow models of leak noise surveyors:
 - **FCS S30 Leak Surveyor**
2. A **leak noise correlator** is a computer/electronic device used to pinpoint leaks in pressurized water lines. Typically, correlation systems use acoustic sensors (transducers) that are placed in contact with the pipe at two or more points (valves, services, etc.) in attempts to straddle the suspected leak. The sound, which is transmitted by radio signal from each outstation, is processed through a mathematical algorithm which determines the difference in the time it takes noise to travel from the suspected leak to each of the sensors. These are complex and sophisticated pieces of equipment that should be used only by experienced, highly trained, people. We use the follow model of correlation devices:
 - **SubSurface Leak Detection LC-2500**
3. A **ground microphone** is a device used for validating correlation results or for use as a survey tool in areas where there are few to no access points. It is also used as a back-up to the FCS S30 if required. We use the following models of ground microphones:
 - **SubSurface LD-12**
 - **Pollard Geophones**
4. A **line and metal locator** are used when system maps are incomplete, and the line needs to be located (pipe and cable locator), or valve lids need to be located (metal detector). We use the following models of line and metal locators:

- Subsurface Instruments PL2000 Line Locator (for non-PVC lines)
- Subsurface Instrument ML-1M Metal Detector

PRICING

EXHIBIT B

Option 1 – “Point to Point” Survey (entire system)

13 Days @ \$879.00 per day.....\$11,427.00

Option 2 – “Standard Survey” (entire system)

8 Days @ \$879.00 per day.....\$ 7,032.00

Option 3 – “Standard Survey” or “Point-to-Point” Survey (partial system – 9 to 15 miles)

~~3 Days @ \$879.00 per day.....\$ 2,637.00~~

- Pricing will be held for 120 days.
- Pricing includes all mobilization, required taxes, licenses, overhead and profit.
- Terms - Net 30, 1.5% Monthly Service Charge on all unpaid invoices.
- We accept Visa and Mastercard. A 3% convenience fee will be added if a credit card is used for payment.

End of Quote



City Council Agenda Bill

SUBJECT:	Agenda Date: March 7, 2023	AB23-026
Motion Authorizing a Second Amendment to Professional Services Contract with DKS	Department/Committee/Individual Mayor Rob McFarland City Administrator – David Miller City Attorney – Lisa Marshall City Clerk – Susie Oppedal Administrative Services – Lisa Escobar Comm. & Economic Development – Rebecca Deming Finance – Richard Gould	
Cost Impact: Mostly will be private development “pass through” cost; total not to exceed in 2 nd Amendment is \$75,000		
Fund Source: Varies on project type		X
Timeline: Immediate		
Attachments: 2 nd Amendment, DKS Fee Schedule 2023		
SUMMARY STATEMENT:		
Currently, the City of North Bend contracts with multiple consultant firms, including DKS, for the provision of on-call services relating to transportation engineering / traffic planning. The City has contracted with DKS for specific tasks such as:		
<ul style="list-style-type: none">• Transportation impact analysis (TIA) peer review;• Comprehensive plan transportation element update support;• General transportation engineering design review of streets, trails, and roundabouts;• Transportation Impact Fee (TIF) program update preparation;• Transportation Improvement Program (TIP) support;• Citywide bike plan preparation; and• WSDOT project coordination.		
The City initialized a traffic consulting services contract with DKS on July 31, 2019 for \$75,000. On January 7, 2020, the City approved the first amendment to the DKS contract extending terms through 2023.		
This second amendment to the DKS contract extends the terms with DKS until December 31, 2025 and increases the contract by \$75,000 for a total final contract amount of not to exceed \$150,000. These are primarily pass-through costs to private development projects however City staff occasionally desire transportation related support from DKS outside of private development projects. All other terms of the contract would remain the same. City staff recommends approval of this 2 nd amendment to ensure the City has adequate support on transportation related services.		
APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services including transportation and traffic management.		
COMMITTEE REVIEW AND RECOMMENDATION: This 2 nd amendment was brought up during the Transportation and Public Works Committee meeting on February 28, 2023 and was recommended for approval and placement on Consent Agenda.		
RECOMMENDED ACTION: MOTION to approve AB23-026, authorizing a second amendment to the contract with DKS, in a final form and content acceptable to the City Attorney, in an amount not to exceed \$75,000.		

City Council Agenda Bill

RECORD OF COUNCIL ACTION		
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
March 7, 2023		

**SECOND AMENDMENT TO
PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN THE CITY OF NORTH BEND AND DKS**

THIS SECOND AMENDMENT to the Contract for Services entered into between the City of North Bend and DKS effective March 7, 2023 (hereafter the “Agreement”), is made in consideration of the mutual benefits, terms, and conditions hereinafter specified and pursuant to Section 14 of the Agreement.

1. Section 2 of the Agreement is hereby amended to read as follows:

Compensation and Method of Payment. Consultant will invoice the City monthly based upon the fee schedule set forth in Exhibit B attached hereto, which is incorporated by this reference as if fully set forth. Consultant shall be paid a total amount not to exceed **\$150,000.00** (\$75,000 original contract plus \$75,000 for this second amendment) without written modification of the Agreement signed by the City. The City shall pay Consultant for services rendered under this Agreement within ten (10) days after City Council voucher approval. Consultant agrees to complete and return the attached Exhibit C (Taxpayer Identification Number) to the City prior to or along with the first invoice.

3. Section 3 of the Agreement is hereby amended to read as follows:

Duration of Agreement. This Agreement shall be in full force and effect for a period commencing April 3rd, 2018 and ending December 31, 2025 unless earlier terminated in accordance with Section 11 herein or extended by written amendment in accordance with Section 14 herein.

All other terms and conditions remain as provided in the original Agreement effective April 3, 2018.

DATED this _____ day of _____, 2023.

CITY OF NORTH BEND

DKS

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Attest/Authenticated:

City Clerk

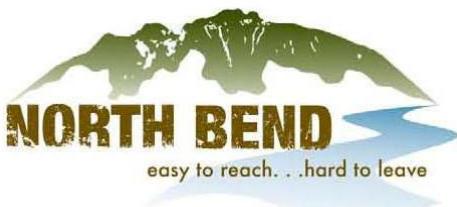
Approved as to form:

Lisa Marshall, City Attorney

Fee Schedule					
Effective January 1, 2023 through December 31, 2023					
ENGINEERS and PLANNER			TECHNICIANS and SUPPORT STAFF		
Grade	Hourly Rate	Grade	Hourly Rate	Tech Level	Hourly Rate
Grade 5	75.00	Grade 38	240.00	Tech Level G	65.00
Grade 6	80.00	Grade 39	245.00	Tech Level H	70.00
Grade 7	85.00	Grade 40	250.00	Tech Level I	75.00
Grade 8	90.00	Grade 41	255.00	Tech Level J	80.00
Grade 9	95.00	Grade 42	260.00	Tech Level K	85.00
Grade 10	100.00	Grade 43	265.00	Tech Level L	90.00
Grade 11	105.00	Grade 44	270.00	Tech Level M	95.00
Grade 12	110.00	Grade 45	275.00	Tech Level N	100.00
Grade 13	115.00	Grade 46	280.00	Tech Level O	105.00
Grade 14	120.00	Grade 47	285.00	Tech Level P	110.00
Grade 15	125.00	Grade 48	290.00	Tech Level Q	115.00
Grade 16	130.00	Grade 49	295.00	Tech Level R	120.00
Grade 17	135.00	Grade 50	300.00	Tech Level S	125.00
Grade 18	140.00	Grade 51	305.00	Tech Level T	130.00
Grade 19	145.00	Grade 52	310.00	Tech Level U	135.00
Grade 20	150.00	Grade 53	315.00	Tech Level V	140.00
Grade 21	155.00	Grade 54	320.00	Tech Level W	145.00
Grade 22	160.00	Grade 55	325.00	Tech Level X	150.00
Grade 23	165.00	Grade 56	330.00	Tech Level Y	155.00
Grade 24	170.00	Grade 57	335.00	Tech Level Z	160.00
Grade 25	175.00	Grade 58	340.00	Tech Level AA	165.00
Grade 26	180.00	Grade 59	345.00	Tech Level AB	170.00
Grade 27	185.00	Grade 60	350.00	Tech Level AC	175.00
Grade 28	190.00	Grade 61	355.00	Tech Level AD	180.00
Grade 29	195.00	Grade 62	360.00	Tech Level AE	185.00
Grade 30	200.00	Grade 63	365.00	Tech Level AF	190.00
Grade 31	205.00	Grade 64	370.00	Tech Level AG	195.00
Grade 32	210.00	Grade 65	375.00	Tech Level AH	200.00
Grade 33	215.00	Grade 66	380.00		
Grade 34	220.00	Grade 67	385.00		
Grade 35	225.00	Grade 68	390.00		
Grade 36	230.00	Grade 69	395.00		
Grade 37	235.00	Grade 70	400.00		

- Project expenses will be billed at *cost plus ten percent* for service and handling. Project expenses include project-related costs such as reproduction through outside services, transportation, subsistence, delivery/postage, and vendor and subcontractor services.
- All invoices are due and payable within 30 days of date of invoice. Invoices outstanding over 30 days will be assessed a 1 1/4 percent service charge, compounded, for each 30 days outstanding beyond the initial payment period. Service charges are not included in any agreement for maximum charges.

Rates subject to change annually.



City Council Agenda Bill

SUBJECT:	Agenda Date: March 7, 2023	AB23-027
Motion Authorizing an On-Call Contract with Keithly Electric Company	Department/Committee/Individual	
	Mayor Rob McFarland	
	City Administrator – David Miller	
	City Attorney – Lisa Marshall	
	City Clerk – Susie Oppedal	
	Administrative Services – Lisa Escobar	
	Comm. & Economic Development – Rebecca Deming	
	Finance – Richard Gould	
Cost Impact: N/A	Public Works – Mark Rigos, P.E.	X
Fund Source: N/A		
Timeline: Immediate		
Attachments: On-Call Contract		
SUMMARY STATEMENT:		
<p>During February 2016, the City of North Bend (City) entered into an on-call contract with Keithly Electric Company of Seattle, WA to provide troubleshooting and repair services for electrical equipment at City-owned facilities. Since then, City staff have worked with Keithly on numerous occasions with outstanding results. They have been very responsive, especially in emergency situations, employ knowledgeable electricians, and have proven to be excellent at troubleshooting and repairing problems in a timely manner. Additionally, Keithly has a very strong knowledge of telemetry systems and employs quality troubleshooting and repair staff. Keithly's rates are reasonable compared to other electricians in the area.</p>		
<p>The most recent on-call contract with Keithly expired December 31, 2022. Because the contract recently expired and the City intends on using them for additional services, it is desired to execute a new contract. The terms of this new contract are very similar to the previous contracts, with the only change being the time of performance. Due to staff's positive experience with Keithly, staff recommends an expiration date of December 31, 2025.</p>		
APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services including transportation and traffic management.		
COMMITTEE REVIEW AND RECOMMENDATION: This item was discussed at the January 24, 2023 and February 28, 2023 Transportation and Public Works Committee meetings and was recommended for approval and placement on Consent Agenda.		
RECOMMENDED ACTION: MOTION to approve AB23-027, authorizing an On-Call Contract with Keithly Electric Company, in a form and content approved by the City Attorney.		
RECORD OF COUNCIL ACTION		
Meeting Date	Action	Vote
March 7, 2023		

CONTRACT FOR ON-CALL SERVICES
City of North Bend and Keithly Electric Company

This Agreement is entered into by and between the City of North Bend, Washington, a municipal corporation of the State of Washington, hereinafter referred to as "the City," and Keithly Electric Company, hereinafter referred to as "the Contractor."

WHEREAS, the City has determined the need to have certain services performed for its citizens; and

WHEREAS, the City desires to have the Contractor perform such services pursuant to certain terms and conditions; NOW, THEREFORE,

IN CONSIDERATION OF the mutual benefits and conditions set forth below, the parties hereto agree as follows:

1. **Scope of Services to be Performed by Contractor.** The Contractor shall perform those services described on Exhibit "A" attached hereto and incorporated herein by this reference as if fully set forth. In performing such services, the Contractor shall at all times comply with all federal, state, and local statutes, rules, and ordinances applicable to the performance of such services and the handling of any funds used in connection therewith.
2. **Compensation and Method of Payment.** The City shall pay the Contractor for services rendered within ten (10) days after City Council voucher approval. The Contractor will bill the City monthly based upon actual time expended and expenses incurred against the approved budget for the designated project at the rates provided in Exhibit "B". The Contractor shall be paid a total amount not to exceed the approved budget for the designated project without written modification of the Agreement signed by the City. The Contractor shall complete and return Exhibit "C", Taxpayer Identification Number, to the City prior to or along with the first billing invoice submittal.
3. **Duration of Agreement.** This Agreement shall be in full force and effect for a period commencing February 8, 2023, and ending December 31, 2025, unless sooner terminated under the provisions hereinafter specified or extended through a mutually agreed upon written amendment to this agreement.
4. **Reserved.**
5. **Independent Contractor.** The Contractor and the City agree that the Contractor is an independent Contractor with respect to the services provided pursuant to this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties hereto. Neither the Contractor nor any employee of the Contractor shall be entitled to any benefits accorded City employees by virtue of the services provided under this Agreement. The City shall not be responsible for paying, withholding, or otherwise deducting any customary state or federal payroll deductions, including but not limited to FICA, FUTA, state industrial insurance, state workers compensation, or otherwise assuming the duties of an employer with respect to the Contractor or any employee of the Contractor.
6. **Indemnification.** The Contractor shall indemnify, defend, and hold harmless the City, its officers, agents, and employees, from and against any and all claims, losses, or liability, including attorneys' and expert witness fees, arising from injury or death to persons or damage to property occasioned by any negligent act, omission, or failure of the Contractor, its officers, agents, and employees, in performing the work required by this Agreement. With respect to the performance of this Agreement and as to claims against the City, its officers, agents, and employees, the Contractor expressly waives its immunity under Title 51 of the Revised Code of Washington, the Industrial Insurance Act, for injuries to its employees, and agrees that the obligation to indemnify, defend, and hold harmless provided for in this paragraph extends to any claim brought by or on

behalf of any employee of the Contractor. This waiver is mutually negotiated by the parties. This paragraph shall not apply to any damage resulting from the sole negligence of the City, its agents, and employees. To the extent that any of the damages referenced by this paragraph were caused by or resulted from the concurrent negligence of the City, its agents, or employees, this obligation to indemnify, defend, and hold harmless is valid and enforceable only to the extent of the negligence of the Contractor its officers, agents, and employees.

7. Insurance.

- A. The Contractor shall procure and maintain in full force throughout the duration of the Agreement comprehensive general liability insurance with a minimum coverage of \$1,000,000 per occurrence/aggregate for personal injury and property damage. Said policy shall name the City of North Bend as an additional named insured and shall include a provision prohibiting cancellation or reduction in the amount of said policy except upon thirty (30) days prior written notice to the City. Cancellation of the required insurance shall automatically result in termination of this Agreement.
- B. In addition to the insurance provided for in Paragraph A above, the Contractor shall procure and maintain in full force professional liability insurance for those services delivered pursuant to this Agreement that, either directly through Contractor employees or indirectly through contractual or other arrangements with third parties, involve providing professional services. Such professional liability insurance shall be maintained in an amount not less than \$1,000,000 combined single limit per claim/aggregate. For the purposes of this Paragraph "professional services" shall include, but not be limited to, the provision of any services provided by any licensed professional.
- C. Certificates of coverage as required by Paragraphs A and B above shall be delivered to the City within fifteen (15) days of execution of this Agreement.

8. Record Keeping and Reporting and “Red Flag” Rules.

- A. The Contractor 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 Contractor 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 and compliance with this Agreement.
- B. These records shall be maintained for a period of seven (7) years after termination hereof unless permission to destroy them is granted by the Office of the Archivist in accordance with RCW Chapter 40.14 and by the City.
- C. The Contractor has received, and shall adhere to, the City’s Identity Theft Prevention Program (“Red Flag” rules) a copy of which is attached as Exhibit “D”.

9. Taxes, Licenses and Permits.

- A. The Contractor shall procure and maintain a City Business License in accordance with NBMC Chapter 5.04, Business Licenses and Business and Occupation Tax, prior to beginning work under this agreement. The Contractor shall also ensure that, and be responsible for, all Contractors, sub-Contractor, and suppliers, obtain a City Business License.

- B. The Contractors acknowledges that it is responsible for the payment of all charges and taxes applicable to the services performed under this Contract, including NBMC Chapters 5.04 and 5.05, and the Contractor agrees to comply with all applicable laws regarding the reporting of income, maintenance of records, and all other requirements and obligations imposed pursuant to applicable law. If the City does not receive, or is assessed, made liable, or responsible in any manner for such charges or taxes, the Contractor shall reimburse and hold the City harmless from such costs, including attorney's fees. The Contractor shall also require all Contractors, sub-Contractors, and suppliers, pay all charges and taxes in accordance with this section.
- C. In the event the Contractor fails to pay any taxes, assessments, penalties, or fees imposed by the City or any other governmental body, then the Contractor authorizes the City to deduct and withhold and/or pay over to the appropriate governmental body those unpaid amounts upon demand by the governmental body. This provision shall, at a minimum, apply to taxes and fees imposed by City ordinance. Any such payments shall be deducted from the Contractors total compensation.

10. **Audits and Inspections.** The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review, or audit by law during the performance of this Agreement. The City shall have the right to conduct an audit of the Contractor's financial statement and condition and to a copy of the results of any such audit or other examination performed by or on behalf of the Contractor.

11. **Termination.** This Agreement may at any time be terminated by the City upon giving to the Contractor thirty (30) days written notice of the City's intention to terminate the same. If the Contractor's insurance coverage is canceled for any reason, the City shall have the right to terminate this Agreement immediately.

12. **Discrimination Prohibited.** The Contractor shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Contractor under this Agreement on the basis of race, creed, color, national origin, marital status, sex, age, disability, or other circumstance prohibited by federal, state or local law or ordinance, except for a bona fide occupational qualification.

13. **Assignment and Subcontract.** The Contractor shall not assign or subcontract any portion of the services contemplated by this Agreement without the prior written consent of the City.

14. **Entire Agreement.** This Agreement contains the entire agreement between the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind any of the parties hereto. Either party may request changes to the Agreement. Proposed changes which are mutually agreed upon shall be incorporated by written amendments to this Agreement.

15. **Notices.** Notices to the City of North Bend shall be sent to the following address:

David Miller, City Administrator
City of North Bend
920 SE Cedar Falls Way
North Bend, Washington 98045
Phone Number: (425) 888-1211

Notices to the Contractor shall be sent to the following address:

Danny Keithly
Keithly Electric Company
827 South Director Street
Seattle, WA 98108
Phone Number: (206) 763-6875

16. **Applicable Law; Venue; Attorneys' Fees.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its attorney and expert witness fees, and costs of suit.

CITY OF NORTH BEND, WASHINGTON

By: _____
Rob McFarland
Title: Mayor
Date: _____

KEITHLY ELECTRIC COMPANY

By: _____
Title: _____
Date: _____

Attest/Authenticated:

Susie Oppedal, City Clerk

Approved As To Form:

Lisa Marshall, City Attorney

EXHIBIT A



*Continuously Providing Unparalleled Service to Our Customers
from our Most Valuable Asset: Our Employees*

Services

Case Studies

About

Contact

Industrial Services

Since 1967 Keithly Electric has proudly been supporting industry 24/7 365 days a year! We pride ourselves on our ability to service every aspect of your facility from wireless signals to 38KV power distribution systems.

With exceptional technicians, programmers and electricians; Design/Build services for your project from the ground up and providing your facility with the following services:

- 24 Hour Troubleshooting and Repair Service
- Certified Electrode and Ground Testing
- Systems Integration (Rockwell Automation Recognized Systems Integrator)
- PLC Programming and HMI development
- CAD Services and Design
- UL508A Panel Shop
- Fiber Optic and Network cabling
- Industrial E-net, Control Net, Device Net, Profi-bus, Can-Open
- Load Analysis and Engineering Services
- Service Design and Installation
- Electric Utility Coordination
- Medium Voltage Equipment Supply and Installation
- Transformer Oil Testing
- Instrument Calibration and Process Tubing
- Water Treatment System design and installation
- Drive programming, sales and service
- Camera system installation and service
- Generators, Transfer Switches and UPS systems
- Aggregate Delivering System using Keithly's "Sensor-less Technology"
- Commercial Tenant Improvements
- Energy conservation programs with government funding of up to 60% of project cost that include: LED Lighting, Air compressors, Hydraulics and Fan/dust collector applications



©2016 Keithly Electric



827 South Director Street
Seattle, WA 98108
Phone (206) 763-6875
www.keithlyelectric.com

EXHIBIT B

RATE AND BILLING INFORMATION

Hourly Rates

The following are our standard hourly rates. Overtime is charged at time-and-a-half for work over 8 hours per day and all-day Saturday. Sundays and holidays are charged at double the standard rate. Service calls have a minimum 3-hour billing. Travel time is billed at the applicable rate on the day of service.

	Hourly Rate	Overtime	Double-time
Electrician	\$120.00	\$180.00	\$240.00
Foreman	\$130.00	\$195.00	\$260.00
Controls Technician / Programmer	\$150.00	\$225.00	\$300.00
Project Engineer / Project Manager	\$150.00	\$225.00	\$300.00
Prevailing Wage Electrician	\$200.00	\$300.00	\$400.00
Prevailing Wage Technician	\$225.00	\$337.50	\$450.00
Shift Work (evening / night) 20% surcharge			

Emergency Service Calls

Service calls outside of regular business hours incur a \$300 call-out fee plus portal-to-portal charges at \$250 / hour, with a two-hour minimum. Emergency call rates are charged weekdays from 4:00 pm to 6:00 am and all day Saturdays, Sundays and holidays.

General Terms and Conditions

Prices do not include applicable sales tax. Service calls are billed upon completion. Small capital projects require a 50% deposit and are billed upon completion. Large capital projects require a 20% deposit and are progress billed monthly. Terms are net-30. Credit cards are accepted and are subject to a 3.5% processing fee.

Warranty

Keithly Electric Company warranties all work for one year from the date of completion. The warranty is void if a person or firm other than Keithly Electric performs or re-performs any work directly related to our installation. Keithly Electric Company can only warranty materials that it supplies and does not warranty materials supplied by the customer. Manufacturers' warranties for individual parts installed will be passed on to the customer.

EXHIBIT C

CITY OF NORTH BEND
920 SE Cedar Falls Way
North Bend, WA 98045
Phone: (425) 888-1211
FAX: (425) 831-6200

TAX IDENTIFICATION NUMBER

In order for you to receive reimbursement from the City of North Bend, we must have either a Tax Identification Number or a Social Security Number. The Internal Revenue Code requires a Form 1099 for payments to every person or organization other than a corporation for services performed in the course of trade or business. Further, the law requires us to withhold 20% on reportable amounts paid to unincorporated persons who have not supplied us with their correct Tax Identification Number or Social Security Number.

Please complete the following information request form and return it to the City of North Bend before or along the submittal of the first billing voucher.

Please check the appropriate category:

Corporation Partnership Government Agency
 Individual/Proprietor Other (please explain)

TIN#: - - - - -

SS#: - - - - -

Print Name: _____

Print Title: _____

Business Name: _____

Business Address: _____

Business Phone: _____

Authorized Signature (required)

EXHIBIT D

CITY OF NORTH BEND IDENTITY THEFT PREVENTION PROGRAM

I. PROGRAM ADOPTION

The City of North Bend developed this Identity Theft Prevention Program (“Program”) pursuant to the Federal Trade Commission’s Red Flags Rule (“Rule”), which implements Sections 114 and 315 of the Fair and Accurate Credit Transactions Act of 2003. This Program was developed with the oversight and approval of the City’s Finance Director. After consideration of the size and complexity of the City’s operations and account systems, and the nature and scope of the City’s activities, the City Council determined that this Program was appropriate for the City, and therefore approved this Program by the adoption of Ordinance No.1351 on the 21 day of April, 2009.

II. PROGRAM PURPOSE AND DEFINITIONS

A. Fulfilling Requirements of the Red Flags Rule.

Under the Red Flags Rule, every financial institution and creditor is required to establish an identity theft prevention program tailored to its size, complexity and the nature of its operation. The Program must contain reasonable policies and procedures to:

- Identify relevant red flags as defined in the Rule and this Program for new and existing covered accounts, and incorporate those red flags into the Program;
- Detect red flags that have been incorporated into the Program;
- Respond appropriately to any red flags that are detected to prevent and mitigate identity theft; and
- Update the Program periodically to reflect changes in risks to customers or to the safety and soundness of the City from identity theft.

B. Red Flags Rule Definitions Used in this Program.

For the purposes of this Program, the following definitions apply:

Account. “Account” means a continuing relationship established by a person with a creditor to obtain a product or service for personal, family, household or business purposes.

Covered Account. A “covered account” means:

a. Any account the City offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and

b. Any other account the City offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the City from identity theft.

Creditor. “Creditor” has the same meaning as defined in Section 701 of the Equal Credit Opportunity Act, 15 U.S.C. 1691a, and includes a person or entity that arranges for the extension, renewal or continuation of credit, including the City.

Customer. A “customer” means a person or business entity that has a covered account with the City.

Financial Institution. “Financial institution” means a state or national bank, a state or federal savings and loan association, a mutual savings bank, a state or federal credit union, or any other entity that holds a “transaction account” belonging to a customer.

Identifying Information. “Identifying information” means any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including name, address, telephone number, social security number, date of birth, government passport number, employer or taxpayer identification number or unique electronic identification number.

Identity Theft. “Identity theft” means fraud committed using the identifying information of another person.

Red Flag. A “red flag” means a pattern, practice, or specific activity that indicates the possible existence of identity theft.

Service Provider. “Service provider” means a person or business entity that provides a service directly to the City relating to or in connection with a covered account.

III. IDENTIFICATION OF RED FLAGS

In order to identify relevant red flags, the City shall review and consider the types of covered accounts that it offers and maintains, the methods it provides to open covered accounts, the methods it provides to access its covered accounts, and its previous experiences with identity theft. The City identifies the following red flags, in each of the listed categories:

A. Notification and Warnings from Credit Reporting Agencies - Red Flags.

- Report of fraud accompanying a credit report;
- Notice or report from a credit agency of a credit freeze on a customer or applicant;
- Notice or report from a credit agency of an active duty alert for an applicant; and
- Indication from a credit report of activity that is inconsistent with a customer’s usual pattern or activity.

B. Suspicious Documents - Red Flags.

- Identification document or card that appears to be forged, altered or inauthentic;
- Identification document or card on which a person’s photograph or physical description is not consistent with the person presenting the document;
- Other document with information that is not consistent with existing customer information (such as a person’s signature on a check appears forged); and
- Application for service that appears to have been altered or forged.

C. Suspicious Personal Identifying Information -Red Flags.

- Identifying information presented that is inconsistent with other information the customer provides (such as inconsistent birth dates);

- Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a driver's license);
- Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
- Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
- Social security number presented that is the same as one given by another customer;
- An address or phone number presented that is the same as that of another person;
- Failing to provide complete personal identifying information on an application when reminded to do so (**however, by law social security numbers must not be required**); and
- Identifying information which is not consistent with the information that is on file for the customer.

D. Suspicious Account Activity or Unusual Use of Account - Red Flags.

- Change of address for an account followed by a request to change the account holder's name;
- Payments stop on an otherwise consistently up-to-date account;
- Account used in a way that is not consistent with prior use (such as very high activity);
- Mail sent to the account holder is repeatedly returned as undeliverable;
- Notice to the City that a customer is not receiving mail sent by the City;
- Notice to the City that an account has unauthorized activity;
- Breach in the City's computer system security; and
- Unauthorized access to or use of customer account information.

E. Alerts from Others - Red Flag.

- Notice to the City from a customer, a victim of identity theft, a law enforcement authority or other person that it has opened or is maintaining a fraudulent account for a person engaged in identity theft.

IV. DETECTING RED FLAGS

A. New Accounts.

In order to detect any of the red flags identified above associated with the opening of a **new account**, City personnel will take the following steps to obtain and verify the identity of the person opening the account:

- Require certain identifying information such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification;
- Verify the customer's identity (for instance, review a driver's license or other identification card);
- Review documentation showing the existence of a business entity; and
- Independently contact the customer.

B. Existing Accounts.

In order to detect any of the red flags identified above for an **existing account**, City personnel will take the following steps to monitor transactions with an account:

- Verify the identification of customers if they request information (in person, via telephone, via facsimile, via email);
- Verify the validity of requests to change billing addresses; and
- Verify changes in banking information given for billing and payment purposes.

V. PREVENTING AND MITIGATING IDENTITY THEFT

In the event City personnel detect any identified red flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the red flag:

A. Prevent and Mitigate Identity Theft.

- Monitor a covered account for evidence of identity theft;
- Contact the customer with the covered account;
- Change any passwords or other security codes and devices that permit access to a covered account;
- Not open a new covered account;
- Close an existing covered account;
- Reopen a covered account with a new number;
- Not attempt to collect payment on a covered account;
- Notify the Finance Director for determination of the appropriate step(s) to take;
- Notify law enforcement; or
- Determine that no response is warranted under the particular circumstances.

B. Protect Customer Identifying Information.

In order to further prevent the likelihood of identity theft occurring with respect to City accounts, the City shall take the following steps with respect to its internal operating procedures to protect customer identifying information:

- Secure the City website but provide clear notice that the website is not secure;
- Undertake complete and secure destruction of paper documents and computer files containing customer information;
- Make office computers password protected and provide that computer screens lock after a set period of time;
- Keep offices clear of papers containing customer identifying information;
- Request only the last 4 digits of social security numbers (if any);
- Maintain computer virus protection up to date; and
- Require and keep only the kinds of customer information that are necessary for City purposes.

VI. PROGRAM ADMINISTRATION

A. Oversight.

The Finance Director or other designated city employee at the level of senior management shall be responsible for developing, implementing, and updating the Program.

The Finance Director shall also be responsible for the Program administration, for appropriate training of City staff on the Program, for reviewing the annual staff report required under the Program, as well as any other staff reports regarding the detection of red flags and the steps for preventing and mitigating identity theft, determining which steps of prevention and mitigation should be taken in particular circumstances, and considering periodic changes to the Program.

B. Staff Training and Reports.

City staff responsible for implementing the Program shall be trained either by or under the direction of the Finance Director in the detection of red flags, and the responsive steps to be taken when a red flag is detected. Additionally, a compliance report shall be provided annually to the Finance Director. The annual compliance report shall at a minimum address the following:

1. The effectiveness of the City's policies and procedures in addressing the risk of identity theft in connection with the opening of covered accounts and with respect to existing covered accounts;
2. Service provider arrangements;
3. Significant incidents involving identity theft and the City's response; and
4. Recommendations for material changes to the Program.

C. Service Provider Arrangements.

In the event the City engages a service provider to perform an activity in connection with one or more covered accounts, the City shall take the following steps to require that the service provider performs

its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft.

- Require, by contract, that service providers acknowledge receipt and review of the Program and agree to perform their activities with respect to City covered accounts in compliance with the terms and conditions of the Program and with all instructions and directives issued by the Finance Director relative to the Program; or
- Require, by contract, that service providers acknowledge receipt and review of the Program and agree to perform their activities with respect to City covered accounts in compliance with the terms and conditions of the service provider's identity theft prevention program and will take appropriate action to prevent and mitigate identity theft; and that the service providers agree to report promptly to the City in writing if the service provider in connection with a City covered account detects an incident of actual or attempted identity theft or is unable to resolve one or more red flags that the service provider detects in connection with a covered account.

D. Customer Identifying Information and Public Disclosure.

The identifying information of City customers with covered accounts shall be kept confidential and shall be exempt from public disclosure to the maximum extent authorized by law, including RCW 42.56.230(4). The City Council also finds and determines that public disclosure of the City's specific practices to identify, detect, prevent, and mitigate identity theft may compromise the effectiveness of such practices and hereby direct that, under the Program, knowledge of such specific practices shall be limited to the Finance Director and those City employees and service providers who need to be aware of such practices for the purpose of preventing identity theft.

VII. PROGRAM UPDATES

The Program will be periodically reviewed and updated to reflect changes in risks to customers and to the safety and soundness of the City from identity theft. The Finance Director shall at least annually review the annual compliance report and consider the City's experiences with identity theft, changes in identity theft methods, changes in identity theft detection and prevention methods, changes in types of accounts the City maintains and changes in the City's business arrangements with other entities and service providers. After considering these factors, the Finance Director shall determine whether changes to the Program, including the listing of red flags, are warranted. If warranted, the Finance Director shall present the recommended changes to the City Council for review and approval.



City Council Agenda Bill

SUBJECT:	Agenda Date: March 7, 2023	AB23-028
Motion Authorizing 1st Amendment to Contract with Sova Consulting for Appraisal Services Associated with the South Fork Avenue Extension Capital Project	Department/Committee/Individual	
Cost Impact: \$7,000	Mayor Rob McFarland	
Fund Source: Transportation Impact Fee	City Administrator – David Miller	
Timeline: Immediate	City Attorney – Lisa Marshall	
	City Clerk – Susie Oppedal	
	Administrative Services – Lisa Escobar	
	Comm. & Economic Development – Rebecca Deming	
	Finance – Richard Gould	
	Public Works – Mark Rigos, P.E.	X
Attachments: 1 st Amendment with Work Scope and Fee		

SUMMARY STATEMENT:

For the past several years, the City of North Bend (City) has been studying the South Fork Avenue corridor to extend the paved road by several thousand lineal feet from the Nintendo South Gate to North Bend Way ending in either a roundabout (Starfish 5-leg Roundabout) intersection with NW 8th Street or to a separate new intersection (possible 3-leg roundabout) that is offset and east of NW 8th Street. In 2022, Sova provided the City with appraisal services of the South Fork Avenue Extension corridor that Nintendo had previously dedicated to the City. The Dedication Agreement with Nintendo lapsed several years ago because the City had insufficient funds to build the South Fork Avenue Extension within 10 years. Nintendo now wants to be compensated for the sale of that corridor. The second component of the appraisal was the idea of extending South Fork Avenue further north to NW 8th Street and to the proposed 5-leg roundabout directly. The additional northern segment corridor needed to accommodate the 5-leg roundabout was not included in the earlier Dedication Agreement with Nintendo, because it was not envisioned 15 years ago. The genesis of the 5-leg roundabout is recent (within the past 3-4 years).

In 2022, the City contracted with Sova to appraise the value of those 2 potential road segments. That contract was for \$7,250 and accordingly it did not require City Council approval.

City staff, including the City Attorney, desire to have Sova appraiser staff be available to support ongoing negotiations between City and Nintendo. The amount proposed in the amendment is Not to Exceed \$7,000, which would increase the total contract amount to \$14,250.

In late 2022, as part of the original work effort, the total appraised value of the two road segments by Sova was \$848,000. City staff recommends approval of this contract amendment so that the City has adequate appraisal support as it relates to corridor valuations and coordination.

APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services including transportation and traffic management.

COMMITTEE REVIEW AND RECOMMENDATION: This contract amendment was brought up during the Transportation and Public Works Committee meeting on February 28, 2023 and was recommended for approval and placement on Consent Agenda.

RECOMMENDED ACTION: **MOTION to approve AB23-028, authorizing 1st amendment to contract with Sova Consultants, in an amount not to exceed \$7,000, with a final contract amount of \$14,250, in a form and content acceptable to the City Attorney.**

City Council Agenda Bill

RECORD OF COUNCIL ACTION		
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
March 7, 2023		

**FIRST AMENDMENT TO THE CONTRACT FOR SERVICES
BY AND BETWEEN THE CITY OF NORTH BEND AND
SOVA**

THIS AMENDMENT to the Contract for Services entered into between the City of North Bend and SOVA effective January 31, 2023 (hereafter the "Agreement"), is made in consideration of the mutual benefits, terms, and conditions hereinafter specified and pursuant to Section 14 of the Agreement.

1. Exhibit A of the Agreement is hereby amended by the addition of the "Additional Services Proposal", which is attached hereto and incorporated by this reference as an addendum to Exhibit A.
2. Section 2 of the Agreement is hereby amended to read as follows:

Compensation and Method of Payment. Consultant will invoice the City monthly based upon the fee schedule set forth in **Exhibit B** attached hereto, which is incorporated by this reference as if fully set forth. Consultant shall be paid a total amount not to exceed FOURTEEN THOUSAND, TWO HUNDRED FIFTY DOLLARS AND 00/100 (**\$14,250.00**) without written modification of this Agreement signed by the City. The City shall pay Consultant for services rendered under this Agreement within ten (10) days after City Council voucher approval. Consultant agrees to complete and return the attached **Exhibit C** (Taxpayer Identification Number) to the City prior to or along with the first invoice.

Original contract amount of \$7,250 + Amendment #1 amount of \$7,000 = \$14,250.00.

All other terms and conditions remain as provided in the original Agreement effective October 25, 2022.

DATED this _____ day of _____, 2023.

CITY OF NORTH BEND

By: _____
Printed Name: _____
Title: _____

SOVA

By: _____
Printed Name: _____
Title: _____

Attest/Authenticated:

City Clerk

Approved as to form:

Lisa Marshall, City Attorney

EXHIBIT B

Greg Goodman, MAI, 206.369.0451
Matt Sloan MAI, SRA, 206.234.6458

January 24, 202

Mr. Mark Rigos, P.E.
City of North Bend
920 SE Cedar Falls Way
North Bend, WA 98045

RE: APPRAISAL PROPOSAL/SCOPE-OF-WORK
NINTENDO PROPERTY
ROAD IMPROVEMENTS/ROUNABOUT ACQUISITIONS
NORTH BEND, WA 98045

Dear Mr. Rigos:

In support of our prior work for the Nintendo Property acquisitions, a contract modification for additional consulting is necessary at this time.

The City plans for a formal mediation process to secure the necessary right-of-way for the above-referenced projects. An hourly, Not-to-Exceed authorization to be billed on an hourly basis is proposed. While it is difficult to anticipate the precise number of hours or degree of valuation effort that will be required, we propose an authorization of up to 20 hours for valuation/mediation support. At our currently hourly rates of \$350/hour, a \$7,000 authorization is proposed.

We note work performed under this authorization will only be incurred at the direction of the City or City Attorney. Any unused contract budget will be reserved for future use supporting these acquisitions, or the Meadowbrook Sewer ULID if authorized.

Please let us know if you have any questions or concerns regarding this request.

Respectfully,



Matthew C. Sloan, MAI, SRA
SOVA Consulting



City Council Agenda Bill

SUBJECT:	Agenda Date: March 7, 2023	AB23-029
Motion Authorizing Contract with The Watershed Company for Shoreline Master Program User Guide and Enhancements	Department/Committee/Individual Mayor Rob McFarland City Administrator – David Miller City Attorney - Lisa Marshall City Clerk – Susie Oppedal Administrative Services – Lisa Escobar Community & Economic Development – Rebecca Deming Finance – Richard Gould Public Works – Mark Rigos	X
Cost Impact: None		
Fund Source: Grant received		
Timeline: Contract end June 30, 2024		
Attachments: Contract		
SUMMARY STATEMENT:		
The City of North Bend was awarded a grant in the amount of \$30,000 by the Department of Ecology on June 14, 2022. The City issued a Request for Qualifications (RFQ) for the work in October 2022 and received no responses. The City extended the offer to consultants to submit proposals and on January 18, 2023 received one from the Watershed Company.		
The intent and outcomes of the grant funds is a series of shoreline planning efforts to improve Shoreline Master Program (SMP) implementation (NBMC 14.20). This will include updating the City's SMP website, developing an SMP User Guide, and revising permit application forms. Shoreline property owners will be notified of the new tools available which are aimed at condensing and clarifying requirements.		
APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services.		
COMMITTEE REVIEW AND RECOMMENDATION: The Community and Economic Development Committee reviewed this item at their February 21, 2023 meeting and recommended approval and placement on the Consent Agenda.		
RECOMMENDED ACTION: MOTION to approve AB23-029, authorizing the Mayor to sign a contract with The Watershed Company for Shoreline Master Program User Guide and Enhancements, in a form and contract approved by the City Attorney, in an amount not to exceed \$30,000.		
RECORD OF COUNCIL ACTION		
Meeting Date	Action	Vote
March 7, 2023		

**PROFESSIONAL SERVICES AGREEMENT
BY AND BETWEEN THE CITY OF NORTH BEND
AND THE WATERSHED COMPANY**

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is entered into this 7th day of March, 2023, by and between the City of North Bend, a municipal corporation of the State of Washington (“City”) and The Watershed Company, a Washington Corporation, (“Consultant”) in consideration of the mutual benefits and conditions contained herein.

WHEREAS, City has determined a need to have certain services performed for its citizens; and

WHEREAS, Consultant is in the business of performing such services, which are described below; and

NOW, THEREFORE, the parties hereby agree as follows:

1. **Scope of Services.** Consultant shall perform those services described on **Exhibit A** attached hereto, which is incorporated by this reference as if fully set forth. All such services will be rendered with the degree of skill and care exercised by members of Consultant’s profession practicing under similar circumstances at the same time and in the same or similar locale, and in compliance with all federal, state, and local statutes, rules, and ordinances applicable to the performance of such services and the handling of any funds used in connection therewith.
2. **Compensation and Method of Payment.** Consultant will invoice City monthly based upon the fee schedule set forth in **Exhibit B** attached hereto, which is incorporated by this reference as if fully set forth. Consultant shall be paid a total amount not to exceed thirty thousand dollars and 00/100 (\$30,000.00) without written modification of this Agreement signed by City. City shall pay Consultant for services rendered under this Agreement within ten (10) days after City Council voucher approval. Consultant agrees to complete and return the attached **Exhibit C** (Taxpayer Identification Number) to City prior to or along with the first invoice.
3. **Duration of Agreement.** This Agreement shall be in full force and effect for a period commencing March 7, 2023 and ending June 30, 2024 unless earlier terminated in accordance with Section 11 herein or extended by written amendment in accordance with Section 14 herein.
4. **Ownership, Form, and Use of Documents.** All documents, drawings, specifications, and other materials produced by Consultant in connection with the services rendered under this Agreement shall be the property of City whether the project for which they are made is executed or not. Except as otherwise stated in Exhibit A, Consultant shall provide to City all final documents, reports, or studies in printed and electronic form. Unless otherwise directed in writing by City, all final documents, reports, or studies shall be provided to City in both a PDF and Word format. Where applicable, all Complete Plan Set Drawings shall include all Specifications and shall be submitted to City in the most updated version of AutoCAD in an unrestricted format and in accordance with City Code. Consultant shall not be responsible for any use or modifications of said documents, drawings, specifications, or other materials by City or its representatives for any purpose other than the project specified in this Agreement.
5. **Independent Contractor.** City and Consultant agree that Consultant is an independent contractor with respect to the services provided pursuant to this Agreement. Nothing in this Agreement shall be considered to create an employer-employee relationship between the parties hereto. Neither Consultant nor any of Consultant’s employees shall be entitled, by virtue of the services provided

under this Agreement, to any benefits afforded to City employees. City shall not be responsible for paying, withholding, or otherwise deducting any customary state or federal payroll deductions, including but not limited to FICA, FUTA, state industrial insurance, state workers' compensation, or for otherwise assuming the duties of an employer with respect to Consultant or Consultant's employees.

6. **Indemnification.** Consultant shall indemnify, defend, and hold harmless City, its officers, officials, employees and volunteers from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the acts, errors or omissions of Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of City.

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 bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of Consultant and City, its officers, officials, employees, and volunteers, Consultant's liability hereunder—including the duty and cost to defend—shall be only to the extent of Consultant's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes Consultant's waiver of immunity under *Industrial Insurance*, Title 51 RCW, solely for the purposes of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this section shall survive the expiration or termination of this Agreement.

7. **Insurance.** Consultant shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by Consultant, its agents, representatives, or employees. Consultant's maintenance of insurance as required by this Agreement shall not be construed to limit Consultant's liability to the coverage provided by such insurance, or otherwise limit City's recourse to any remedy available at law or in equity.

- A. **Scope of Required Insurance.** Consultant shall maintain insurance of the types and coverage described below:

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

- B. Additional Insurance Provisions. Insurance is to be placed with insurers with a current A.M. Best rating of not less than A:VII. Consultant's automobile liability and commercial general liability insurance policies are to contain, or be endorsed to contain, that they shall be primary insurance as respects City. Any insurance, self-insurance, or self-insured pool coverage maintained by City shall be excess of Consultant's insurance and shall not contribute with it. Consultant shall provide City with written notice of any policy cancellation within two (2) business days of Consultant's receipt of such notice.
- C. Certificates of Insurance. Within fifteen (15) days of the execution of this Agreement, Consultant shall deliver original certificates and a copy of amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance coverage required by this Section 7.
- D. Failure to Maintain Insurance. Consultant's failure to maintain insurance as required shall constitute a material breach of this Agreement, upon which City may, after giving five (5) business days' notice to Consultant to correct the breach, immediately terminate this Agreement or, at its sole discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to City on demand, or at the sole discretion of City, offset against funds due Consultant from City.
- E. Full Availability of Consultant Limits. If Consultant maintains higher insurance limits than the minimums shown above, City shall be insured for the full available limits of Commercial General and excess or umbrella liability maintained by Consultant, irrespective of whether such limits maintained by Consultant are greater than those required by this Agreement or whether any certificate of insurance furnished to City evidences limits of liability lower than those maintained by Consultant.

8. Recordkeeping and “Red Flag” Rules.

- A. 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. Consultant shall also maintain such other records as may be deemed necessary by City to ensure proper accounting of all funds contributed by City to the performance of this Agreement and of the parties' compliance with this Agreement.
- B. These records shall be maintained for a period of seven (7) years after termination hereof unless permission to destroy them is granted by the Office of the Archivist in accordance with Chapter 40.14 RCW and by City.
- C. Consultant acknowledges receipt of and agrees to adhere to City's Identity Theft Prevention Program (“Red Flag” rules), a copy of which is attached hereto as **Exhibit D**.

9. Taxes, Licenses and Permits.

- A. Consultant shall procure and maintain a City business license in accordance with Chapter 5.04 NBMC, *Business Licenses and Business and Occupation Tax*, prior to beginning work under this Agreement. Consultant assumes responsibility for and ensures that all contractors, subcontractors and suppliers shall also obtain a City business license.

- B. Consultant acknowledges that it is responsible for the payment of all charges and taxes applicable to the services performed under this Agreement, including taxes and fees assessed pursuant to Chapters 5.04 and 5.05 NBMC, and Consultant agrees to comply with all applicable laws regarding the reporting of income and maintenance of records, and with all other requirements and obligations imposed pursuant to applicable law. If City does not receive, or is assessed, made liable, or responsible in any manner for such charges or taxes, Consultant shall reimburse and hold City harmless from such costs, including attorneys' fees. Consultant shall also require all contractors, subcontractors and suppliers to pay all charges and taxes in accordance with this Section 9.
- C. In the event Consultant fails to pay any taxes, assessments, penalties, or fees imposed by City or any other governmental body, then Consultant authorizes City to deduct and withhold and/or pay over to the appropriate governmental body those unpaid amounts upon demand by the governmental body. This provision shall, at a minimum, apply to taxes and fees imposed by City ordinance. Any such payments shall be deducted from Consultant's total compensation.

10. Audits and Inspections. The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review, or audit by law during the term of this Agreement. City shall have the right to conduct an audit of Consultant's financial statement and condition and to a copy of the results of any such audit or other examination performed by or on behalf of Consultant.

11. Termination. This Agreement may be terminated by City at any time upon thirty (30) days' written notice; provided, that if Consultant's insurance coverage is canceled for any reason, City shall have the right to terminate this Agreement as provided in Subsection 7(D) herein.

12. Discrimination Prohibited. Consultant shall not discriminate against any employee, applicant for employment, or any person seeking Consultant's services under this Agreement on the basis of race, color, religion, creed, sex, age, national origin, marital status, or presence of any sensory, mental, or physical handicap.

13. Assignment and Subcontract. Consultant shall not assign or subcontract any portion of the services contemplated by this Agreement without the prior written consent of City.

14. Entire Agreement; Modification. This Agreement contains the entire agreement between the parties hereto, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind any of the parties hereto. Proposed changes which are mutually agreed upon shall be incorporated by written amendments or addenda signed by both parties.

15. Notices. Notices required hereunder shall be delivered via certified U.S. mail to the addresses below:

To the City of North Bend: David Miller, City Administrator
 City of North Bend
 920 SE Cedar Falls Way
 North Bend, Washington 98045
 Phone: (425) 888-1211

To Consultant: Dan Nickel
Vice President
The Watershed Company
750 Sixth St. S
Kirkland, WA 98033
Phone: (425) 822-5242

16. Security. Consultant will protect confidential information provided by City pursuant to this Agreement by adhering to policies governing physical, electronic, and managerial safeguards against unauthorized access to an unauthorized disclosure of confidential information. Security standards shall meet or exceed Washington State Office of the Chief Information Officer Standard No. 141.10. Only authorized employees of Consultant shall have access to City's confidential information, and only for the purposes specified in this Agreement. Consultant shall, within 24 hours of discovery, report to City any use, access to or disclosure of City's confidential information not previously authorized by City.

17. Applicable Law; Venue; Attorneys' Fees. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be properly and exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its costs of suit, including attorneys' fees and expert witness fees.

BY THEIR SIGNATURES BELOW, the authorized agents of the parties enter into this Agreement as of the day and year first written above.

CITY OF NORTH BEND

By: _____
Rob McFarland, Mayor

THE WATERSHED COMPANY

By: _____
Printed Name: Dan Nickel
Title: Vice President

Attest/Authenticated:

Susie Oppedal, City Clerk

Approved As To Form:

Lisa Marshall, City Attorney

EXHIBIT A:
SCOPE OF SERVICES

Consultant shall furnish and perform services including, but not limited to, the description of work and deliverable items indicated below.

1. **Project Title:** SMP User Guide and Program Enhancements
2. **Supervising Staff.** Consultant's main point of contact at City will be Jamie Burrell, Senior Planner, who can be reached at (425) 888-7642 or jburrell@northbendwa.gov , or such other personnel as City may designate from time to time.
3. **Description of Work.**
 1. **Project kick-off and on-going project coordination.** At the start of this project, the Watershed team will meet with City staff, virtually, to identify challenges in shoreline permitting process and corresponding regulatory concepts to focus on for illustrative purposes. The project timeline and deliverable dates will also be addressed. Periodic check-ins with City staff will occur after these subsequent deliverables for further discussion and deliverable refinement.
 2. **Review Shoreline Element.** Watershed will review the City's Shoreline Element as part of the 2024 Comprehensive Plan Update and provide input on recommended changes to relevant maps, policies, or supporting information. Edits to maps, policies, and supporting information is not included.
 3. **Public Outreach.** Watershed will support the City's outreach efforts to Stakeholders, including Tribes, elected officials, agencies, and the public. Outreach will occur during SMP user guide content development and completion (two separate phases). Watershed can assist with messaging content, including graphics and text. This will conclude with a content mailer to be distributed by the City and shoreline property owners and individuals and businesses that do work within the shoreline, to notify them of the readily available SMP User Guide and website.
 4. **Draft SMP User Guide and Permit Application forms.** Watershed will review staff and (if needed) stakeholder shoreline permitting considerations, while reviewing shoreline permit application forms. This may include an informational workflow diagram describing the SMP permitting process for applicant assistance and education. Watershed will also provide recommended edits to shoreline application forms to incorporate key SMP requirements, as well as data points to help the City better track no net loss. These data points can be used to help collect SMP metrics within the City's update of its internal permit tracking system.
 5. **Develop Website Recommendations.** To enable citizen and staff interaction with regulatory components of the SMP User Guide, the Watershed team will suggest edits/ modifications to the City's current SMP website. The Watershed team will ensure site content is intuitive and user-friendly.
 6. **Final SMP User Guide, Permit Application forms and Website Recommendations.** Following staff, Stakeholder/public, and Ecology input, the Watershed team will finalize the User Guide, related shoreline permit application forms, and website updates.
4. **Deliverable Items.**

Draft and final User Guide

Draft and final permit application forms

Draft and final website content recommendations

Draft and final Shoreline Element recommendations for 2024 Comp Plan Update

EXHIBIT B:
COMPENSATION

**SHORELINE MASTER PROGRAM User Guide
BUDGET
City of North Bend**

Task #	Task	Total Hours	Total Cost
SMP User Guide			
1	Project kick-off and on-going project coordination	21	\$2,960
2	Review Shoreline Element	9	\$1,260
3	Public Outreach	22	\$2,900
4	Draft SMP User Guide and Permit Application forms	105	\$13,650
5	Develop Website Recommendations	21	\$2,740
6	Final SMP User Guide, Permit Application forms and Website Recommendations	38	\$6,490
Total			\$30,000

Hourly Rates Effective January 2023*

Dan Nickel, MSc	Environmental Engineer	\$220.20
Hugh Mortensen, PWS	Senior Ecologist	\$220.20
J. Kenny Booth, AICP	Senior Planner	\$220.22
Al Wald, LHg	Senior Hydrogeologist	\$205.20
Amber Miklusak Champoux, PLA, GISP	Senior Landscape Architect/GIS Manager	\$194.40
Greg Johnston, EIT, CFP, MSc	Senior Fisheries Biologist	\$183.60
Nell Lund, PWS	Ecologist	\$183.60
Ryan Kahlo, PWS	Ecologist	\$183.60
Mark Daniel, AICP	Associate Planner/GIS Specialist	\$183.60
Marina French, PLA	Landscape Architect	\$175.12
Kim Frappier	Environmental Planner/Arborist	\$167.40
Colin Macdonald	Restoration Biologist	\$167.40
Clover McIngalls, PWS	Environmental Planner	\$162.00
Peter Heltzel	Fisheries Biologist	\$162.00
Katy Crandall	Ecologist/Arborist	\$162.00
Kyle Braun	Landscape Architect/Arborist	\$155.27
Alex Capron, AICP	Planner/GIS Specialist	\$151.20
April Mulcahy	Ecological Designer/Arborist	\$150.13
Roen Hohlfeld	Landscape Designer/Ecologist	\$145.80
Dawn Spilsbury	GIS Analyst / FAA Licensed Drone Pilot	\$140.40
Sam E. Payne	Ecologist	\$140.40
Alex Plumb	Environmental Planner	\$125.00
Drew Foster	Arborist	\$135.38
Amanda Sanelli	Landscape Designer	\$130.22
Lars Freeman-Wood	Arborist	\$125.17
Evan Earhart	Arborist	\$118.00
Devin Melville	Environmental Planner	\$130.22
Fern Huynh	Landscape Designer	\$118.22
Nathan Burroughs	GIS Analyst/Environmental Scientist	\$127.72
Grace Brennan	Ecologist	\$124.20
Brianna Hines	Environmental Planner	\$124.20
David Jackson	Environmental Planner	\$121.06
Hui Cao	Landscape Designer	\$120.96
Betsy Mann	Marketing Manager	\$115.04
Debra Klein	Accountant	\$120.22
Brooke Taylor	Project Administrator	\$115.04
Lexi Ochoa	Arborist	\$120.15
Angela R. Mele	Interpretive Planner	\$121.23
Sage Yuasa	Ecologist	\$113.40
Justin Kay	Ecologist	\$108.18
Anna Murphy	Ecologist	\$105.10
Laura Keil	Landscape Designer	\$113.40
Jesse Rogers	Arborist	\$97.20
Anna Tono	Marketing Coordinator	\$81.00

Acronym Key:

CFP = Certified Fisheries Professional as certified by the American Fisheries Society

PE = Professional Engineer

EIT = Engineer In Training

LG = Licensed Geologist

LHg = Licensed Hydrogeologist

GIS = Geographic Information System

PWS = Professional Wetland Scientist as certified by the Society of Wetland Scientists

PLA = State of Washington Professional Landscape Architect

AICP = American Institute of Certified Planners

MSc = Master of Science degree

MLA = Master of Landscape Architecture

GISP = GIS Professional

*Rates for 2023 only; escalator clause for cost of living may apply in future years

Direct Costs:

<u>Auto Mileage</u> Maximum standard rate allowable by IRS			
<u>Reproduction:</u>			
<u>Black & White Printing</u>	<u>Rate per Page</u>	<u>Plotting</u>	<u>Rate per SF</u>
8 1/2 x 11	\$0.10	B&W Bond	\$1.05
11 x 17	\$0.20	Color Bond	\$1.18
12 x 18	\$0.30	B&W Glossy	\$12.18
<u>Color Printing</u>	<u>Rate per Page</u>	<u>Color Glossy</u>	<u>\$13.76</u>
8 1/2 x 11	\$1.00		
11 x 17	\$2.00		
12 x 18	\$2.50		
Outside Reproduction		At cost	
Electrofishing Equipment Fee		\$100.00/day	
Trimble Geo XH - GPS Equipment Fee		\$190.00/day	
Panasonic FZ-G1		\$130.00/day	
Field Tablet		\$20.00/day	
Solomat Water Quality Testing Equipment Fee		\$50.00/day	
YSI Salinity pH Meter		\$50.00/day	
Other Direct Costs At Cost			

EXHIBIT C:
TAXPAYER IDENTIFICATION NUMBER

CITY OF NORTH BEND
920 SE Cedar Falls Way
North Bend, WA 98045
Phone: (425) 888-1211
FAX: (425) 831-6200

In order for you to receive reimbursement from the City of North Bend, we must have either a Taxpayer Identification Number or a Social Security Number. The Internal Revenue Code requires a Form 1099 for payments to every person or organization other than a corporation for services performed in the course of trade or business. Further, the law requires us to withhold 20% on reportable amounts paid to unincorporated persons who have not supplied us with their correct Tax Identification Number or Social Security Number.

Please complete the following information request form and return it to the City of North Bend before or along the submittal of the first billing voucher.

Please check the appropriate category:

Corporation Partnership Government Agency
 Individual/Sole Proprietor Other (please explain)

TIN#: 91-1364393

SS#: _____

Print Name: Dan Nickel

Print Title: Vice President

Business Name: The Watershed Company

Business Address: 750 Sixth St. South, Kirkland, WA 98033

Business Phone: (425) 822-5242

EXHIBIT D:**CITY OF NORTH BEND
IDENTITY THEFT PREVENTION PROGRAM****I. PROGRAM ADOPTION**

The City of North Bend developed this Identity Theft Prevention Program (“Program”) pursuant to the Federal Trade Commission’s Red Flags Rule (“Rule”), which implements Sections 114 and 315 of the Fair and Accurate Credit Transactions Act of 2003. This Program was developed with the oversight and approval of the City’s Finance Director. After consideration of the size and complexity of the City’s operations and account systems, and the nature and scope of the City’s activities, the City Council determined that this Program was appropriate for the City, and therefore approved this Program by the adoption of Ordinance No.1351 on the 21 day of April, 2009.

II. PROGRAM PURPOSE AND DEFINITIONS

A. Fulfilling Requirements of the Red Flags Rule. Under the Red Flags Rule, every financial institution and creditor is required to establish an identity theft prevention program tailored to its size, complexity and the nature of its operation. The Program must contain reasonable policies and procedures to:

- Identify relevant red flags as defined in the Rule and this Program for new and existing covered accounts, and incorporate those red flags into the Program;
- Detect red flags that have been incorporated into the Program;
- Respond appropriately to any red flags that are detected to prevent and mitigate identity theft; and
- Update the Program periodically to reflect changes in risks to customers or to the safety and soundness of the City from identity theft.

B. Red Flags Rule Definitions Used in this Program. For the purposes of this Program, the following definitions apply:

“Account” means a continuing relationship established by a person with a creditor to obtain a product or service for personal, family, household or business purposes.

“Covered account” means:

1. Any account the City offers or maintains primarily for personal, family or household purposes, that involves multiple payments or transactions; and
2. Any other account the City offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the City from identity theft.

“Creditor” has the same meaning as defined in Section 701 of the Equal Credit Opportunity Act, 15 U.S.C. 1691a, and includes a person or entity that arranges for the extension, renewal or continuation of credit, including the City.

“Customer” means a person or business entity that has a covered account with the City.

“Financial institution” means a state or national bank, a state or federal savings and loan association, a mutual savings bank, a state or federal credit union, or any other entity that holds a “transaction account” belonging to a customer.

“Identifying information” means any name or number that may be used, alone or in conjunction with any other information, to identify a specific person, including name, address, telephone number, social security number, date of birth, government passport number, employer or taxpayer identification number or unique electronic identification number.

“Identity theft” means fraud committed using the identifying information of another person.

“Red flag” means a pattern, practice, or specific activity that indicates the possible existence of identity theft.

“Service provider” means a person or business entity that provides a service directly to the City relating to or in connection with a covered account.

III. IDENTIFICATION OF RED FLAGS

In order to identify relevant red flags, the City shall review and consider the types of covered accounts that it offers and maintains, the methods it provides to open covered accounts, the methods it provides to access its covered accounts, and its previous experiences with identity theft. The City identifies the following red flags, in each of the listed categories:

A. Notification and Warnings from Credit Reporting Agencies – Red Flags.

- Report of fraud accompanying a credit report;
- Notice or report from a credit agency of a credit freeze on a customer or applicant;
- Notice or report from a credit agency of an active duty alert for an applicant; and
- Indication from a credit report of activity that is inconsistent with a customer’s usual pattern or activity.

B. Suspicious Documents – Red Flags.

- Identification document or card that appears to be forged, altered or inauthentic;
- Identification document or card on which a person’s photograph or physical description is not consistent with the person presenting the document;
- Other document with information that is not consistent with existing customer information (such as a person’s signature on a check appears forged); and
- Application for service that appears to have been altered or forged.

C. Suspicious Personal Identifying Information – Red Flags.

- Identifying information presented that is inconsistent with other information the customer provides (such as inconsistent birth dates);
- Identifying information presented that is inconsistent with other sources of information (for instance, an address not matching an address on a driver’s license);
- Identifying information presented that is the same as information shown on other applications that were found to be fraudulent;
- Identifying information presented that is consistent with fraudulent activity (such as an invalid phone number or fictitious billing address);
- Social security number presented that is the same as one given by another customer;
- An address or phone number presented that is the same as that of another person;

- Failing to provide complete personal identifying information on an application when reminded to do so (however, by law social security numbers must not be required); and
- Identifying information which is not consistent with the information that is on file for the customer.

D. Suspicious Account Activity or Unusual Use of Account – Red Flags.

- Change of address for an account followed by a request to change the account holder's name;
- Payments stop on an otherwise consistently up-to-date account;
- Account used in a way that is not consistent with prior use (such as very high activity);
- Mail sent to the account holder is repeatedly returned as undeliverable;
- Notice to the City that a customer is not receiving mail sent by the City;
- Notice to the City that an account has unauthorized activity;
- Breach in the City's computer system security; and
- Unauthorized access to or use of customer account information.

E. Alerts from Others – Red Flag.

- Notice to the City from a customer, a victim of identity theft, a law enforcement authority or other person that it has opened or is maintaining a fraudulent account for a person engaged in identity theft.

IV. DETECTING RED FLAGS

A. New Accounts. In order to detect any of the red flags identified above associated with the opening of a **new account**, City personnel will take the following steps to obtain and verify the identity of the person opening the account:

- Require certain identifying information such as name, date of birth, residential or business address, principal place of business for an entity, driver's license or other identification;
- Verify the customer's identity (for instance, review a driver's license or other identification card);
- Review documentation showing the existence of a business entity; and
- Independently contact the customer.

B. Existing Accounts. In order to detect any of the red flags identified above for an **existing account**, City personnel will take the following steps to monitor transactions with an account:

- Verify the identification of customers if they request information (in person, via telephone, via facsimile, via email);
- Verify the validity of requests to change billing addresses; and
- Verify changes in banking information given for billing and payment purposes.

V. PREVENTING AND MITIGATING IDENTITY THEFT

In the event City personnel detect any identified red flags, such personnel shall take one or more of the following steps, depending on the degree of risk posed by the red flag:

A. Prevent and Mitigate Identity Theft.

- Monitor a covered account for evidence of identity theft;

- Contact the customer with the covered account;
- Change any passwords or other security codes and devices that permit access to a covered account;
- Not open a new covered account;
- Close an existing covered account;
- Reopen a covered account with a new number;
- Not attempt to collect payment on a covered account;
- Notify the Finance Director for determination of the appropriate step(s) to take;
- Notify law enforcement; or
- Determine that no response is warranted under the particular circumstances.

B. Protect Customer Identifying Information. In order to further prevent the likelihood of identity theft occurring with respect to City accounts, the City shall take the following steps with respect to its internal operating procedures to protect customer identifying information:

- Secure the City website but provide clear notice that the website is not secure;
- Undertake complete and secure destruction of paper documents and computer files containing customer information;
- Make office computers password protected and provide that computer screens lock after a set period of time;
- Keep offices clear of papers containing customer identifying information;
- Request only the last 4 digits of social security numbers (if any);
- Maintain computer virus protection up to date; and
- Require and keep only the kinds of customer information that are necessary for City purposes.

VI. PROGRAM ADMINISTRATION

A. Oversight. The Finance Director or other designated city employee at the level of senior management shall be responsible for developing, implementing, and updating the Program.

The Finance Director shall also be responsible for the Program administration, for appropriate training of City staff on the Program, for reviewing the annual staff report required under the Program, as well as any other staff reports regarding the detection of red flags and the steps for preventing and mitigating identity theft, determining which steps of prevention and mitigation should be taken in particular circumstances, and considering periodic changes to the Program.

B. Staff Training and Reports. City staff responsible for implementing the Program shall be trained either by or under the direction of the Finance Director in the detection of red flags, and the responsive steps to be taken when a red flag is detected. Additionally, a compliance report shall be provided annually to the Finance Director. The annual compliance report shall at a minimum address the following:

1. The effectiveness of the City's policies and procedures in addressing the risk of identity theft in connection with the opening of covered accounts and with respect to existing covered accounts;
2. Service provider arrangements;
3. Significant incidents involving identity theft and the City's response; and
4. Recommendations for material changes to the Program.

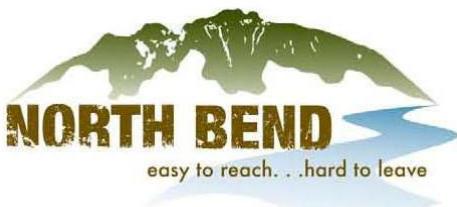
C. Service Provider Arrangements. In the event the City engages a service provider to perform an activity in connection with one or more covered accounts, the City shall take the following steps to require that the service provider performs its activity in accordance with reasonable policies and procedures designed to detect, prevent, and mitigate the risk of identity theft.

- Require, by contract, that service providers acknowledge receipt and review of the Program and agree to perform their activities with respect to City covered accounts in compliance with the terms and conditions of the Program and with all instructions and directives issued by the Finance Director relative to the Program; or
- Require, by contract, that service providers acknowledge receipt and review of the Program and agree to perform their activities with respect to City covered accounts in compliance with the terms and conditions of the service provider's identity theft prevention program and will take appropriate action to prevent and mitigate identity theft; and that the service providers agree to report promptly to the City in writing if the service provider in connection with a City covered account detects an incident of actual or attempted identity theft or is unable to resolve one or more red flags that the service provider detects in connection with a covered account.

D. Customer Identifying Information and Public Disclosure. The identifying information of City customers with covered accounts shall be kept confidential and shall be exempt from public disclosure to the maximum extent authorized by law, including RCW 42.56.230(4). The City Council also finds and determines that public disclosure of the City's specific practices to identify, detect, prevent, and mitigate identify theft may compromise the effectiveness of such practices and hereby direct that, under the Program, knowledge of such specific practices shall be limited to the Finance Director and those City employees and service providers who need to be aware of such practices for the purpose of preventing identity theft.

VII. PROGRAM UPDATES

The Program will be periodically reviewed and updated to reflect changes in risks to customers and to the safety and soundness of the City from identity theft. The Finance Director shall at least annually review the annual compliance report and consider the City's experiences with identity theft, changes in identity theft methods, changes in identity theft detection and prevention methods, changes in types of accounts the City maintains and changes in the City's business arrangements with other entities and service providers. After considering these factors, the Finance Director shall determine whether changes to the Program, including the listing of red flags, are warranted. If warranted, the Finance Director shall present the recommended changes to the City Council for review and approval.



City Council Agenda Bill

SUBJECT:	Agenda Date: March 7, 2023	AB23-030
Ordinance Adopting a New Chapter 3.78 of the North Bend Municipal Code Relating to a Multifamily Tax Exemption Program	Department/Committee/Individual	
Cost Impact: N/A	Mayor Rob McFarland	
Fund Source: N/A	City Administrator – David Miller	
Timeline: Immediate	City Attorney – Lisa Marshall	X
	City Clerk – Susie Oppedal	
	Administrative Services – Lisa Escobar	
	Comm. & Economic Development – Rebecca Deming	
	Finance – Richard Gould	
	Public Works – Mark Rigos	

Attachments: Ordinance, Exhibit A, Public Comment

SUMMARY STATEMENT:

Under chapter 84.14 RCW, Washington cities with a population of 5,000 or more may establish a tax exemption program (“MFTE”) to stimulate the construction of new, rehabilitated, or converted multifamily housing within designated areas, including affordable housing. The City of North Bend has a population of more than 5,000 and may use the MFTE Program.

When a project is approved under the attached Ordinance, the value of eligible multifamily housing improvements is exempted from property taxes for 8 or 12 years. Land, existing improvements, and non-residential improvements are not exempt. Only multiple unit projects with 4 or more units are eligible for either the 8- or 12-year exemption, and only property owners who commit to renting or selling at least 20 percent of units as affordable housing units to low and moderate income households are eligible for a 12-year exemption. If the property use changes in a manner inconsistent with program requirements before the 8- or 12-year exemption ends, back taxes are recovered based on the difference between the taxes paid and the taxes that would have been paid without the tax exemption.

Here, the target area in Appendix A to the Ordinance (the property subject to the MFTE Program) is the property located at 43600 SE 136th Street, North Bend, on three legal parcels identified as King County Tax Parcel Nos. 142308-9136, 142308-9135, 142308-9132. At any time, the City may revise the Ordinance at any time to expand further the target area.

At the February 21 2023 Regular City Council meeting, this Ordinance appeared on the agenda and was postponed to the March 21, 2023 Regular City Council meeting for possible adoption. In order to comply with the City’s practice conducting two readings of ordinances, and to avoid delaying the final adoption until after March 21, 2023, the City scheduled the introduction and first reading for March 7, 2023 and second reading, public hearing, and adoption on March 21, 2023. The City complied with the notice requirements set forth in RCW 84.14.040(3) for the public hearing and notice was published in Snoqualmie Valley Record on March 3, 2023 and will be published again on March 10, 2023.

The attached Ordinance and Exhibit A are identical to the documents included in your February 21, 2023 packet with following exceptions:

1. We revised the project eligibility requirements and issuance of final certificate language (NBMC 3.78.050 and .100 respectively) to require the MFTE applicant to comply with a development agreement, if any, associated with the project. Failure to comply with a development agreement shall render the project ineligible for the tax exemption.
2. We added a requirement to the annual compliance review section, NBMC 3.78.110, stating that the MFTE applicant shall pay the City’s estimated administrative costs in conducting the annual

City Council Agenda Bill

<p>compliance review and the cost of submitting the annual report to the Department of Commerce as required by RCW 84.14.100.</p> <p>3. We eliminated a subsection in 3.78.040 relating to applications expiring before December 31, 2021.</p> <p>4. References to “figures” in 3.78.050 were deleted (no figures appear in the Chapter).</p>									
<p>APPLICABLE BRAND GUIDELINES: Sustainable Managed Growth, Affordability</p>									
<p>COMMITTEE REVIEW AND RECOMMENDATION:</p>									
<p>RECOMMENDED ACTION: MOTION to approve AB23-030, approving as a first reading an ordinance adopting North Bend Municipal Code 3.78 relating to a Multifamily Tax Exemption Program and setting a public hearing and final reading for the March 21, 2023 City Council meeting.</p>									
<p>RECORD OF COUNCIL ACTION</p>									
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><i>Meeting Date</i></th> <th style="text-align: left;"><i>Action</i></th> <th style="text-align: left;"><i>Vote</i></th> </tr> </thead> <tbody> <tr> <td style="padding: 2px;">February 21, 2023</td> <td style="padding: 2px;">AB23-022 Postponed to March 21, 2023</td> <td style="padding: 2px;">6-0</td> </tr> <tr> <td style="padding: 2px;">March 7, 2023</td> <td></td> <td></td> </tr> </tbody> </table>	<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>	February 21, 2023	AB23-022 Postponed to March 21, 2023	6-0	March 7, 2023		
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February 21, 2023	AB23-022 Postponed to March 21, 2023	6-0							
March 7, 2023									

ORDINANCE

**AN ORDINANCE OF THE CITY OF NORTH BEND,
WASHINGTON, ADOPTING A NEW CHAPTER 3.78 OF
THE NORTH BEND MUNICIPAL CODE RELATING TO
A MULTIFAMILY TAX EXEMPTION PROGRAM
PROVIDING FOR SEVERABILITY; AND
ESTABLISHING AN EFFECTIVE DATE**

WHEREAS, as provided for in Chapter 84.14 RCW, the City of North Bend desires to provide limited exemptions from ad valorem property taxation for multifamily housing in designated residential targeted areas; and

WHEREAS, Chapter 84.14 RCW sets forth the requirements of providing limited exemptions of a multifamily tax exemption (“MFTE”) Program; and

WHEREAS, the MFTE Program will encourage increased residential opportunities, including affordable housing units, within areas of the City designated by the City Council as residential targeted areas; and/or

WHEREAS, the MFTE Program will stimulate new construction or rehabilitation of existing vacant and underutilized buildings for multifamily housing in designated residential targeted areas to increase and improve housing opportunities, including affordable housing; and

WHEREAS, the MFTE Program will assist in directing future population growth to designated residential targeted areas, thereby reducing development pressure on single-family residential neighborhoods; and

WHEREAS, the MFTE Program will achieve development densities which are more conducive to transit use in designated residential targeted areas;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF NORTH BEND,
WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:**

Section 1. A new North Bend Municipal Code Chapter 3.78, to be entitled “Multifamily Tax Exemption” attached hereto as Exhibit A and by this reference fully incorporated herein, is hereby adopted.

Section 2. Severability: Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. Effective Date: This ordinance shall be published in the official newspaper of the City and shall take effect and be in full force five (5) days after the date of publication.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND,
WASHINGTON, AT A REGULAR MEETING THEREOF, THIS ____ DAY OF
_____, 2023.**

CITY OF NORTH BEND:

Rob McFarland, Mayor

APPROVED AS TO FORM:

Lisa Marshall, City Attorney

ATTEST/AUTHENTICATED:

Published:

Effective:

Susie Oppedal, City Clerk

EXHIBIT A

Chapter 3.78

MULTIFAMILY PROPERTY TAX EXEMPTION

Sections:

- 3.78.010 PURPOSE.
- 3.78.020 DEFINITIONS.
- 3.78.030 APPLICABILITY.
- 3.78.040 TERMS OF THE TAX EXEMPTION.
- 3.78.050 PROJECT ELIGIBILITY.
- 3.78.060 APPLICATION PROCEDURE.
- 3.78.070 APPLICATION FOR CONDITIONAL CERTIFICATE.
- 3.78.080 EXTENSION OF CONDITIONAL CERTIFICATE.
- 3.78.090 APPLICATION FOR FINAL CERTIFICATE.
- 3.78.100 ISSUANCE OF FINAL CERTIFICATE.
- 3.78.105 AFFORDABLE HOUSING CAPITAL FUND.
- 3.78.110 ANNUAL COMPLIANCE REVIEW.
- 3.78.120 CANCELLATION OF TAX EXEMPTION.
- 3.78.130 CONFLICT OF PROVISIONS.

3.78.010 PURPOSE.

As provided for in Chapter 84.14 RCW, the purpose of this chapter is to provide limited exemptions from ad valorem property taxation for multifamily housing in designated residential targeted areas to:

- (a) Encourage increased residential opportunities, including affordable housing units, within areas of the City designated by the City Council as residential targeted areas; and/or
- (b) Stimulate new construction or rehabilitation of existing vacant and underutilized buildings for multifamily housing in designated residential targeted areas to increase and improve housing opportunities, including affordable housing; and
- (c) Assist in directing future population growth to designated residential targeted areas, thereby reducing development pressure on single-family residential neighborhoods; and
- (d) Achieve development densities which are more conducive to transit use in designated residential targeted areas.

3.78.020 DEFINITIONS.

When used in this chapter, the following terms shall have the following meanings, unless the context indicates otherwise:

- (a) "Affordable housing" means residential housing that is rented by a person or household whose monthly housing costs, including utilities other than telephone, do not exceed thirty (30) percent of the household's monthly income. For the purposes of housing intended for owner occupancy, "affordable housing" means residential housing that is within the means of low- or moderate-income households.
- (b) "Building codes" means the City and state building and fire codes as set forth in this Code.
- (c) "City" means the City of North Bend.
- (d) "Department" means the City Department of Community and Economic Development.
- (e) "Director" means the Director of the Department of Community and Economic Development, or designee.
- (f) "High-cost area" means a county where the third quarter median house price for the previous year as reported by the Washington Center for Real Estate Research at Washington State University is equal to or greater than one hundred thirty (130) percent of the statewide median house price published during the same time period.

EXHIBIT A

(g) "Household" means a single person, family, or unrelated persons living together.

(h) "Low-income household" means a single person, family, or unrelated persons living together whose adjusted income is at or below eighty (80) percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States Department of Housing and Urban Development. For cities located in high-cost areas, "low-income household" means a household that has an income at or below one hundred (100) percent of the median family income, adjusted for family size, for the county where the project is located.

(i) "Moderate-income household" means a single person, family, or unrelated persons living together whose adjusted income is more than eighty (80) percent but is at or below one hundred fifteen (115) percent of the median family income adjusted for family size, for the county where the project is located, as reported by the United States Department of Housing and Urban Development. For cities located in high-cost areas, "moderate-income household" means a household that has an income that is more than one hundred (100) percent, but at or below one hundred fifty (150) percent, of the median family income adjusted for family size, for the county where the project is located.

(j) "Multifamily housing" means a building having ten (10) or more dwelling units not designed or used as transient accommodations and not including hotels and motels. Multifamily units may result from new construction or rehabilitated or conversion of vacant, underutilized, or substandard buildings to multifamily housing.

(k) "Multifamily property tax exemption" means an exemption from ad valorem property taxation for multifamily housing.

(l) "Owner" means the property owner of record.

(m) "Permanent residential occupancy" means multiunit housing that provides either rental or owner occupancy on a non-transient basis. This includes owner-occupied or rental accommodation that is leased for a period of at least one (1) month. This excludes hotels and motels that predominantly offer rental accommodation on a daily or weekly basis.

(n) "Rehabilitation improvements" means modifications to existing structures that are vacant for twelve (12) months or longer that are made to achieve a condition of substantial compliance with existing building, fire, and zoning codes, or modification to existing occupied structures which increase the number of multifamily housing units.

(o) "Residential targeted area," also "residential target area," means the geographic area located within the areas set forth in attached Appendix A, as may now or hereafter be modified.

(p) "Substantial compliance" means compliance with all local building, fire and zoning code requirements, which are typically required for rehabilitation as opposed to new construction.

3.78.030 APPLICABILITY.

Multifamily housing projects in designated residential targeted areas resulting from new construction or rehabilitation or conversion of vacant, underutilized, or substandard buildings may be entitled to a limited exemption from ad valorem property taxation as set forth in this chapter.

3.78.040 TERMS OF THE TAX EXEMPTION.

(a) Duration of Exemption. The value of new housing construction, conversion, and rehabilitation improvements qualifying under this chapter is exempt from ad valorem property taxation, as follows:

(i) For properties for which applications for certificates of tax exemption eligibility are submitted under this chapter, the value is exempt:

(A) For eight successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate; or

(B) For twelve successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate if the property otherwise qualifies for the exemption under this chapter and meets the conditions in this section. For the property to qualify for the twelve-year exemption under this subsection, the applicant

EXHIBIT A

must commit to renting or selling at least twenty percent of the multifamily housing units as affordable housing units to low and moderate-income households, and the property must satisfy that commitment and any additional affordability and income eligibility conditions adopted by the local government under this chapter. In the case of projects intended exclusively for owner occupancy, the minimum requirement of this section may be satisfied solely through housing affordable to moderate-income households; and

(C) Such additional periods as may be authorized under Chapter 84.14 RCW and approved by the City under the contract required by NBMC 3.78.070(b).

(b) The exemptions provided in this section do not include the value of land or nonhousing-related improvements not qualifying under this Chapter.

(c) Following the City's adoption of guidelines pursuant to RCW 84.14.030(2) and includes conditions that must be satisfied with respect to individual dwelling units, rather than with respect to the multiple-unit housing as a whole or some minimum portion thereof, the exemption may, at the City's discretion, be limited to the value of the qualifying improvements allocable to those dwelling units that meet the guidelines.

(d) In the case of rehabilitation of existing buildings, the exemption does not include the value of improvements constructed prior to the submission of the application required under this Chapter. The incentive provided by this Chapter is in addition to any other incentives, tax credits, grants, or other incentives provided by law.

(e) This chapter does not apply to increases in assessed valuation made by the assessor on non-qualifying portions of building and value of land nor to increases made by lawful order of the county board of equalization, the department of revenue, or King County, to a class of property throughout the county or specific area of the County to achieve the uniformity of assessment or appraisal required by law.

(f) At the conclusion of the exemption period, the new or rehabilitated housing cost shall be considered as new construction for the purposes of chapter 84.55 RCW.

3.78.050 PROJECT ELIGIBILITY.

A proposed multifamily housing project must meet the following requirements for consideration for a property tax exemption:

(a) Location. The project must be located within a residential targeted area as defined in BMC 3.78.020 and as described and depicted in Appendix A.

(b) Tenant Displacement Prohibited. The project must not displace existing residential tenants of structures that are proposed for redevelopment. If the property proposed to be rehabilitated is not vacant, an applicant shall provide each existing tenant housing of comparable size, quality, and price and a reasonable opportunity to relocate.

(c) Noncompliance with Building Codes. Existing dwelling units proposed for rehabilitation must fail to comply with one or more standards of the applicable State or City building codes.

(d) Size of Project. The new, converted, or rehabilitated multiple-unit housing must provide for a minimum of fifty (50) percent of the space for permanent residential occupancy. The project, whether new, converted, or rehabilitated multiple-unit housing, must include at least ten (10) units of multifamily housing within a residential structure or as part of an urban development. In the case of existing multifamily housing that is occupied, or which has not been vacant for twelve (12) months or more, the multifamily housing project must also provide for a minimum of four (4) additional multifamily units for a total project of at least ten (10) units including the four (4) additional units. Existing multifamily housing that has been vacant for twelve (12) months or more does not have to provide additional units.

(e) Proposed Completion Date. New construction of multifamily housing and rehabilitation improvements must be completed within three (3) years from the date of approval of the application.

(f) Compliance with Guidelines and Standards. The project must be designed to comply with the City's Comprehensive Plan, building, housing, zoning codes, associated development agreement, and any other applicable

EXHIBIT A

regulations. The project must also comply with any other standards and guidelines adopted by the City for the residential targeted area.

3.78.060 APPLICATION PROCEDURE.

A property owner who wishes to propose a project for a tax exemption shall complete the following procedures:

(a) The application provided by the City shall be filed with the Department along with the required fees as established pursuant to RCW 84.14.080.

(b) A complete application shall include:

- (1) A completed City of North Bend application form setting forth the grounds for the exemption.
- (2) Preliminary floor and site plans of the proposed project.
- (3) A statement acknowledging the potential tax liability when the project ceases to be eligible under this chapter.
- (4) An affidavit stating the occupancy record of the property for a period of twelve (12) months prior to filing the application.
- (5) Verification by oath or affirmation of the information submitted.

(6) For rehabilitation projects, the applicant shall provide a report prepared by a registered architect identifying property noncompliance with the building codes. This report shall identify specific code violations and must include supporting data that satisfactorily explains and proves the presence of a violation. Supporting data must include a narrative and such graphic materials as needed to support this application. Graphic materials may include, but are not limited to, building plans, building details, and photographs.

3.78.070 APPLICATION FOR CONDITIONAL CERTIFICATE.

The Director may certify as eligible an application which is determined to comply with the requirements of this chapter. A decision to approve or deny an application shall be made within ninety (90) calendar days of receipt of a complete application.

(a) Application. The Director may approve the application if he/she finds that:

- (1) A minimum of ten (10) new units are being constructed or in the case of occupied rehabilitation or conversion within twelve (12) months of occupancy, a minimum of four (4) additional multifamily units for a total project of at least ten (10) units including the four (4) additional multifamily units are being developed.
- (2) The proposed project is or will be, at the time of completion, in conformance with all applicable local plans and regulations.
- (3) The owner has complied with all standards and guidelines adopted by the City under this chapter.
- (4) The site is located in the residential targeted area.
- (5) If applicable, the proposed multiunit housing project meets the affordable housing requirements as described in this Code.

(b) Approval of Application. If an application is approved, the applicant shall enter into a contract with the City, regarding the terms and conditions of implementation of the project, and the Director shall issue a conditional certificate of acceptance of tax exemption. The conditional certificate shall expire three (3) years from the date of approval unless an extension is granted as provided in this Chapter. For purposes of this Chapter, a development agreement entered with the City under Chapter 36.70B RCW may constitute the contract regarding the MFTE and project approval.

EXHIBIT A

(c) Denial of Application. If an application is denied, the Director shall state in writing the reasons for denial and shall send notice to the applicant at the applicant's last known address within ten (10) calendar days of the denial.

(d) Appeal. Under RCW 84.14.070, an applicant may appeal a denial to the City's hearing examiner within thirty (30) calendar days of receipt of the denial by filing a complete appeal application and fee with the Director. The appeal will be based on the record made before the Director. The Director's decision will be upheld unless the applicant can show that there is no substantial evidence on the record to support the Director's decision. The City hearing examiner's decision on appeal will be final.

3.78.080 EXTENSION OF CONDITIONAL CERTIFICATE.

(a) Extension. The conditional certificate and time for completion of the project may be extended by the Director for a period not to exceed a total of twenty-four (24) consecutive months. To obtain an extension, the applicant must submit a written request with a fee stating the grounds for the extension. An extension may be granted if the Director determines that:

- (1) The anticipated failure to complete construction or rehabilitation within the required time period is due to circumstances beyond the control of the owner;
- (2) The owner has been acting and could reasonably be expected to continue to act in good faith and with due diligence; and
- (3) All the conditions of the original contract between the applicant and the City will be satisfied upon completion of the project.

(b) Denial of Extension. If an extension is denied, the Director shall state in writing the reason for denial and shall send notice to the applicant's last known address within ten (10) calendar days of the denial.

(c) Appeal. Pursuant to RCW 84.14.090(6), an applicant may appeal the denial of an extension to the Hearing Examiner within fourteen (14) calendar days of receipt of the denial by filing a complete appeal application and fee with the Director. The appeal before the Hearing Examiner shall be processed as a Type I Director decision pursuant to Chapter 2.20 NBMC. No appeal to the City Council is provided from the Hearing Examiner's decision. The applicant may appeal the Hearing Examiner's decision to the King County Superior Court, under RCW 34.05.510 through 34.05.598, if the appeal is filed within thirty (30) calendar days of receiving notice of that decision.

3.78.090 APPLICATION FOR FINAL CERTIFICATE.

Upon completion of the improvements agreed upon in the contract between the applicant and the City and upon issuance of a certificate of occupancy, the applicant may request a final certificate of tax exemption by filing with the Director the following:

- (a) A statement of expenditures made with respect to each multifamily housing unit and the total expenditures made with respect to the entire property;
- (b) A description of the completed work and a statement of qualification for the exemption;
- (c) A statement that the work was completed within the required three (3) year period or any authorized extension; and
- (d) If applicable, that the project meets the affordable housing requirements as described in RCW 84.14.020.

3.78.100 ISSUANCE OF FINAL CERTIFICATE.

Within thirty (30) calendar days of receipt of all materials required for a final certificate, the Director shall determine whether the specific improvements satisfy the requirements of the contract, application, and this chapter.

(a) Granting of Final Certificate. If the Director determines that the project has been completed in accordance with this chapter and the contract between the applicant and the City, and has been completed within the authorized time period, the City shall, within ten (10) calendar days of the expiration of the thirty (30) day review period above, file a final certificate of tax exemption with the King County Assessor.

EXHIBIT A

(b) Denial of Final Certificate. The Director shall notify the applicant in writing that a final certificate will not be filed if the Director determines that:

- (1) The improvements were not completed within the authorized time period;
- (2) The improvements were not completed in accordance with the contract between the applicant and the City;
- (3) The improvements do not comply with a development agreement associated with the project; or
- (4) The owner's property is otherwise not qualified under this chapter.

(c) Appeal. Pursuant to RCW 84.14.090(6), an applicant may appeal a denial to the Hearing Examiner pursuant to Chapter 2.20 NBMC within fourteen (14) calendar days of issuance of the denial of a final certificate by filing a complete appeal application and fee with the Director. No appeal to the City Council is provided from the Hearing Examiner's decision. The applicant may appeal the Hearing Examiner's decision to the King County Superior Court, under RCW 34.05.510 through 34.05.598, if the appeal is filed within thirty (30) calendar days of receiving notice of that decision.

3.78.105 AFFORDABLE HOUSING CAPITAL FUND.

If an application for the multifamily tax exemption is approved, the project has completed construction, and a final certificate of property tax exemption has been issued as set forth in NBMC 3.78.100, the City Administrator, or designee, shall transfer to the affordable housing capital fund revenues based on the anticipated sales tax received or to be received by the City for the construction of the project. The Director shall determine the value of the sales tax revenues to be transferred to the fund based on (1) the City's portion of the current sales tax rate for the construction, and (2) the estimated cost of construction as established in the building permit application and other relevant information as the Director deems appropriate. Once established, the funds will be transferred to the affordable housing capital fund at the beginning of the next fiscal year. The funds shall be used for affordable housing projects approved by the City Council, unless the funds are otherwise allocated by the City Council.

3.78.110 ANNUAL COMPLIANCE REVIEW.

(a) Within thirty (30) calendar days after the first anniversary of the date of filing the final certificate of tax exemption and each year for the tax exemption period, the property owner shall be required to file a notarized declaration with the Director indicating the following:

- (1) A statement of occupancy and vacancy of the multifamily units during the previous twelve (12) months;
- (2) A certification by the owner that the property has not changed use and, if applicable, that the property has been in compliance with the affordable housing requirements as described in RCW 84.14.020 since the date of the certificate approved by the City;
- (3) A description of changes or improvements constructed after issuance of the certificate of tax exemption; and
- (4) Any information needed by the City to file its report pursuant to subsection (b) of this section and any additional information requested by the City in regards to the units receiving a tax exemption.

(b) The City is authorized by RCW 84.14.080 to collect from the Owner an estimated fee representing the City's administrative costs associated with conducting the annual compliance review; failure of the Owner to submit the required fee to the City is a prerequisite to the City's completion of the annual compliance review herein and completion of the annual report set forth in Section 3.78.110(c).

(c) The City shall report annually by December 31st of each year after 2021 to the Department of Community, Trade, and Economic Development. The report must include the following information:

- (1) The number of tax exemption certificates granted;
- (2) The total number and type of units produced or to be produced;

EXHIBIT A

- (3) The number and type of units produced or to be produced meeting affordable housing requirements;
- (4) The actual development cost of each unit produced;
- (5) The total monthly rent or total sale amount of each unit produced;
- (6) The income of each renter household at the time of initial occupancy and the income of each initial purchaser of owner-occupied units at the time of purchase for each of the units receiving a tax exemption and a summary of these figures for the City; and
- (7) The value of the tax exemption for each project receiving a tax exemption and the total value of tax exemptions granted.

(d) City staff may also conduct on-site verification of the declaration. Failure to submit the annual declaration shall result in a review of the exemption per RCW 84.14.110.

3.78.120 CANCELLATION OF TAX EXEMPTION.

If the Director determines the owner is not complying with the terms of the contract or this chapter, the tax exemption shall be canceled. This cancellation may occur in conjunction with the annual review or at any other time when noncompliance has been determined. If the owner intends to convert the multifamily housing to another use, the owner shall notify the Director and the King County Assessor in writing within sixty (60) calendar days of the change in use.

(a) Effect of Cancellation. If a tax exemption is canceled due to a change in use or other noncompliance, the following taxes and penalties will apply:

- (1) Additional real property tax, plus interest, shall be imposed based upon the value of the nonqualifying improvements. This additional tax is calculated based upon the difference between the property tax paid and the property tax that would have been paid if it had included the value of the nonqualifying improvements dated back to the date that the improvements were converted to a nonqualifying use.
- (2) A penalty shall be imposed amounting to twenty (20) percent of the value of the additional property tax plus interest.
- (3) The interest is calculated at the same statutory rate charged on delinquent property taxes from the dates on which the additional property tax could have been paid without penalty if the improvements had been assessed at full value without regard to this tax exemption program.
- (4) The additional taxes, interest and penalties will become a lien on the land and attach at the time the property or portion of the property is removed from multifamily use or the amenities no longer meet applicable requirements. The lien has priority over and must be fully paid and satisfied before a recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the land may become charged or liable. The lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes. An additional tax unpaid on its due date is delinquent. From the date of delinquency until paid, interest must be charged at the same rate applied by law to delinquent ad valorem property taxes.

(b) Notice of Cancellation. Pursuant to RCW 84.14.110(2), upon determining that a tax exemption is to be canceled, the Director shall notify the owner by mail, return receipt requested.

(c) Appeal. The property owner may appeal the determination of cancellation of the tax exemption to the Hearing Examiner pursuant to Chapter 2.20 NBMC by filing a notice of appeal with the City Clerk within thirty (30) calendar days, specifying the factual and legal basis for the appeal. The Hearing Examiner will conduct a hearing under Chapter 2.20 NBMC for a Process I action. An aggrieved party may appeal the Hearing Examiner's decision to the King County Superior Court under RCW 34.05.510 through 34.05.598.

3.78.130 CONFLICT OF PROVISIONS.

If any provision of this Chapter 3.78 NBMC is in legal conflict with the provisions of Chapter 84.14 RCW, the provisions of Chapter 84.14 RCW shall apply as if set forth in this chapter.

EXHIBIT A

APPENDIX A

“Residential Targeted Area” includes:

The property located at 43600 SE 136th Street, North Bend, on three legal parcels identified as King County Tax Parcel Nos. 142308-9136, 142308-9135, 142308-9132.



Susie Oppedal

From: mthomas bangstick.net <mthomas@bangstick.net>
Sent: Tuesday, February 21, 2023 4:55 PM
To: Council
Cc: Susie Oppedal
Subject: AB23-022 Comment

Dear City Council:

I oppose AB23-022 and ask the council table the item and revise.

The city has less than 15k residents and clearly Issaquah and other cities have in excess of 15k within their respective city limits.

The current proposed area under the item is to my knowledge not along any county mass transit projects or near city core. This seems out of place with the spirit to encourage development along mass transit.

Further the granting of an exemption for 8 years merely if a development is multifamily is not encouraging low or moderate income housing... it is simply a benefit to development of multifamily.

New development uses roads and is in need of public services such as police fire hospital and other services. Exempting development such as this simply shifts the burden to existing multifamily, residential, and commercial taxpayers and makes existing housing less affordable by taxing those here more.

Please reconsider this.

Susie please confirm receipt and add to the record of AB23-022.

Thanks

Michael Thomas
1231 LaForest Drive SE



City Council Agenda Bill

SUBJECT:	Agenda Date: March 7, 2023	AB23-031
Motion Authorizing Contract with Quality Controls Corporation, Inc. (QCC) to Upgrade the City's SCADA System	Department/Committee/Individual	
Cost Impact: \$332,990	Mayor Rob McFarland	
Fund Source: Water and Sewer Operating	City Administrator – David Miller	
Timeline: Immediate	City Attorney – Lisa Marshall	
	City Clerk – Susie Oppedal	
	Administrative Services – Lisa Escobar	
	Comm. & Economic Development – Rebecca Deming	
	Finance – Richard Gould	
	Public Works – Mark Rigos	X
Attachments: Quote		
SUMMARY STATEMENT:		
<p>This Motion consists of four needed upgrade components that relate to the City of North Bend's SCADA (Supervisory Control and Data Acquisition) communications and software upgrades within the Public Works Department. The City's SCADA system is essential to the proper function of its water and wastewater (sanitary sewer) systems. SCADA is able to remotely control valves, pumps, and flows throughout the City. The four components are:</p> <p>1) <u>TNEC</u>: This component upgrades communications to the 10 sites in the water and sewer systems to a more advanced technology (Tempered Networks Ethernet Cellular) that will have enhanced reliability, faster speeds, improved security and better network management. This technology is fast becoming the standard in SCADA systems. Sites needed for TNEC include Mt Si Springs, Centennial Well, Nintendo Water Reservoir (Tank), I-90 Water Reservoir, Forster Woods Water Reservoir, Forster Woods 710 Water Booster Pump Station, Forster Woods 780 Water Booster Pump Station, South Fork Sewer Lift Station and Sewer Lift Station 6 (near Los Cabos restaurant). In 2019, the City upgraded SCADA communications at 3 of our remote sites (Hobo Springs Weir, Hobo Springs Valve Vault, and Cedar Landing Sewer Lift Station). The TNEC at these sites have performed extremely well during the last 3 years.</p> <p>Currently, the sites proposed to be upgraded use licensed band serial radios (except LS6 which is Ethernet connected) that were mostly installed 19 years ago in 2004 (Centennial Well was installed in 2009). The useful life of the radios and programmable logic controllers (PLCs) is typically 10 to 15 years and due to the equipment age, City staff have experienced several failures of both radios and PLCs during the past year. Additionally, the radios are now obsolete and new units are unavailable.</p> <p>Early in 2023, City staff and the company (QCC) that provides the integrator services tested each site for cellular signal strength, and it was determined they all had signal strengths that are adequate for these purposes. Additionally, the City of Snoqualmie has been converting their radio system over to Ethernet Cellular and they have been pleased with the new communication performance. Since the proposed new communication is based on Ethernet and the current PLCs at the sites are not equipped for Ethernet communication, accommodations must be made to convert the sites to Ethernet. Staff has looked at 3 ways to accomplish this:</p> <p>A). Upgrade the current PLC processors to an Ethernet model.</p> <p>B). Install a device that converts Serial to Ethernet, enabling the current PLCs to be used. The cost of conversion devices approaches the cost of a new PLC.</p> <p>C). Replace current PLCs with a different manufacturer's PLCs and program them to operate similar to the existing PLCs, with some improvements.</p>		

City Council Agenda Bill

Options 1 and 2 were eliminated due to concerning issues regarding the current PLCs that include:

- i. Lack of local support for programming and maintenance: Currently there are no local integrators that are familiar with the current PLCs due to the fact that the installed base of this manufacturer's PLCs in the Northwest is very small, consisting only of City of North Bend, City of Renton, and North Perry Water District.
- ii. Cost and availability of spare parts: Spare parts are expensive and often have at least a 2 week lead time as parts are not all available "off the shelf" locally. Other brands of PLC are typically available locally because they are used in most systems in the area.
- iii. Difficult programming and antiquated technology.
- iv. High cost of support contract: The City does not currently have a support contract for our current PLCs. Staff obtained a quote of over \$8,000 per year to support our small system.

Option 3 offers great local support with all local integrators having familiarity with the proposed PLCs, spare parts available locally "off the shelf", well known and accepted programming language, current technology, far lower cost of support and mostly free local training. Additionally, the proposed PLC is compatible with our Standard PLC for our new lift stations. Staff strongly recommends Option 3.

Cost: \$225,560

2) This component provides for upgrading the existing pump control at Centennial Well by replacing the Soft Starter with a Variable Frequency Drive (VFD). Currently, the pump at this site runs via a Soft Starter at 100% speed (approx. 2600 GPM) and flow is throttled to 1,100 GPM (gallons per minute) through a hydraulically controlled valve. This is an inefficient control mechanism as it wastes energy through the valve and is putting excess stress on the pump. Additionally, City staff has determined that flows must remain above 1,000 GPM for the system to operate correctly due to the hydraulic dynamics of flow and waste valves. Staff has determined that running the system at a lower flow in certain situations would be highly desirable. Replacing the Soft Start with a VFD will:

- A. Saves energy.
- B. Puts less strain on the pump, extending its useful life.
- C. Provides for greater operational flexibility.

Cost Impact: \$52,800

3) This component provides for installation of a new control panel at the Snoqualm Sewer Lift Station on NE 6th Street that will include SCADA telemetry. Currently, this lift station has a rudimentary control panel that is mounted directly to a concrete pad (i.e. not elevated) and does not communicate to SCADA. In the recent past, we have had several incidents where the pumps failed and the wet well nearly overflowed before a City sewer operator discovered the issue on his weekly lift station rounds. Multiple equipment failures have exacerbated this issue as the control panel for this station was installed over 20 years ago (in approximately 2000). Additionally, the current panel is mounted several feet below the 100-year base flood elevation and the proposed new control panel will be mounted on a rack above that elevation.

Cost Impact: \$41,430

City Council Agenda Bill

4) This component provides for installation, programming and integration of a Residual Chlorine Analyzer at Mt. Si Springs. The City chlorinates its drinking water supply. Currently, Mt. Si Springs has a chlorine gas injection system. Adding a chlorine analyzer will enable closed loop control (analyzer feedback is utilized by the injection pumps to fine tune dose) of the chlorine and enable historical tracking of residual chlorine via SCADA.

Cost Impact: \$13,200

In summary, the proposed Motion will approve work to complete the upgrade of communication to SCADA and Control upgrades. Attached is the quote for this work from the integrator, Quality Controls Corporation. City staff highly recommend approval of this motion to approve a contract to include 10 offsite facilities, installation, programming and integration of a VFD at the Centennial Well, Snoqualm Lift Station Control Panel and Residual Chlorine Analyzer at Mt. Si Spring.

APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services including transportation and traffic management.

COMMITTEE REVIEW AND RECOMMENDATION: This item was discussed at the February 28, 2023 Transportation and Public Works Committee meeting and was recommended for approval and placement on the Main Agenda.

RECOMMENDED ACTION: **Motion to approve AB23-031, authorizing a contract with Quality Controls Corporation, Inc. to Upgrade SCADA Communications and Controls, in an amount not to exceed \$322,990, in a form and content approved by the City Attorney.**

RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
March 7, 2023		



5015 208th St. SW, Suite 1-B
Phone (425) 778-8280
Lynnwood, Washington 98036
www.qualitycontrolscorp.com

Budgetary Pricing and Scope of Work

January 30, 2023 Quote Number: Q3958C

To: City of North Bend
Attn: Chris Cote, SCADA Supervisor

Project: Miscellaneous Telemetry and Control System Upgrades

Reference: -Existing as-builts record drawings
 - "Comms upgrade controls strategies"
 -Existing ControlWave Designer files
 -Revised LS6 for remote IO control, Rev C.

Bid Date: NA

Terms: Net 30

FOB: Lynnwood, WA

Freight: Prepaid and allowed

This quote is valid for 120 days.

QCC is pleased to provide quotation for the above referenced project. Quality Controls Corp. (QCC) provides services and materials, FOB Lynnwood, WA, complete, including installation by a licensed electrical contractor as required. QCC's quoted price does not include tax or the cost to bond this project.

Please call me with any technical questions or if you have any questions concerning the pricing on this quotation.

Sincerely,
James Cross

5015 – 208th Street S.W. Unit 1B Lynnwood, Washington 98036
Phone: 425.778.8280 Fax: 425.778.4541
Email: JamesC@Quality-Controls.com

Clarifications and Exclusions

1. QCC specifically excludes the following material and services:
 - UL or other NRTL field inspection or recertification services for the control panels modified on this project. We can provide WA State approved field engineering evaluation and product certification services for an additional fee if it is required by the local authority having jurisdiction.
2. QCC's quotation does NOT include programming services required for the city's IFIX SCADA application. QCC does provide the required coordination with the city staff to supporting the Ifix application development by others.
3. QCC provides the required electrical installation of new hardware. Includes the following notes:
 - QCC does NOT provide installation of new fiber optic cabling external to the upgraded control panel at ULID List Station #6. It is assumed existing conduit is to be re-used for connection to the WWTP main PLC control panel.
4. QCC provides the following unless specifically excluded on our bill of material:
 - Equipment shipped FOB factory with freight allowed, tailgate, destination.
 - Field wiring diagrams showing interconnection of field instruments and instrumentation panels.
 - Instruction manuals as required.
 - All necessary field start-up and calibration of the equipment we supply.
5. QCC does **NOT** provide the following unless specifically included in our bill of material:
 - Pipe, tubing, valves or fittings between the instrument and the process.
 - Conduit, wire or cable not integral to instrument or control panels supplied by QCC.
 - Mounting brackets, stanchions, supports or mounting pads not an integral part of the instrument.
 - ~~Labor to install the equipment.~~
 - ~~The Cost, (if due to local union regulations), to have local craftsman make adjustments or wiring modifications to our equipment during start up and calibration.~~
 - Any material or services not in our quoted sections.

Budgetary Pricing

Item 1- Misc. Telemetry and Control Panel Upgrades

- Materials, Engineering, Programming and Electrical Installation: **\$ 186,600.00**

Item 2- Snoqualm LS Telemetry and Control Panel Upgrades

- Materials, Engineering, Programming and Electrical Installation: **\$ 41,430.00**

Item 3- South Fork LS Telemetry and Control Panel Upgrades

- Materials, Engineering, Programming and Electrical Installation: **\$ 20,800.00**

Item 4- Production Well VFD Upgrade

- Materials, Engineering, Programming and Electrical Installation: **\$ 52,800.00**

Item 5- Mt. Si Chlorine Analyzer Supply and Installation

- Materials, Engineering, Programming and Electrical Installation: **\$ 13,200.00**

Item 6- ULID Lift Station 6 Telemetry and Control Panel Upgrades

- Materials, Engineering, Programming and Electrical Installation: **\$ 18,160.00**

Total Price for the Scope of Work Detailed Below: **\$ 332,990.00**

Scope of Work

Item 1- Telemetry & Control System Upgrades

QCC supplies the following hardware and services for each of the listed sites:

1. Production Well PLC and Telemetry Upgrade Hardware:

- QTY (1) Programmable Logic Controller
 - QTY (1) Processor, CompactLogix 1769-L30ER
 - QTY (1) Power Supply, 1769-PB2
 - QTY (3) Discrete Input Module, 1769-IQ16
 - QTY (1) Relay Output Module, 1769-OW16
 - QTY (1) Analog Input Module, 1769-IF8
 - QTY (1) Analog Output Module, 1769-OF4CI
- QTY (1) Human Machine Interface (HMI)- Maple System HMI5103L, 10" touch screen.
 - Includes custom bezel as required for installation.
- QTY (1) Cellular Router- Tempered Networks Airwall 150G, with licensing & antenna.

2. Mt Si Springs PLC and Telemetry Upgrade Hardware:

- QTY (1) Uninterruptible Power Supply, 24VDC, with 7.2Ah battery.
- QTY (1) Programmable Logic Controller
 - QTY (1) Processor, CompactLogix 1769-L30ER
 - QTY (1) Power Supply, 1769-PB2
 - QTY (2) Discrete Input Module, 1769-IQ16
 - QTY (1) Relay Output Module, 1769-OW16

- QTY (1) Analog Input Module, 1769-IF8
- QTY (1) Analog Output Module, 1769-OF4CI
- QTY (1) Human Machine Interface (HMI)- Maple System HMI5103L, 10" touch screen.
 - Includes custom bezel as required for installation.
- QTY (1) Cellular Router- Tempered Networks Airwall 150G, with licensing & antenna.

3. I90 Tank Control Panel:

- QTY (1) NEMA 4X Stainless Enclosure
- QTY (1) Panel light, door activated.
- QTY (1) Enclosure Heater, 200W thermostat controlled.
- QTY (1) Duplex Receptacle
- QTY (1) Uninterruptible Power Supply, 24VDC, with 7.2Ah battery.
- Programmable Logic Controller
 - QTY (1) Processor, CompactLogix L769-L24ER,
 - Integral IO, 16DI, 16DO, 4AI, 4AO
- QTY (1) Cellular Router- Tempered Networks Airwall 150G, with licensing & antenna.
- QTY (AR) Terminals, relays, timers, labels, nameplates, etc.

4. Nintendo Tank Control Panel:

- QTY (1) Back panel assembly, installed in existing enclosure.
- QTY (1) Enclosure Heater, 200W thermostat controlled
- QTY (1) Duplex Receptacle
- QTY (1) Uninterruptible Power Supply, 24VDC, with 7.2Ah battery.
- Programmable Logic Controller
 - QTY (1) Processor, CompactLogix L769-L24ER,
 - Integral IO, 16DI, 16DO, 4AI, 4AO
- QTY (1) Cellular Router- Tempered Networks Airwall 150G, with licensing & antenna.
- QTY (AR) Terminals, relays, timers, labels, nameplates, etc.

5. Forster Woods 710 Booster PLC and Telemetry Upgrade Hardware:

- QTY (1) Uninterruptible Power Supply, 24VDC, with 7.2Ah battery.
- Programmable Logic Controller
 - QTY (1) Processor, CompactLogix L769-L24ER,
 - Integral IO, 16DI, 16DO, 4AI, 4AO
 - QTY (1) Analog Input Module, 1769-IF8
 - QTY (1) Analog Output Module, 1769-OF4CI
- QTY (1) Cellular Router- Tempered Networks Airwall 150G, with licensing & antenna.
- QTY (1) Human Machine Interface (HMI)- Maple System HMI5103L, 10" touch screen.
- QTY (AR) Terminals, relays, timers, labels, nameplates, etc.

6. Forster Woods 780 Tank PLC and Telemetry Upgrade Hardware:

- QTY (1) Uninterruptible Power Supply, 24VDC, with 7.2Ah battery.
- Programmable Logic Controller
 - QTY (1) Processor, CompactLogix L769-L24ER,
 - Integral IO, 16DI, 16DO, 4AI, 4AO
 - QTY (1) Analog Input Module, 1769-IF8

- QTY (1) Analog Output Module, 1769-OF4CI
- QTY (1) Cellular Router- Tempered Networks Airwall 150G, with licensing & antenna.
- QTY (1) Human Machine Interface (HMI)- Maple System HMI5103L, 10" touch screen.
- QTY (AR) Terminals, relays, timers, labels, nameplates, etc.

7. PLC and HMI Programming Services- All required PLC and HMI programming necessary for a fully functional system at each of the upgraded sites. Includes at minimum:

- Coordination with owners SCADA programmer for Ifix SCADA Integration for all upgraded stations.
- PLC and HMI programming for all upgraded stations.
- Tempered Networks Telemetry programming required for integration in the city's existing cellular telemetry system.

8. Electrical Installation- Installation of the all-new hardware and equipment quoted above by a licensed electrical contractor as required. Includes all necessary permits and inspections.

Item 2- Snoqualm Lift Station Telemetry & Control System Upgrades

QCC supplies the following hardware and services for each for the site listed below:

2. Snoqualm Lift Station Control Panel and Instrumentation:

- QTY (1) NEMA 4x SS Enclosure, Est size 48"H x 36"W x 10"D
- QTY (1) Main Breaker, door interlocked; 240/120VAC, 1ph line power.
- QTY (1) Uninterruptible Power Supply, 24VDC, with 7.2Ah battery.
- Programmable Logic Controller
 - i. QTY (1) Processor, CompactLogix L769-L24ER,
 - 1. Integral IO, 16DI, 16DO, 4AI, 4AO
 - ii. QTY (1) Analog Input Module, 1769-IF8
- QTY (1) Cellular Router- Tempered Networks Airwall 150G, with licensing & antenna.
- QTY (1) Human Machine Interface (HMI)- Maple System HMI5103L, 10" touch screen.
- QTY (2) Motor protection breakers, 240VAC, 1ph input
- QTY (2) 240VAC motor starters, 5HP with 1ph start/run cap set.
- QTY (2) HOA Selector switch
- QTY (2) Running Indicator
- QTY (2) Fault Indicator
- QTY (2) Motor Seal Leak Indicator
- QTY (2) Motor Over-temp Indicator
- QTY (1) Intrinsically Safe Barrier, 4-20mA in/out, wet well level sensor.
- QTY (3) Intrinsically Safe Relays, low, high, high high float switch input.
- QTY (AR) Terminals, relays, timers, labels, nameplates, etc.

● QTY (1) Wet Well Level Transmitter, E&H FMR-20 radar level sensor.

● QTY (1) FMR-20 mounting bracket, stainless steel wall mount bracket.

● QTY (3) Float Type Level Switch, non-mercury float type level switches, NONC.

3. PLC and HMI Programming Services- All required PLC and HMI programming necessary for a fully functional system at each of the upgraded sites. Includes at minimum:
 - Coordination with owners SCADA programmer for Ifix SCADA Integration for all upgraded stations.
 - PLC and HMI programming for all upgraded stations.
 - Tempered Networks Telemetry programming required for integration in the city's existing cellular telemetry system.
4. Electrical Installation- Installation of the all-new hardware and equipment quoted above by a licensed electrical contractor as required. Includes all necessary permits and inspections.

Item 3- South Fork Lift Station Telemetry & Control System Upgrades

QCC supplies the following hardware and services for each for the site listed below:

1. South Fork LS PLC and Telemetry Upgrade Hardware:
 - QTY (1) Uninterruptible Power Supply, 24VDC, with 7.2Ah battery.
 - Programmable Logic Controller
 - QTY (1) Processor, CompactLogix L769-L24ER,
 - Integral IO, 16DI, 16DO, 4AI, 4AO
 - QTY (1) Analog Input Module, 1769-IF8
 - QTY (1) Analog Output Module, 1769-OF4CI
 - QTY (1) Cellular Router- Tempered Networks Airwall 150G, with licensing & antenna.
 - QTY (AR) Terminals, relays, timers, labels, nameplates, etc.
2. PLC and HMI Programming Services- All required PLC and HMI programming necessary for a fully functional system at each of the upgraded sites. Includes at minimum:
 - Coordination with owners SCADA programmer for Ifix SCADA Integration for all upgraded stations.
 - PLC and HMI programming for all upgraded stations.
 - Tempered Networks Telemetry programming required for integration in the city's existing cellular telemetry system.
3. Electrical Installation- Installation of the all-new hardware and equipment quoted above by a licensed electrical contractor as required. Includes all necessary permits and inspections.

Item 4- Production Well VFD Upgrade

Supply and Install new Production Well VFD Panel: Installed adjacent to existing MCC.

It is assumed the right most section of the existing MCC is to be removed to make room for the new VFD control panel. The existing feeder breakers located in removed section to be relocated to spare locations in the remaining MCC.

QCC supplies the following hardware and services:

1. New VFD Enclosure:
 - QTY (1) VFD Enclosure, UL listed, including the following major components:

- QTY (1) NEMA 4/12 Enclosure, 90”H x 30”W x 20”D
- QTY (1) non-fusible disconnect, door interlocked.
- QTY (1) 250HP VFD, 480VAC, Yaskawa GA80U430ABM
- QTY (1) Door mounted VFD HIM module.
- QTY (1) HOA Selector switch
- QTY (1) Running Indicator
- QTY (1) Fault Indicator
- QTY (1) Speed Select Potentiometer
- QTY (AR) Terminals, relays, timers, labels, nameplates, etc.
- QTY (2) Line/Load Reactors – Installed in existing RVSS MCC section.

2. Electrical Installation- Installation of the new VFD enclosure, and the require modifications of the existing MCC. Includes the following anticipated tasks:

- a. Demolition of the right most section of the existing MCC. Includes re-locating the existing feeder breakers and re-configuration of existing conduit entering that section and re-pulling of new conductors for the existing unit heaters fed by the modified feeder breakers.
- b. Demolition of the existing RVSS motor starter and associated hardware.
- c. Installation of the new line and load reactors in the existing RVSS MCC bucket.
- d. Installation of the new VFD control panel, including all required power and control conductors.

Item 5- Installation of new Chlorine Analyzer at Mt. Si Springs.

1. Supply New Chlorine Analyzer: Provide and install a new chlorine analyzer at the existing Mt Si Springs location. QCC quotation includes hardware and electrical installation only.

QCC supplies the following hardware and services:

 - QTY (1) CL2 Analyzer, Eagle Microsystems RA-1000 or equal
2. Electrical Installation- QCC provides the required electrical installation of the new CL2 Analyzer, including providing the following:
 - Mounting of the CL2 analyzer in the existing pump house.
 - Provide Conduit and conductors: Rigid conduit to match existing
 - Qty 1 x Power – 2 x #14 + G
 - Qty 1 x Control- 1 x #16 TSP, 2 x #14.
3. PLC and HMI Programming Services- All required PLC and HMI programming necessary for a fully functional system. Includes at minimum:
 - Coordination with owners SCADA programmer for Ifix SCADA Integration for all upgraded stations.
 - PLC and HMI programming for the new CL2 analyzer.

Item 6- ULID Lift Station #6 Telemetry & Control System Upgrades

QCC supplies the following hardware and services for each for the site listed below:

1. Lift Station 6 PLC and Telemetry Upgrade Hardware:

- QTY (1) Uninterruptible Power Supply, 24VDC, with 7.2Ah battery.
- PLC Remote IO Rack- To be connected to plant main PLC via existing fiber connection.
- QTY (1) PLC Remote Ethernet Adapter, 1769-AENTR
- QTY (1) CompactLogix Power supply, 1769-PB4
- QTY (3) Discrete Input Modules, 1769-IQ16
- QTY (1) Discrete Output Modules, 1769-OB16
- QTY (2) Analog Input Module, 1769-IF8
- QTY (1) Analog Output Module, 1769-OF4CI
- QTY (1) Unmanaged Ethernet Switch, 5 port, 4 x copper 10/100, 1 x fiber 100mbx.
- QTY (1) Human Machine Interface (HMI)- Maple System HMI5103L, 10" touch screen.
- QTY (AR) Terminals, relays, timers, labels, nameplates, etc.

2. PLC and HMI Programming Services- All required PLC and HMI programming necessary for a fully functional system at each of the upgraded sites. Includes at minimum:

- Coordination with owners SCADA programmer for Ifix SCADA Integration for the upgraded station.
- PLC and HMI programming for the upgraded station.

3. Electrical Installation- Installation of the all-new hardware and equipment quoted above by a licensed electrical contractor as required. Includes all necessary permits and inspections.

General Notes:

1. QCC supplies factory testing for all equipment included in this scope of work.
2. QCC supplies field start-up, commissioning, and training as required for all equipment included in this scope of work.
3. QCC provides CAD-based As-Built Control Panel drawings for all upgraded sites. Includes comprehensive BOM and panel layout drawings for all components, new and existing located in the control panels.
4. QCC provides Bill of Materials, and Operation and Maintenance manuals for all equipment included in this scope of work.