



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 City Clerk at soppedal@northbendwa.gov. Please provide comments by 5 p.m., Tuesday, April 4, 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: [April 4, 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

April 4, 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	Special Council Workstudy of February 14, 2023 & City Council Meeting of March 21, 2023	1
2) Payroll	March 20, 2023 – 28617 through 28623 , in the amount of \$260,192.92	
3) Checks	April 4, 2023 – 73815 through 73879 , in the amount of \$588,957.19	
4) AB23-039	Motion – Approving Comp Plan Docket List & Calendar Extension	Ms. Deming 11
5) AB23-040	Motion – Authorizing 1 st Amendment to Parametrix Contract RE Complete Streets	Mr. Rigos 21
6) AB23-041	Resolution – Accepting 109 Degrees (Cade Vu 2 & 3) Infrastructure Improvements	Mr. Rigos 43
7) AB23-042	Motion – Authorizing Collective Bargaining Agreement for Office/Technical Employees	Ms. Escobar 63

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

ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:

8) Presentation	Recognition of Ron Crouch	Mayor McFarland
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MAIN AGENDA:

9) AB23-043	Motion – Authorizing Contract for Solid Waste & Recycling Services	Mr. Rigos	91
10) AB23-044	Ordinance – Adopting NBMC 9.190.020 Vehicle Trespass	Captain Lynch	189

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.)

ADJOURNMENT:

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CITY OF NORTH BEND
CITY COUNCIL SPECIAL WORKSTUDY NOTES
February 14, 2023

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

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

Councilmembers Brenden Elwood, Alan Gothelf, Mark Joselyn, Heather Koellen, Ross Loudenback, Mary Miller and Jonathan Rosen.

Staff Present: City Administrator David Miller, City Attorney Mike Kenyon, Deputy City Administrator/Public Works Director Mark Rigos, Community & Economic Development Director Rebecca Deming, Economic Development Manager Mark Noll, Communications Manager Bre Keveren and City Clerk Susie Oppedal.

Guests Present: Joe Borgstrom LMP, Place + Main Advisors, LLC and Caitlin Hepworth, Blueline

Executive Session

Mayor Pro Tem Koellen recessed the Council Workstudy for an Executive Session at 7:01 p.m. to discuss potential litigation, pursuant to RCW 42.30.110(1)(i) and Property Acquisition, pursuant to RCW 42.30.110(1)(b). No action would be taken as a result of the executive session, which was expected to last 45 minutes, and taping of the meeting ceased.

At 7:46 p.m. it was announced that the Executive Session was expected to last an additional 10 minutes.

The workstudy reconvened at 7:56 p.m.

Economic Development Action Plan

Economic Development Manager Noll reported the Draft Economic Development Action Plan was the culmination of over a year of work that began with the Economic Development Commission establishing a vision and high-level goals for economic development in the City. Mr. Noll noted input and ideas of preliminary data analysis that were presented at a joint meeting of the City Council and Economic Development Commission on November 29, 2022. Feedback was documented and helped to inform the objectives of draft plan. He concluded by requesting Council provide input on tonight's presentation and once feedback was incorporated, including that of key stakeholders and implementation partners, the final action plan would return to an upcoming Council meeting for formal adoption.

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Joe Borgstrom LMP, Place + Main Advisors, LLC provided a presentation on the draft Economic Development Action Plan highlighting the following:

1. Primary Challenges

- lack of work-force housing
- small-scale development
- lack of basic infrastructure and connectivity
- underutilized properties in downtown
- unsafe parking in Truck Town area
- vacancies at Outlet Mall
- lack of community marketing
- shortage of public gathering spaces
- no full-service hotel
- retail leakage
- limited inventory of existing buildings

2. Economic Development Objectives

- strengthen and diversify economic base
- increase and diversify housing
- invest in quality of life infrastructure and activities
- make North Bend a desirable place to do business

3. Actions to Address Challenges

- create a development guide and dedicated support services to encourage targeted development
- address critical infrastructure needs including water, sewer and streets
- assist in solving housing challenges related to workforce and affordability
- advocate for improved transit to better connect North Bend to the region
- inventory the current network of trails and pathways and identify key gaps
- enhance marketing strategies to attract tourists and outdoor enthusiasts
- continue pursuing hotel developments to encourage longer stays in North Bend
- inventory and market underutilized land in the downtown core
- develop a team to re-envision Trucktown and surrounding properties at Exit 34
- develop a master plan for the Outlet Mall
- develop marketing materials for prospective businesses
- pursue designation as a Main Street Community

Council and staff discussed the following: developer costs, retail leakage, vacancy rates, workforce housing, real estate dynamics strategies, incoming/outgoing workers, workforce vs. affordable housing, economic development partners, Comprehensive Plan,

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Gantt charts, prioritization of commercial over residential, gentle density and community partners.

Mr. Bergstrom concluded by requesting Council provide comments to Mr. Noll by February 21, 2023.

North Bend Housing Needs Assessment

Community & Economic Development Director Deming introduced Caitlin Hepworth of Blueline to provide a presentation on the North Bend Housing Needs Assessment (HNA). Ms. Hepworth explained the HNA, which is the foundation for Housing Action Plan (HAP), was funded by a Washington State Department of Commerce grant for the purpose of allowing the City to recognize the housing needs of its current and future populations, as well as outline goals, policies, and strategies to meet those needs.

Ms. Hepworth explained the HNA was composed of the following three items: Community Overview, Housing Conditions and Gap Analysis. She provided additional detail on the following:

- Community Overview - population change, household income, cost burden, risk regarding vacancy, displacement, workforce profile
- Housing Inventory – home ownership and affordability, rental housing, subsidized housing
- Gap Analysis – housing needs to accommodate growth, population projections, current housing gap

Council and staff discussed the following: shortfall of housing by 2024, policy to reduce barriers, lack of affordability, property tax, lower housing stock, King County buildable lands, Puget Sound Regional Council and Growth Management Plan reconciliation, exemptions, and Comprehensive Plan.

Ms. Hepworth concluded by noting the next steps included tightening and finalizing the data, public engagement, and an updated draft in early April.

Adjournment

The Workstudy closed at 10:05 p.m.

ATTEST:

Heather Koellen, Mayor Pro Tem

Susie Oppedal, City Clerk

NORTH BEND CITY COUNCIL MINUTES

March 21, 2023

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

CALL TO ORDER, ROLL CALL:

Mayor McFarland called the regular meeting to order at 7:01 p.m.

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

Councilmember Gothelf **MOVED**, seconded by Councilmember Elwood to remand to the April 11, 2023 Finance & Administration Committee AB23-036 – Resolution Adopting Procurement Policy & Procedures and AB23-037 – Ordinance Repealing NBMC 3.30 Purchasing. The motion **PASSED** 7-0.

CONSENT AGENDA:

Minutes – City Council Meeting of March 7, 2023

Payroll – **March 3, 2023** – 28611 through 28616, in the amount of **\$321,112.17**

Checks – **March 21, 2023** – 73745 through 73814, in the amount of **\$1,296,144.66**

AB23-032 – Motion Authorizing Purchase of Pickup Mounted Snowplows

AB23-033 – Authorizing Contract with Pendleton Consulting

Councilmember Gothelf **MOVED**, seconded by Councilmember Elwood to approve the consent agenda as presented. The motion **PASSED** 7-0.

CITIZEN'S COMMENTS:

Wendy Weiker, Community Relations Manager, Republic Services, expressed surprise at AB23-038 – Motion Authorizing Contract for Solid Waste & Recycling Services being on tonight's agenda and reiterated Republic Services' commitment to North Bend. She mentioned the following: Republic Services willingness to negotiate with the City, the impact of contract term changes from ten to twelve years and their ongoing commitment to zero waste programs.

Steve Brum, Regional Vice-President, Recology King County, noted he was honored the City was considering Recology for their solid waste and recycling services and mentioned they provided the best value in the industry. He noted they were an employee-owned company and discussed their commitment to a successful contract transition and community relations.

Jason Ritchey, 2802 SE 16th Street, requested the recently postponed AB23-018 – Motion Authorizing Contract with Gray & Osborne for Water System Plan Amendment be brought

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forward again for consideration by Council.

Nick Jensen, 296 Olallie Place NE, noted he attended the 2023 Citizen's Academy and thanked City staff, particularly Administrative Services Director Lisa Escobar and Communications Manager Bre Keveren, for all of their efforts on this year's academy classes.

ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:**Presentation – 2023 Citizen's Academy****Audio: 11:51**

Mayor McFarland presented Citizen's Academy attendees with a Certificate of Completion marking their participation in the 2023 North Bend Citizen's Academy.

Presentation – Snoqualmie Valley Health**Audio: 20:48**

Renee Jensen, Chief Executive Officer, Snoqualmie Valley Hospital, provided a presentation on a proposed levy lid lift that will provide additional services such as a tax credit program, Emergency Department Expansion, new MRI and CT scanner, mammography, behavioral health, additional providers and services and expansion into outlying areas.

COMMISSION AND COMMITTEE REPORTS:

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

Finance & Administration Committee – Councilmember Gothelf, Chair
A report of the March 14th meeting was provided.

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

Transportation & Public Works Committee – Councilmember Loudenback, Chair
A report of the February 28th meeting was provided.

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

Planning Commission
A report of the March 1st meeting was provided.

Parks Commission
No report.

DRAFT**Economic Development Commission**

A report of the February 28th meeting was provided.

Sound Cities Association Board of Health – Councilmember Koellen

A report of the March 16th meeting was provided.

Sound Cities Association Public Issues Committee – Councilmember Loudenback

A report of the March 8th meeting was provided.

Council Workstudy – Mayor Pro Tem Koellen

A report of the February 28th meeting was provided.

Puget Sound Regional Council Executive Board – Mayor McFarland

A report of the February 23rd meeting was provided.

Growth Management Planning Council – Mayor McFarland

A report of the January 25th meeting was provided.

MAIN AGENDA:

AB23-034 – Public Hearing, Ordinance 1792 Adopting NBMC 3.78 Multi-Family Tax Exemption Programs Audio: 54:55

City Attorney Marshall provided the staff report.

Mayor McFarland opened the Public Hearing on an Ordinance Adopting NBMC 3.78 Multi-Family Tax Exemption Program at 7:58 p.m.

There was no public comment and Mayor McFarland closed the Public Hearing at 7:59 p.m.

Councilmember Miller **MOVED**, seconded by Councilmember Loudenback to approve AB23-034, an ordinance adopting North Bend Municipal Code 3.78 relating to a Multifamily Tax Exemption Program, as a final reading. The motion **PASSED** 7-0.

AB23-035 – Motion Authorizing H-GAC Contract RE Robert Half Audio: 1:00:00

Finance Director Gould provided the staff report.

Councilmember Gothelf **MOVED**, seconded by Councilmember Rosen to approve AB23-035, authorizing the Mayor to execute the H-GAC intergovernmental Cooperation Contract attached hereto as Exhibit A. The motion **PASSED** 7-0.

AB23-038 – Motion Authorizing Contract for Solid Waste & Recycling Services Audio: 1:11:56

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Deputy City Administrator/Public Works Director Rigos provided the staff report.

The following individual(s) commented on the agenda item:

Anthony Brocato, General Manager, Recology King County

Logan Harvey, Government Relations and Sustainability Manager, Recology King County

Wendy Weiker, Community Relations Manager, Republic Services

Councilmember Loudenback **MOVED**, seconded by Councilmember Rosen to approve AB23-038, authorizing the Mayor to enter into and execute a 12-year Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract with Recology King County, Inc. for the period of April 1, 2024, through March 31, 2036, in a form and content approved by the City Attorney.

Councilmember Rosen **MOVED**, seconded by Councilmember Gothelf to reduce the Administrative Service Fee in the proposed contract from 7.5 percent to 4 percent. The motion **FAILED** 3-4 (Joselyn, Koellen, Loudenback, Miller).

Councilmember Gothelf **MOVED**, seconded by Councilmember Miller, to amend the main motion to pass as a first reading with a second reading scheduled for the April 4, 2023 City Council Meeting. The motion **PASSED** 4-2 (Koellen, Loudenback) (Joselyn abstained).

The main motion then **PASSED AS AMENDED** 6-1 (Loudenback).

MAYOR, COUNCIL, AND ADMINISTRATOR CONCERNS AND INITIATIVES:

Councilmember Gothelf encouraged all to enjoy the nice weather and to exercise caution when driving in areas where children were at play.

Councilmember Miller mentioned she attended a few sessions of this year's Citizen's Academy and congratulated graduating participants and thanked City staff for their efforts.

Councilmember Elwood commented on the Citizen's Academy and noted it was a wonderful way for citizens to get involved in their community.

Councilmember Joselyn noted he was excited about the contract for solid waste and recycling services moving forward and stressed the importance of the Council focusing on the interests of the City and moving forward as a team.

Councilmember Rosen thanked citizens and staff that participated in the Citizen's Academy and thanked fellow Councilmembers for passing the garbage contract as a first reading to allow time for additional public comment.

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Councilmember Koellen congratulated the first graduating class of the North Bend Citizen's Academy and thanked them for the time they committed to attending the multi-session program.

Mayor McFarland spoke regarding the following items:

- 2023 North Bend Citizen's Academy
- Yard Waste Recycling – Saturday, March 25th 8 a.m. to Noon @ Public Works
- Meet-up with the Mayor – Wednesday, March 22nd 10 a.m. @North Bend Bakery
- Applicants for Human Services Task Force
- Rainer Asphalt & Concrete Donation RE Various Trails

EXECUTIVE SESSION:

Mayor McFarland recessed the regular meeting for an Executive Session at 9:18 p.m. to discuss potential litigation, pursuant to RCW 42.30.110(1)(i), property acquisition, pursuant to RCW 42.30.110(1)(b) and collective bargaining negotiations, pursuant to RCW 42.30.140(4). No action was anticipated as a result of the Executive Session, which was expected to last 45 minutes and videotaping of the meeting ceased.

At 10:02 p.m. it was announced to audience members outside the adjournment room that the Executive Session was expected to last an additional 15 minutes.

The regular meeting reconvened at 10:16 p.m.

ADJOURNMENT:

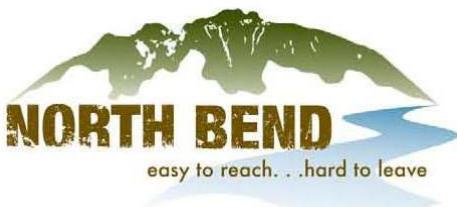
Councilmember Gothelf **MOVED** to adjourn, seconded by Councilmember Elwood. The motion **PASSED** 7-0.

The meeting adjourned at 10:16 p.m.

ATTEST:

Rob McFarland, Mayor

Susie Oppedal, City Clerk



City Council Agenda Bill

SUBJECT:	Agenda Date: April 4, 2023	AB23-039
Motion Approving Docket for Initiation of 2023 Code Amendments and 2024 Comprehensive Plan Update	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	X
Cost Impact: N/A	Finance – Richard Gould	
Fund Source: N/A	Public Works – Mark Rigos	
Timeline: Immediate		
Attachments: Planning Commission Staff Report, Property Exhibit		

SUMMARY STATEMENT:

Chapter 20.08 of the North Bend Municipal Code (NBMC) establishes the procedures and review criteria for amending the City's Comprehensive Plan and development regulations and the procedures for docketing and applications submitted. Staff did not receive any docket applications from the public. The docket recommendations are proposed amendments based on needed updates and cleanup of the code. The docket does not include policy or land use issues already being addressed by the City Council. The docket was reviewed by the Planning Commission at their January 18, 2023 meeting and they recommended approval to the City Council.

The 2023/2024 Docket recommendations are different than previous years. This year the docket list comprises 2 years of work including staff recommended code amendments for the work plan. Also, with the start of the 2024 Land Use and Housing Element Comprehensive Plan Amendments we are required to reach out to the public early and often for amendment requests. One of those ways to obtain public input is through the docket process.

Approval of this list does not approve the changes but moves them to be part of the considered options as we have workstudys, open houses, and have public hearings to discuss land use changes. Once input is received, the Planning Commission makes a recommendation to include or not include the changes in the draft element, for Council approval.

Docket Recommendations for Initiation of Comprehensive Plan and Code Amendments

2023 Code Amendments

- Amendment to Impact Fee regulations to clarify allowance for improvements to be built in lieu of payment of fees.
- Amendment to NBMC to clean up the conflict relating to condominium map and binding site plans, as it relates to condominium projects.
- Amendment to NBMC 18.06 Definitions to include land use definitions.
- Amendment to NBMC 18.20 Signs

2024 Comprehensive Plan Update Consideration

- Sailors Family (1 acre parcel at 667 East North Bend Way)
 - LDR to Mixed use, desire to allow current business to continue
- Jeffrey Yee/Yee Capital Partners, LLC (24 acre Parcel 052308-9016)
 - EP-1 to 14 acres on hill/slope residential and 10 acres flat area commercial/industrial.
- Suzan Torguson (East North Bend Way, adjacent to Torguson Park. Parcels 102308-9134, 102308-9188)

City Council Agenda Bill

- LDR to DC (desire for higher density residential)
- Debra Johnson, East North Bend Way, Parcels 102308-9054 and -9148.
 - LDR to DC (desire for mixed use)
- George Wyrsch (Parcel 092308-9006 9 acres off NW Eighth Street and Alm Way NW.)
 - Comp Plan Land Use Element D.5 Forster Woods Neighborhood and E. Land Use and Zoning Designations for Interchange Mixed Use (IMU) to change language from protection of residential nearby to allow for compatible commercial consistent with allowances in IMU.

Chapter 20.08.060 of the NBMC establishes a calendar for amendments to the comprehensive plan, however because these considerations are part of the 2024 comprehensive plan update, staff is recommending an extension on the completion of docketed items until December 2024.

After Council approval of the docket, these items will return to the Planning Commission for public hearings and recommendations. They will return to City Council in a detailed format for Council adoption of the associated Ordinances.

APPLICABLE BRAND GUIDELINES: Sustainable and Managed Growth

COMMITTEE REVIEW AND RECOMMENDATION: The Community and Economic Development Committee reviewed this item at their February 21 & March 21, 2023 meeting and recommended approval on the Consent Agenda.

RECOMMENDED ACTION: **MOTION to approve AB23-039, approving Docket for Initiation of 2023 Code Amendments and 2024 Comprehensive Plan Update and extension for completion of docketed items until December 31, 2024.**

RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
April 4, 2023		



DATE: January 4, 2023
 TO: Planning Commission
 FROM: Rebecca Deming, Community and Economic Development Director
 SUBJECT: Planning Commission 2023 Docket Recommendation and Work Program

Summary:

Chapter 20.08 of the North Bend Municipal Code (NBMC) establishes the procedures and review criteria for amending the City's Comprehensive Plan and development regulations. The below list includes both staff recommended amendments based on needed updates and docket requests submitted by the public during the annual docket cycle notice.

The requests for Comprehensive Plan Amendments requested by property owners for consideration for Land Use/Zoning changes will be addressed by staff with the 2024 required update. Planning Commission approval of the staff recommended docket and work program does not approve the amendments but does allow them to be part of the considered changes as we advertise and have public hearings for the broader process.

2023 Docket and Work Program Recommendations

A. Outside Initiated Land Use Comprehensive Plan Requests: See attached Docket Map, Land Use Map and Zoning Map for reference.

Staff Recommendation – Approve docket consideration as part of the 2024 Comprehensive Plan Update (starting in 2023). See attached map exhibit for location details.

1. Sailors Family (1 acre parcel at 667 East North Bend Way)
 - o LDR to Mixed use or DC zone with Land Use Designation change from Residential to Commercial.
2. Jeffrey Yee/Yee Capital Partners, LLC (24-acre Parcel 052308-9016)
 - o EP-1 to 14 acres on hill/slope residential and 10 acres flat area commercial/industrial. Land Use Designation change will be required for residential.
3. Suzan Torguson (East North Bend Way, adjacent to Torguson Park. Parcels 102308-9134, 102308-9188)
 - o LDR to DC zone with Land Use Designation change from Residential to Commercial.
4. George Wyrsch (Parcel 0923089006 9 acres off NW Eighth Street and Alm Way NW.)
 - o Change in Land Use description: Comp Plan Land Use Element D.5 Forester Woods Neighborhood and E. Land Use and Zoning Designations for Interchange Mixed Use (IMU) to change language from protection of residential nearby to allow for compatible commercial consistent with allowances in IMU.

B. Staff Initiated North Bend Municipal Code (NBMC) Amendments: Staff Recommendation - Include these in 2023 work plan.

- Amendment to Impact Fee regulations to clarify allowance for improvements to be built in lieu of payment of fees.
- Amendment to NBMC to clean up the conflict relating to condominium map and binding site plans, as it relates to condominium projects.
- Amendment to NBMC 18.06 Definitions to include land use definitions.
- Amendment to NBMC 18.20 Signs

C. Outside Initiated NBMC Amendments: Staff Recommendation - Staff does not recommend approval of this docket request. Docket request should be resubmitted for consideration after completion of the Comprehensive plan update.

- Code Amendment docket request
 - George Wyrsch
 - Changes to IMU
 - NBMC 18.10.030 to allow the following uses:
 - EV Charging Stand alone
 - Recreational Vehicle Parks and Campground
 - Athletic and Sports Facilities
 - Driving Range
 - Govt' Uses in 4.20
 - Museums and Community Centers and assoc uses under Resource 6.00.
 - Indoor dog daycare and amend footnote prohibited uses #10 related to kennel to allow dog day care.
 - NBMC 18.10.040
 - Height increases from 30-35' for duplex, tri-plex, fourplex.
 - Height increases to 45' for multi-family (including homes for elderly)
 - Mixed use height limit of 55' (residential above ground floor commercial)
 - Allow hotels up to 65' same as IC zone.
 - Front yard setback on Ribary Way for duplex, tri-plex, fourplex and row house 10' not 25'.
 - Delete Transitional Landscape Area buffer of 20' Type 2 along Ribary Way for properties zoned IMU NBMC 18.18.130.B.1

D. Other long term staff projects in 2023

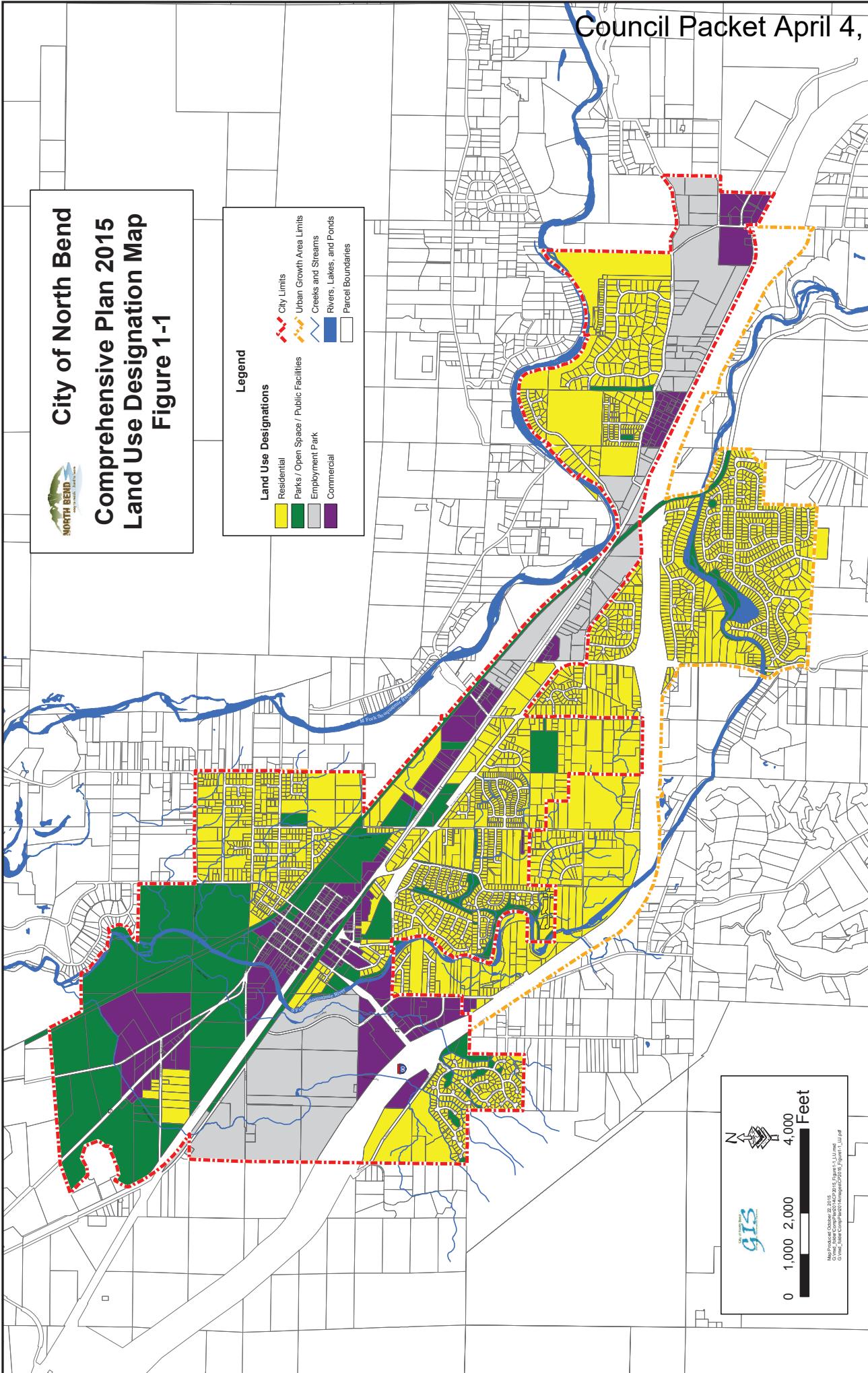
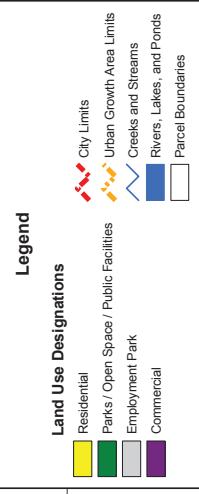
- Complete Streets Corridor Plan
- Housing Needs Assessment/Housing Action Plan
- Continue work on Comprehensive Plan update for periodic update
- William H. Taylor Park/Riverfront Park Design Project
- Community Survey
- Parking Lot Improvement Program

Staff is not recommending moving forward with any Land Use and zone changes independently of the land use element of the comprehensive plan update. Additionally, due to the amount of work involved in the Comprehensive Plan Update and other projects in process and council directed, staff is not recommending Planning Commission approve the docket request for IMU changes at this time. Changes to the IMU would be more appropriate after the completion of the 2024 Comprehensive Plan periodic update.

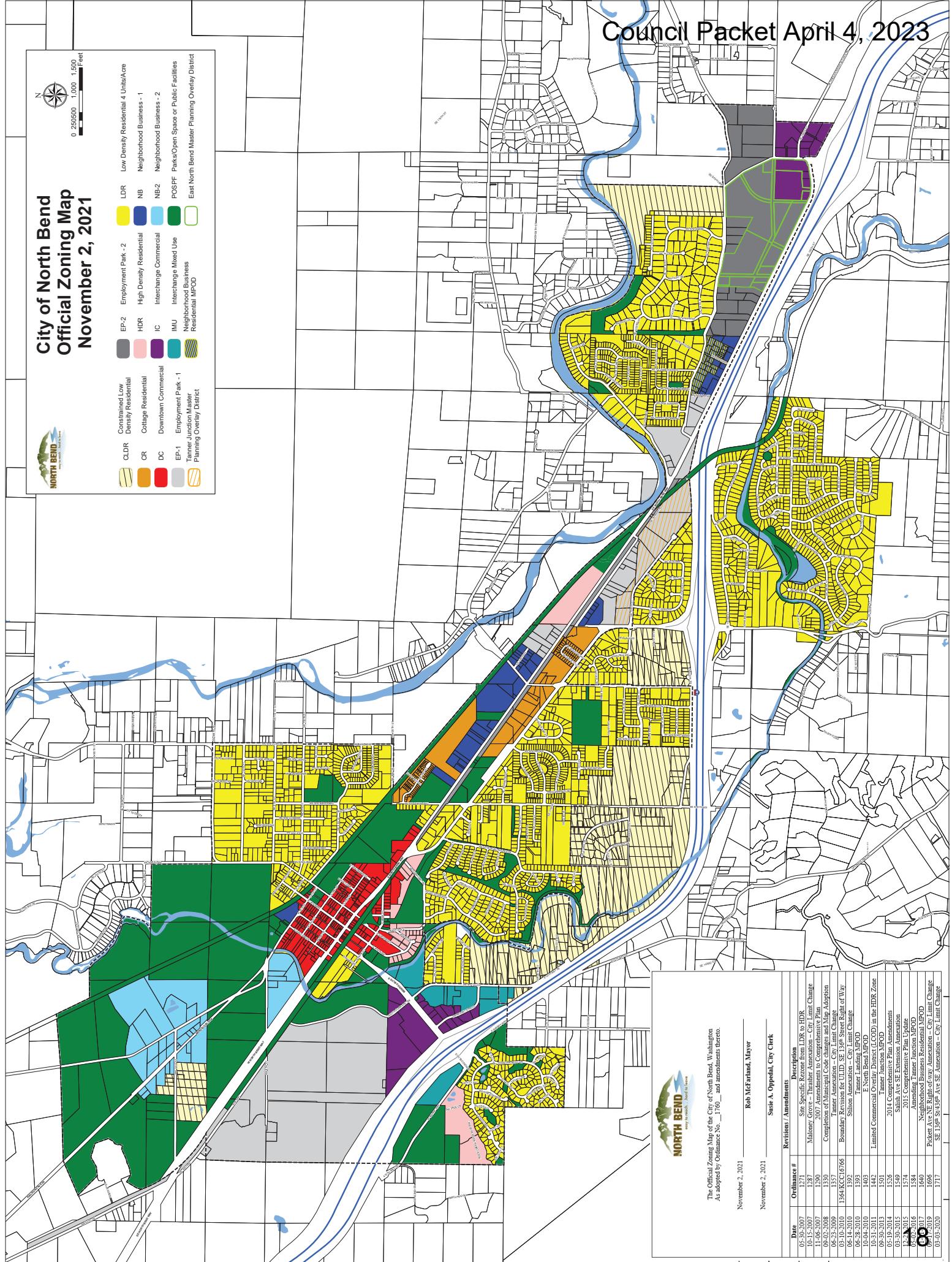
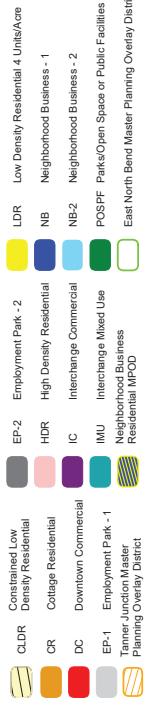
Staff Recommendation:

Staff recommends approval of the proposed 2023 Docket List and Planning Commission Work Program with the exclusion of the IMU Code Amendment request, and any Land Use changes independent of the staff-initiated land use element periodic update which will be addressed with the 2024 Update.

City of North Bend
Comprehensive Plan 2015
Land Use Designation Map
Figure 1-1



City of North Bend Official Zoning Map November 2, 2021



Date	Ordinance #	Revisions / Amendments	Description
05-30-2007	1271		Site Specific Zone from LDR to HR
10-15-2007	1287		Maloney Grove - Tanner Junction (POD)
11-06-2007	1290		2007 Amendments to Comprehensive Plan
09-02-2008	1330		Completion of Municipal Code changes and Map Adoption
06-23-2009	1337		Tanner Junction - City Limit Change
03-10-2010	1384+CCCL766		Boundary Revision for TJD, SE 1/4 of Street Right of Way
06-14-2010	1392		Station Junction - City Limit Change
06-18-2010	1393		Tanner Junction - City Limit Change
06-21-2010	1395		Limited Commercial Overlay (POD) in the HR Zone
06-21-2010	1445		Tanner Junction (POD)
06-30-2011	1501		2014 Comprehensive Plan Amendments
05-19-2014	1526		Salish Ave SE Extension Plan Update
03-30-2015	1549		2015 Comprehensive Plan Update
12-12-2015	1574		Amendment Tanner Junction MPD
03-02-2016	1584		Neighborhood Business Residential (NBRD)
08-02-2017	1640		Packet A/N Right-of-Way Annexation, City Limit Change
03-03-2019	1696		SE 1/4 of SE 1/4 of SE - Station Junction - City Limit Change
03-03-2020	1717		SE 1/4 of SE 1/4 of SE - Annexation - City Limit Change

The Official Zoning Map of the City of North Bend, Washington
As adopted by Ordinance No. 1760 and amendments thereto.

November 2, 2021

Rob McFarland, Mayor

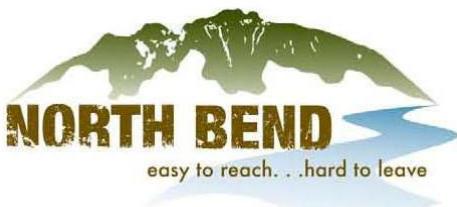
Satia A. Opelada, City Clerk

City of North Bend Planning Commission 2022/2023 Docket

Tax Parcel North Bend City Limit

0 150 300 600 Feet





City Council Agenda Bill

SUBJECT:	Agenda Date: April 4, 2023	AB23-040
Motion Authorizing First Amendment to Contract with Parametrix, Inc. for the North Bend Way Complete Streets Corridor Plan	Department/Committee/Individual	
Cost Impact: \$30,200 NTE	Mayor Rob McFarland	
Fund Source: Transportation. Impact Fees \$30,200	City Administrator – David Miller	
Timeline: Immediate	City Attorney – Mike Kenyon / Lisa Marshall	
	City Clerk – Susie Oppedal	
	Administrative Services – Dawn Masko	
	Comm. & Economic Development – Rebecca Deming	
	Finance – Richard Gould	
	Public Works – Mark Rigos, P.E.	X
Attachments: 1 st Amendment with Work Scope & Fee, Original Contract		
SUMMARY STATEMENT:		
The City of North Bend approved a professional services contract with engineering consultant firm Parametrix on May 3, 2022 for the North Bend Way (NBW) Complete Streets Corridor Plan for an amount not to exceed \$118,188.56.		
For this Corridor Plan, NBW is separated into five distinct segments. These are:		
<ul style="list-style-type: none">• Western city limits to South Fork Snoqualmie River (Tollgate)• South Fork Snoqualmie River to Park Street Roundabout (West Downtown)• Park Street Roundabout to Cedar Falls Way Roundabout (East Downtown)• Cedar Falls Way Roundabout to SE 140th Street (Tanner Trail)• SE 140th Street to 468th Ave SE (East Commercial)		
The character and function of North Bend Way (NBW) has changed over the decades. Once serving as the highway leading from Puget Sound to Snoqualmie Pass, it now functions as the primary arterial inside the City. During the past several decades, the business district has slowly expanded beyond its compact historic center and now extends along NBW. Traffic calming measures and a recently adopted form-based municipal code section for the urban center are notable efforts to create a character that is appealing to both residents and visitors. The NBW Complete Streets Corridor Plan will include conceptual-level planning that will guide future investment in the corridor.		
An expanded work scope has been requested. The expanded work scope includes visualizations and more public meetings. The consultant (Parametrix) will develop a photo-simulation for each of the five corridor segments. The intent will be to show future conditions of the roadway along each segment. The photo-simulation will focus on proposed changes within NBW right-of-way (ROW) and consider potential future land use adjacent to the ROW. Additionally, Parametrix will prepare for and attend additional City Council meetings and focus group meetings as needed. Additional cost for this work is \$30,200, for a total contract amount not to exceed \$148,388.56. The prior work was covered by a grant.		
The proposed amendment would expire December 31, 2023. The City has considerable experience with Parametrix and they have done exceptional work for us in the past.		
APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services		
COMMITTEE REVIEW AND RECOMMENDATION: This item was reviewed by the Transportation and Public Works Committee during their March 28, 2023 meeting and was recommended for approval and placement on the Consent Agenda.		

City Council Agenda Bill

RECOMMENDED ACTION: MOTION to approve AB23-040, authorizing a First Amendment to the contract with Parametrix, Inc., for the North Bend Way Complete Streets Corridor Plan, in a form and content approved by the City Attorney, in an amount not to exceed \$30,200.
--

RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
April 4, 2023		

**FIRST AMENDMENT TO THE CONTRACT FOR SERVICES
BY AND BETWEEN THE CITY OF NORTH BEND AND
PARAMETRIX, INC.**

THIS AMENDMENT to the Contract for Services entered into between the City of North Bend and Parametrix, Inc. effective _____, 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 ONE HUNDRED FORTY-EIGHT THOUSAND, THREE HUNDRED EIGHTY-EIGHT DOLLARS AND 56/100 (**\$148,388.56**) 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 \$118,188.56 + Amendment #1 amount of \$30,200 = \$148,388.56

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 May 3, 2022 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.

All other terms and conditions remain as provided in the original Agreement effective May 3, 2022.

DATED this _____ day of _____, 2023.

CITY OF NORTH BEND

PARAMETRIX, INC.

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

Attest/Authenticated:

City Clerk

Approved as to form:

Lisa Marshall, City Attorney

SCOPE OF WORK

City of North Bend

Parametrix Project Number: 554-1838-001

North Bend Way Complete Streets Corridor Plan

INTRODUCTION

This Scope of Work outlines additional engagement tasks to support the North Bend Way Complete Streets Corridor Plan.

SCOPE OF WORK

Task 600 Additional Engagement Support

Task 600.10 Visualizations

Photo-simulations. The Consultant will develop a photo-simulation for each of the five corridor segments. The intent will be to show future conditions of the roadway along each segment. The photo-simulation will focus on proposed changes within the North Bend Way ROW and consider potential future land use adjacent to North Bend Way ROW.

Plan graphics. The Consultant will develop a conceptual plan for each of the five corridor segments. The intent will be to show conceptual future conditions of the roadway for a short representative portion for each corridor segment. The plan graphics will focus on proposed changes within the North Bend Way ROW and diagrammatically represent potential future land use adjacent to North Bend Way ROW.

Assumptions:

- City staff will have one round of review for each of the photo-simulations and plan graphics.
- The deliverables will be provided in digital format and may be included in the final report.

Deliverables:

1. Up to five (5) photo-simulations
2. Up to five (5) plan graphics

Task 600.20 Council Meetings and Focus Group Meetings

Council Meetings. The Consultant will prepare a PowerPoint summary presentation that outlines the key points of the project. The Consultant will make a presentation and be available for questions.

Focus Group Meetings. The Consultant will prepare a PowerPoint summary presentation that outlines key points of the project. The Consultant will make a presentation and be available for questions.

Assumptions:

- City staff will schedule Council Meetings and Focus Group Meetings.

Deliverables:

1. Up to two (2) Council Meetings
2. Up to two (2) Focus Group Meetings

BUDGET

Task	Budget
Task 600.10 Visualizations	\$20,000
Task 600.20 Council Meetings and Focus Group Meetings	\$10,000
Direct Costs (including mileage @ 0.585/mile)	\$200
	\$30,200

END OF SCOPE OF WORK

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

, INC.

SKA

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into this 10 day of May, 2022, by and between the City of North Bend, a municipal corporation of the State of Washington ("the City") and PARAMETRIX, a corporation ("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 ONE HUNDRED EIGHTEEN THOUSAND, ONE HUNDRED EIGHTY-EIGHT DOLLARS AND 56/100 (\$118,188.56) 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 May 3, 2022 and ending June 30, 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~~ *SKA* 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:

Steve Olling, PE
Project Manager
Parametrix, Inc. *SKA* *DO*
719 2nd Avenue, suite 200
Seattle, WA 98104
Phone: 206-394-3652
Email: solling@parametrix.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

PARAMETRIX *SKA* *DO*

By: 
Printed Name: Steven K Aisaka

Title: Director of Risk Management

Attest/Authenticated:


Susie Oppedal, City Clerk

Approved As To Form:


Michael R. Kenyon, City Attorney

SCOPE OF WORK

City of North Bend
Contract Number: XXXX-XXXX

North Bend Way Complete Streets Corridor Plan

INTRODUCTION

The City of North Bend is currently working to receive funding through the Transportation Improvement Board (TIB) Complete Streets Program and is seeking preliminary information/data for the future buildout of the North Bend Way Street Corridor Plan. The City has a complete streets policy in place and has been nominated by Department of Archaeology and Historic Preservation for the program.

The North Bend Way is separated into five sections per the City Standards:

- Western city limits to South Fork Snoqualmie River
- South Fork Snoqualmie River to Park Street
- Park Street to Cedar Falls Way Roundabout
- Cedar Falls Way Roundabout to SE 140th Street
- SE 140th Street to 468th Ave SE

The character and function of North Bend Way has changed over the decades. Once serving as the highway leading from Puget Sound to Snoqualmie Pass, it now functions as the main street for the city. The business district has also expanded beyond its compact historic center and now extends along North Bend Way. With these changes, traffic calming measures and a recently adopted form-based code for the urban center are notable efforts to create a character that is appealing to both residents and visitors. The North Bend Way Corridor Plan shall include conceptual-level planning that will guide future investment in the corridor.

SCOPE OF WORK

Task 100 Project Management and Coordination

100.10 Progress Reports and Invoicing

Prepare and submit monthly formal progress reports and weekly informal e-mail progress check-ins. The formal monthly progress report will describe the work underway or completed in the subject month and the status of individual tasks. The weekly informal progress report will provide weekly progress as well as a one week look ahead update. The monthly progress reports will be included with the monthly invoices.

SCOPE OF WORK (continued)

100.20 Project Coordination

Coordination of efforts include conducting, coordinating, and scheduling project activities and assuring quality control. Every effort will be made to maintain effective communication with the team and key project stakeholders. This also includes the project kick off meeting, weekly team meetings, and biweekly City coordination meetings as needed.

Deliverables:

1. Monthly Progress Reports and Invoices.
2. Weekly informal progress check-ins (e-mail).
3. Meeting Agendas and Notes for the kick-off and biweekly City coordination meetings.

Task 200 Engagement

Task 200.10 Transportation Committee and City Council Meetings

Transportation Committee (TC) briefing. The consultant will prepare a PowerPoint summary presentation that outlines the key points of the existing conditions and alternatives. The consultant will attend the briefing and be available for questions.

City Council briefing. The consultant will prepare a PowerPoint summary presentation that outlines the key points of the Final Report. The consultant will attend the briefing and be available for questions.

Deliverables:

1. PowerPoint summary presentation of the existing conditions and alternatives
2. PowerPoint summary presentation of Final Report

Task 300 Existing Conditions

Task 300.10 Existing Conditions

Data needs. The consultant will issue a data needs memo to the City PMT that will include a formal request of data that may include GIS data sets, traffic counts, crash data, previous studies, and any other information required to proceed with the work outlined in this scope.

Opportunities and challenges. With an initial snapshot of existing conditions and needs in hand, the consultant will confirm our understanding during a meeting with the PMT. Feedback from this meeting will confirm that the team has identified issues and opportunities that reflect the lived experience of the community that knows that system best. The consultant will summarize findings in a brief memorandum.

Deliverables:

1. Opportunities and Challenges Memorandum (electronic pdf)

SCOPE OF WORK (continued)

Task 400 Alternatives Development and Evaluation

Task 400.10 Alternate Concepts and Evaluation

Development of Concept Alternatives. The consultant will develop high-level concepts that include cost evaluations to help the team arrive at the right solution for the corridor. The consultant will develop up to ten (10) cross sections for the corridor (2 alternatives for each of the 5 segments), up to five (5) intersection concepts, and order of magnitude costs.

Concept Evaluation. The consultant will evaluate the intersection concepts based on existing traffic model and data. The consultant will work with the PMT to develop a set of qualitative evaluation criteria to evaluate the alternatives.

Task 400.20 Preliminary Report

The consultant will summarize existing conditions and alternatives analysis in a preliminary report.

Deliverables:

1. Technical Memorandum summary of the alternatives (electronic pdf)

Task 500 Conceptual Design and Final Report

Task 500.10 Concept Design

Upon selection of the preferred alternative, the consultant will prepare a conceptual-level design of the proposed improvements. The concept design will be based on available information provided by the City and field visits by the consultant.

The concept design will include:

- One (1) corridor cross section for each of the five (5) segments of the project corridor
- Concept designs for up to five (5) intersections along the project corridor
- An approach to low-impact development (LID) for managing stormwater, streetscape design, placemaking, and landscaping for each of the five (5) segments of the project corridor
- Concept-level opinions of cost

Task 500.20 Environmental Scan

The consultant will conduct a high-level environmental evaluation to identify any potential environmental issues that might affect or result from various corridor improvement options. This review will include available geotechnical information to inform the design process of any issues related to drainage.

Task 500.30 Implementation Strategy

The consultant will demonstrate how improvements should be prioritized for implementation, opinions of costs, and possible funding sources. A matrix will pair funding/grant opportunities with prioritized projects.

SCOPE OF WORK (continued)

Task 500.40 Final Report

The consultant will prepare a Complete Street Plan Report to document all design criteria and decisions used in preparing the concept design. This document will build trust and confidence for the community as it will serve as a record of decisions that can be referenced once the city secures project funding to carry the project forward to final design and construction.

Deliverables:

1. Final Report (electronic pdf)

PROJECT ASSUMPTIONS

- The City will have one round of review for all deliverables.
- The City will provide a single set of consolidated, non-contradictory comments on the Preliminary Report that will guide the development of the Final Report.
- The City will provide a single set of consolidated, non-contradictory comments on the Final Report for the consultant to address.
- The City will schedule meetings with the Transportation Committee and the City Council.
- The City will identify and contact key project stakeholders.

PROJECT SCHEDULE

The Consultant will complete this scope of work within 9 to 12 months from the commencement of the contract.

END OF SCOPE OF WORK

EXHIBIT B

Client: City of North Bend, WA
Project: North Bend Complete Streets
Project No: PNBCompleteSt

Other Direct Expenses

Other Direct Expenses
Other Direct Costs (including m
Other Direct Expenses Total:

111

\$118,188.5

EXHIBIT C:
TAXPAYER IDENTIFICATION NUMBER

CITY OF NORTH BEND
P.O. Box 896
211 Main Avenue North
North Bend, WA 98045
Phone: (206) 888-1211
FAX: (206) 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#: **91-0914810** - _____

Print Name: **Steven K. Aisaka**

Print Title: **Director of Risk Management**

Business Name: **Parametrix, Inc.**

Business Address: **719 2nd Avenue, Suite 200, Seattle, WA 98104**

Business Phone: **206-394-3700**

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.

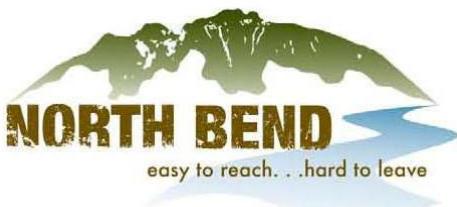
C. Service Provider Arrangements. In the event the City engages a service provider to perform an activity in connection with one or more covered accounts, the City shall take the following steps to require that the service provider performs its activity in accordance with reasonable policies and procedures 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 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: April 4, 2023	AB23-041
Resolution Accepting Infrastructure Improvements from Pulte Homes of Washington, Inc. for the 109 Degrees Multi-Family Project	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 Public Works – Mark Rigos	
Cost Impact: N/A		
Fund Source: N/A		X
Timeline: Immediate		
Attachments: Resolution, Exhibit A – Cost Breakdown, Exhibit B – Bill of Sale, Vicinity Map		
SUMMARY STATEMENT:		
TCMM Sequoia, LLC (TCMM), the original developer, received engineering plan approval from the City of North Bend on April 7, 2021 to construct a 23 unit multi-family townhouse project. This project is located along East Park Street just southwest of the recently constructed East Park Street / North Bend Way roundabout. The site is comprised of five separate parcels with four parcels situated on the south side of East Park Street and a fifth parcel situated along the north side of East Park Street. See Vicinity Map.		
A Clearing and Grading Permit was issued by the City on June 14, 2021 to allow construction to begin. In February 2022, TCMM sold the project to Pulte Homes of Washington, Inc. (Pulte) to complete the civil site work and to build the structures. This project was originally named Cade Vu Phases 2 and 3. Pulte recently renamed the project 109 Degrees.		
The Developer Extension Agreement (DEA) originally approved TCMM to construct water, sewer, and street improvements was reassigned to Pulte. Pulte's contractor, HOS Construction, has completed water, sewer, and street extensions that are to be transferred to the City. The construction of these improvements was inspected by City staff and consultants for compliance with City codes and standards.		
Work at the project site is approximately 95% complete with remaining private work left to complete includes final lift of pavement internal to the site, minor concrete work, and landscaping items. Pulte has on file with the City a \$566,322.70 dollar performance bond to complete the project, as-builts, and GIS files.		
Pulte is wishing to complete the Bill of Sale process ahead of full project completion as it is one of the final steps to receive Binding Site Plan Approval. Several multi-family units are under contract to be sold and cannot be closed upon until the City issues Binding Site Plan Approval.		
The developer has provided a Bill of Sale for water, sewer, and street extensions attached hereto.		
This Agenda Bill and Resolution's purpose is to transfer the developer constructed public infrastructure and utilities into City ownership by acceptance of these improvements by resolution.		
APPLICABLE BRAND GUIDELINES: Design Standards		
COMMITTEE REVIEW AND RECOMMENDATION: This item was brought up during the Transportation and Public Works Committee meeting on March 28, 2023 and was recommended for approval and placement on the Consent Agenda.		

City Council Agenda Bill

RECOMMENDED ACTION: **MOTION to approve AB23-041, a resolution accepting ownership of the water, sewer, and street improvements constructed as part of the 109 Degrees multi-family project.**

RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
April 4, 2023		

RESOLUTION

**A RESOLUTION OF THE CITY OF NORTH BEND,
WASHINGTON, ACCEPTING OWNERSHIP FROM PULTE
HOMES OF WASHINGTON, INC. OF THE WATER,
SEWER, AND STREET IMPROVEMENTS CONSTRUCTED
AS PART OF THE 109 DEGREES 23 UNIT MULTI-FAMILY
PROJECT**

WHEREAS, on April 7, 2021, TCMM Sequoia, LLC (“TCMM”) received engineering plan approval to construct a 23-unit multi-family townhouse project, and on June 14, 2021, the City issued a Clearing and Grading Permit to begin construction; and

WHEREAS, in February 2022, TCMM sold the project originally named “Cade Vu 2 and 3” to Pulte Homes of Washington, Inc. (“Pulte”), and Pulte completed the civil sitework and renamed the project “109 Degrees”; and

WHEREAS, the Developer Extension Agreement originally approved for TCMM to construct water, sewer, and street improvements was reassigned to Pulte, and Pulte completed the water, sewer, and street extensions which are to be transferred to the City; and

WHEREAS, work at the project site is approximately 95% complete and the remaining private work left to complete includes final lift of pavement internal to the site, minor concrete work, and landscaping items; and

WHEREAS, Pulte currently has on file with the City a \$566,322.70 performance bond to complete the project, as-builts, and GIS files; and

WHEREAS, Pulte requests completion of the Bill of Sale process prior to full project completion; completion of the Bill of Sale is one of the remaining steps to enable the project to receive Binding Site Plan Approval; and

WHEREAS, the City inspected the improvements and found them to be constructed pursuant to Code and Public Works Standards;

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

Section 1. The City accepts ownership from Pulte Homes of Washington, Inc. of the infrastructure improvements identified in the construction cost schedule attached hereto as Exhibit A for the 109 Degrees 23-unit multi-family project.

Section 2. The Mayor is authorized to execute the Bill of Sale accepting the infrastructure improvements identified in Exhibit A on behalf of the City of North Bend, in the form attached hereto as Exhibit B or in a substantially similar form, and in a final form acceptable to the City Attorney.

**PASSED BY THE CITY COUNCIL OF THE CITY OF NORTH BEND,
WASHINGTON, AT A REGULAR MEETING THEREOF, THIS 4TH DAY OF
APRIL, 2023.**

CITY OF NORTH BEND:

Rob McFarland, Mayor

APPROVED AS TO FORM:

Lisa Marshall, City Attorney

ATTEST/AUTHENTICATED:

Susie Oppedal, City Clerk

EXHIBIT A

CADE VU (109 DEGREES)**BILL OF SALE BREAKDOWN**

DATE: 03/08/2023

<u>Bid Description</u>	<u>Quantity</u>	<u>Units</u>	<u>Unit Price</u>	<u>Bid Total</u>
SEWER				
8" PVC SS				
6" PVC SIDE SEWER	514	LF	\$ 62.48	\$ 32,114.72
6" CLEANOUT	23	EA	\$ 2,171.00	\$ 49,933.00
48" SSMH	23	EA	\$ 584.72	\$ 13,448.56
	9	EA	\$ 4,300.00	\$ 38,700.00
SUBTOTAL - SEWER				
			\$	134,196.28
WATER				
CONNECT TO EXISTING	3	EA	\$ 5,306.02	\$ 15,918.06
8" CL52 DI (INCLUDES GVS)	598	LF	\$ 131.00	\$ 78,338.00
FIRE HYDRANTS	2	EA	\$ 9,293.94	\$ 18,587.88
INSTALL METER SETTERS & BOXES	23	EA	\$ 1,319.91	\$ 30,357.93
2" AIR VAC ASSEMBLY	2	EA	\$ 1,400.00	\$ 2,800.00
2" BLOW ASSEMBLY	3	EA	\$ 1,250.00	\$ 3,750.00
SUBTOTAL - WATER				
			\$	149,751.87
PAVING - E PARK ST				
EXCAVATE AND EXPORT FOR WIDENING	75	BCY	\$ 109.93	\$ 8,244.75
IMPORT AND PLACE 4" CSBC	81	TON	\$ 30.20	\$ 2,446.20
FINEGRADE FOR 4" CSBC	1990	SF	\$ 1.58	\$ 3,144.20
6" SHOULDER PATCHING	75	TON	\$ 224.00	\$ 16,800.00
2" HMA GRIND	710	SY	\$ 24.15	\$ 17,146.50
2" HMA OVERLAY	710	SY	\$ 26.45	\$ 18,779.50
SUBTOTAL - PAVING E PARK ST				
			\$	66,561.15
SIDEWALK AND CURBING - E PARK ST				
ATB BASE FOR CURB AND GUTTER	12	TON	\$ 547.05	\$ 6,564.60
IMPORT AND PLACE 4" CSTC	81	TON	\$ 30.20	\$ 2,446.20
FINEGRADE FOR CONCRETE SIDEWALK	3560	SF	\$ 3.51	\$ 12,495.60
CURB AND GUTTER	414	LF	\$ 16.39	\$ 6,785.46
4" SIDEWALK	2587	SF	\$ 4.66	\$ 12,055.42
6" SIDEWALK APPROACH	973	SF	\$ 7.53	\$ 7,326.69
SUBTOTAL - SIDEWALK AND CURBING E PARK ST				
			\$	47,673.97
BASE BID TOTAL				
			\$	398,183.27

Return Address:

CITY CLERK
CITY OF NORTH BEND
920 SE CEDAR FALLS WAY
NORTH BEND, WA 98045

Please print or type information **WASHINGTON STATE RECORDER'S Cover Sheet** (RCW 65.04)

Document Title(s) (or transactions contained therein): (all areas applicable to your document must be filled in)

1. Bill of Sale 2. _____

3. _____ 4. _____

Reference Number(s) of Documents assigned or released:

Additional reference #'s on page _____ of document

Grantor(s) Exactly as name(s) appear on document

1. Pulte Homes of Washington, Inc., _____

2. _____, _____

Additional names on page _____ of document.

Grantee(s) Exactly as name(s) appear on document

1. City of North Bend

2. _____, _____

Additional names on page _____ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)

Por. of SE ¼ of the NE ¼ of Sec. 9, Twp. 23 N., Rge. 8 E., W.M.

Additional legal is on page _____ of document.

Assessor's Property Tax Parcel/Account Number **Assessor Tax # not yet assigned**

3734900040, 3734900090, 3734900100, 3734900105, 3734900110

The Auditor/Recorder will rely on the information provided on this form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

"I am signing below and paying an additional \$50 recording fee (as provided in RCW 36.18.010 and referred to as an emergency nonstandard document), because this document does not meet margin and formatting requirements. Furthermore, I hereby understand that the recording process may cover up or otherwise obscure some part of the text of the original document as a result of this request."

 Signature of Requesting Party

Note to submitter: Do not sign above nor pay additional \$50 fee if the document meets margin/formatting requirements

UPON RECORDING RETURN TO:

City Clerk
City of North Bend
920 SE Cedar Falls Way
North Bend, WA 98045

BILL OF SALE

Reference Numbers of Related Documents: N/A

Grantor: Pulte Homes of Washington, Inc.

Grantee: City of North Bend

Legal Description: See Attached Exhibit C

Abbreviated Legal: Por. of SE ¼ of the NE ¼ of Sec. 9, Twp. 23 N., Rge. 8 E., W.M.

Tax Parcel Identification Number:

373490-0040, 373490-0090, 373490-0100, 373490-0105, and 373490-0110

KNOW ALL MEN BY THESE PRESENTS that for and in consideration of the sum of One Dollar (\$1.00) and other good and sufficient consideration, receipt whereof is hereby acknowledged, Pulte Homes of Washington Inc. a Washington corporation (“Grantor”), does by these presents hereby grant, convey, set over, assign, transfer and sell to the City of North Bend, a Washington municipal corporation (“Grantee” or “the City”), the following described watermain extension, wastewater collection system, storm drainage system, and curbs and street paving, all of which has been constructed and installed in the multi-family project commonly known as 109 Degrees, and existing public right of way of East Park Street (“Project”):

Watermain Extension:

Approximately 590 lineal feet of 8-inch diameter watermain and other applicable water facilities and appurtenances including hydrants, blow-offs, and air-vacuums were constructed in the Project, and within East Park Street which will be owned and maintained by the City.

Water services between the watermain and water meter, including the water setters and water meters, shall be owned and maintained by the City.

Water services between the water meter and the building shall be owned and maintained by the individual unit owner.

Water irrigation services after water meters shall be owned and maintained by the Project Homeowner’s Association.

Wastewater Collection System:

Approximately 505 lineal feet of 8-inch diameter sewer main and other applicable wastewater facilities and appurtenances were constructed in the Project and within East Park Street which will be owned and maintained by the City.

Side sewers and side sewer cleanouts shall be owned and maintained by the unit owner for which it serves.

Storm Drainage System:

Approximately 595 lineal feet of 8 to 12-inch stormwater mains, 30,628 cubic feet of Stormbrix detention system, Contech CDS stormwater pre-settling manhole, four Perkfilter cartridge systems, and other stormwater appurtenances were constructed as part of the Project and along East Park Street.

Stormwater conveyance, collection, and other stormwater appurtenances located within East Park Street road prism (road prism defined as from back of curb to back of curb on City streets), shall be owned and maintained by the City.

Stormwater conveyance, collection, detention (Stormbrix), pre-settling (Contech CDS), water quality (Perkfilter), roof drains and roof drain backwater valves, and other stormwater appurtenances located outside of East Park Street shall be owned and maintained by the Project Homeowner's Association.

Curbs and Street Paving:

Approximately 380 lineal feet of vertical curb/gutter, paving, and street signs were constructed or installed as part of the project.

Vertical curb/gutter, paving, and street signs located in East Park Street right of way shall be owned and maintained by the City.

Paving and street signs located within the project shall be maintained by the Project Homeowner's Association.

Landscape strips and streetlights located within the Project shall be owned and maintained by the Project Homeowner's Association.

Streetlights located in East Park Street right-of-way shall be owned and maintained by the City.

Sidewalks and landscape strips along East Park Street shall be owned and maintained by the Project Homeowner's Association.

Damage to any improvements in East Park Street caused by failure to maintain landscape strips, street trees, sidewalks, streetlights and/or associated facilities located outside the roadway prism shall be reconstructed, removed or replaced by the Project Homeowner's Association.

Grantor warrants that it is the sole owner of all the property above described and has full power to convey all rights herein conveyed and agrees to defend, indemnify, and hold Grantee harmless from any and all claims which might result from execution of this document.

Grantor warrants that the property above described is free from all liens and encumbrances and Grantor will defend, indemnify, and hold harmless Grantee and its successors and assigns against claims and demands of all persons regarding ownership in or rights to the property hereby conveyed.

By accepting and recording this instrument, the City accepts and agrees to maintain only the property expressly conveyed herein, and to do so in the same manner as though it had been constructed by the City.

IN WITNESS WHEREOF the Grantor(s) has/have executed these presents this ____ day of _____, 20 ____.

GRANTOR:

GRANTEE:
City of North Bend

By: _____

By: _____

Its: _____

Its: _____

APPROVED AS TO FORM:

Lisa Marshall, City Attorney

STATE OF WASHINGTON))ss
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument on oath stated that (he/she) was authorized to execute the instrument and acknowledge it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED:

(Stamp) _____

(Print: _____)

NOTARY PUBLIC in and for the State of Washington

My appointment expires _____

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STATE OF WASHINGTON)
)ss
COUNTY OF KING)

I certify that I know or have satisfactory evidence that _____ is the person who appeared before me, and said person acknowledged that he/she signed this instrument on oath stated that (he/she) was authorized to execute the instrument and acknowledge it as the _____ of _____ to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

DATED: _____

(Stamp) _____

(Print: _____)

NOTARY PUBLIC in and for the State of Washington

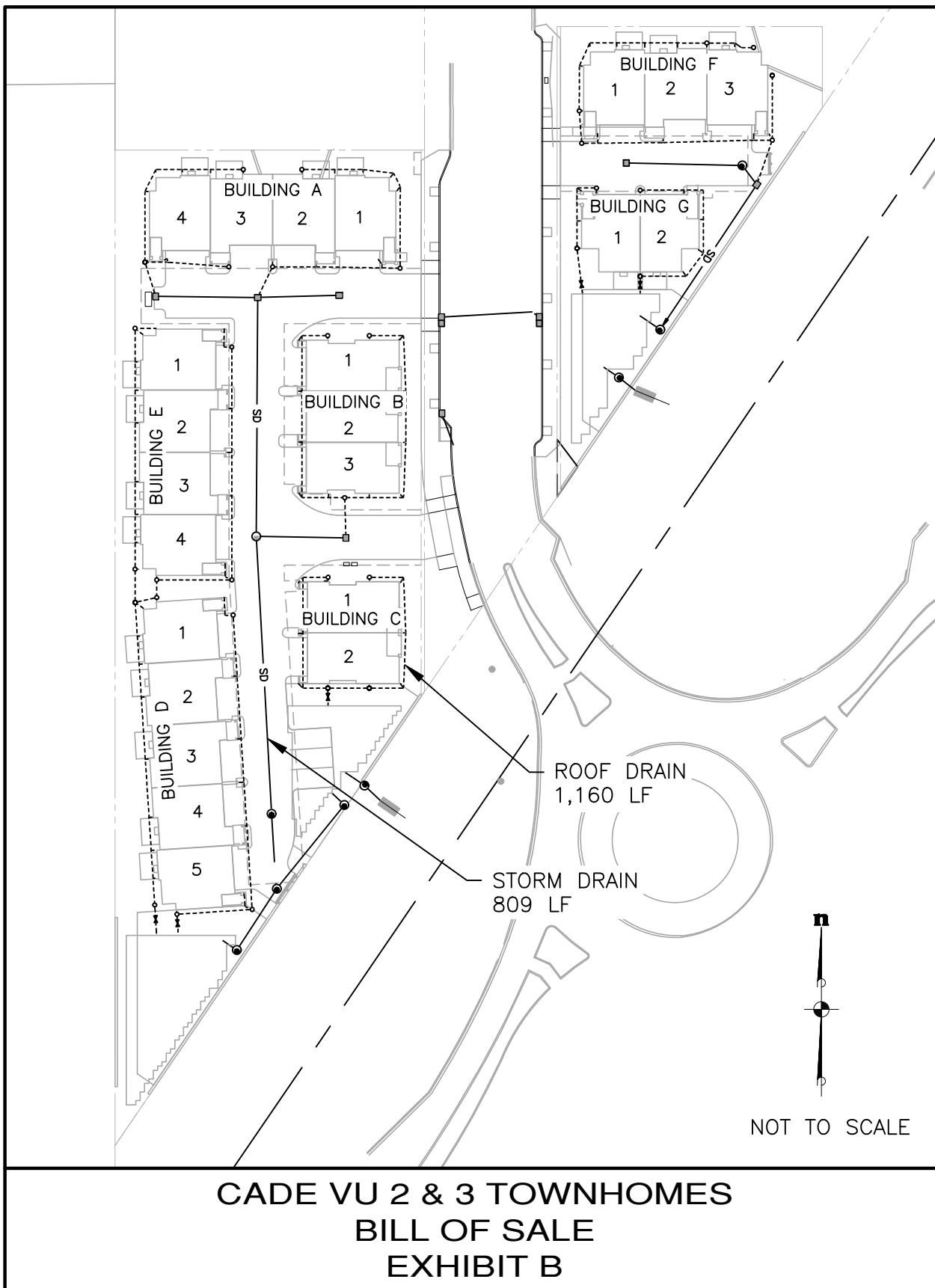
My appointment expires _____

EXHIBIT A

CADE VU (109 DEGREES)**BILL OF SALE BREAKDOWN**

DATE: 03/08/2023

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FINEGRADE FOR CONCRETE SIDEWALK	3560	SF	\$ 3.51	\$ 12,495.60
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6" SIDEWALK APPROACH	973	SF	\$ 7.53	\$ 7,326.69
SUBTOTAL - SIDEWALK AND CURBING E PARK ST				
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BASE BID TOTAL				
			\$	398,183.27





Pulte Homes of Washington, Inc.
North Bend, WA 98045

March 8, 2023

EXHIBIT C

LEGAL DESCRIPTION OF PULTE HOMES, INC. OWNERSHIP

Lots 6 and 7, Block 2 AND Lots 9 through 12, inclusive, Block 3, Frank Johnson's Addition to North Bend, according to the plat thereof recorded in Volume 30 of Plats, Page 7, Records of King County, Washington.

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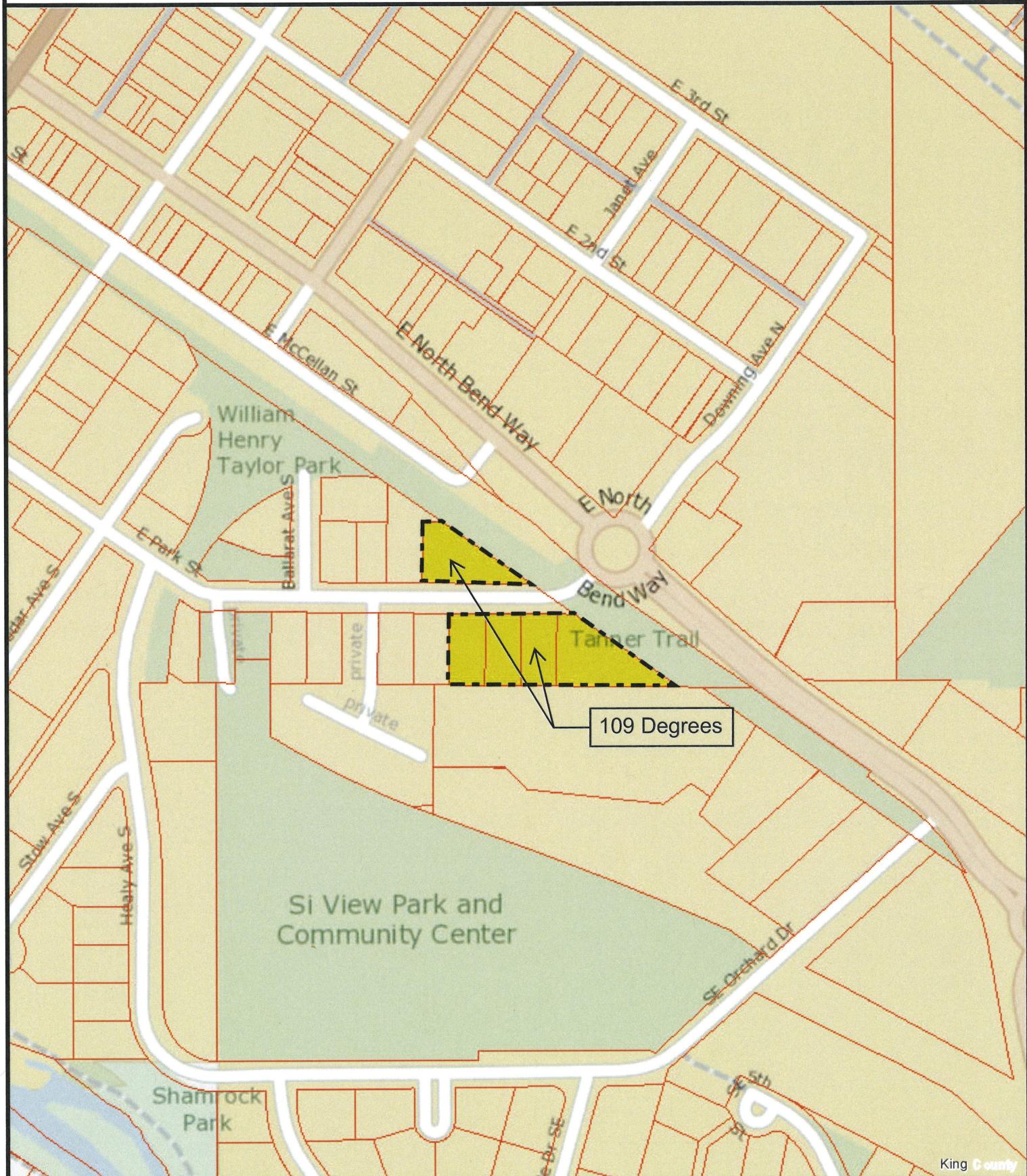
33400 8th Ave S, Ste 205
Federal Way, WA 98003

Tel (253) 838 6113
Fax (253) 838 7104

Lynnwood (425) 297 9900
www.esmcivil.com

Civil Engineering
Land Surveying
3D Laser Scanning

Land Planning
Landscape Architecture
GIS



The information included on this map has been compiled by King County staff from a variety of sources and is subject to change without notice. King County makes no representations or warranties, express or implied, as to accuracy, completeness, timeliness, or rights to the use of such information. This document is not intended for use as a survey product. King County shall not be liable for any general, special, indirect, incidental, or consequential damages including, but not limited to, lost revenues or lost profits resulting from the use or misuse of the information contained on this map. Any sale of this map or information on this map is prohibited except by written permission of King County.

Date: 3/8/2023

Notes:



King County



City Council Agenda Bill

SUBJECT:	Agenda Date: April 4 th , 2023	AB23-042
Motion Authorizing the Mayor to Execute a Collective Bargaining Agreement with Teamsters Local 763 Covering Public, Professional & Office-Clerical Employees	Department/Committee/Individual	
Cost Impact: Wage Market Adjustments over 3 years: \$178,436; Annual Salary Raises over 3 years \$60,372 (Less medical insurance cost savings from exclusion of spouses)	Mayor Rob McFarland	
Fund Source: N/A	City Administrator – David Miller	
Timeline: Immediate	City Attorney – Lisa Marshall	
	City Clerk – Susie Oppedal	
	Administrative Services – Lisa Escobar	X
	Comm. & Economic Development – Rebecca Deming	
	Finance – Richard Gould	
	Public Works – Mark Rigos	
Attachments: Collective Bargaining Agreement		
SUMMARY STATEMENT:		
The City's existing Collective Bargaining Agreement (CBA) with Teamsters Local 763 covering our Public, Professional & Office-Clerical employees expired on December 31, 2022. This CBA controls wages and some working conditions involving 11 regular City employees in the areas of Planning, Building, Administration, Finance, and the Public Works Office Coordinator. The City has been in negotiations with Teamsters Local 763 on a replacement agreement for approximately 5 months. The parties at the negotiating table have reached consensus on an agreement to recommend to both the City Council and the membership of this bargaining unit.		
The parties again engaged in "interest-based bargaining" which allowed them to focus on common interests. The City had the following interests:		
<ul style="list-style-type: none">• <u>City's Ability to Pay:</u> Ability to afford any wage/benefit increase and have a long term sustainable overall City budget.• <u>Continue Shared Premium Payments Between Employer & Employee:</u> Have employees who are personally invested in controlling medical costs by sharing in premium payments.• <u>Flexible Spending Accounts:</u> Respond to employee requests for a Flexible Spending Account funded by the employee with administrative costs covered by the City.• <u>Market-Based Compensation Adjustments:</u> The City's interest is to pay at mid-point of the market and to have wage ranges that accurately reflect fair compensation for each particular job, as well as to make efforts to keep pace with our market competitors over the term of the contract.• <u>Avoid Costly Turn-over in Employees, Maintain Positive Employee Morale & Recruit Excellent New Employees:</u> Retain and recruit qualified "City employee candidates and maintain positive employee morale. Satisfied employees generally perform better than unsatisfied employees and a positive work environment assists with employee recruitment and retention.		

City Council Agenda Bill

We believe the attached Collect Bargaining Agreement achieves the foregoing objectives and City interest by containing the following provisions:

- Term: The CBA provides a 3-year term commencing on January 1st, 2023 and terminating on December 31st, 2025. This is beneficial to the City and preferable to a one or two-year term agreement because of the staff time expended renegotiating these contracts.
- Wages: Appendix “A” to the CBA provides wage increases based upon market conditions which have been unprecedented lately. Based on continued salary and benefits analysis, employee ranges were placed at mid-point of the market for comparable cities. This serves the City’s interest of having competitive salaries so we can recruit and retain highly qualified staff.
- Deferred Compensation Match: Many of the City’s comparable cities increased their deferred compensation match for participating employees. Article 10 provides a one for one basis match for every dollar up to \$200 per month that employees contribute to a City-sponsored deferred compensation plan which aligns with comparable cities.

Many of the employees within this bargaining unit perform work for your sewer, water and street utilities. Accordingly, approximately 33% of the contract costs are paid by such utilities and the remaining approximately 67% is paid from the General Fund.

The City’s negotiating team consisted of Lisa Escobar, Administrative Services Director, Richard Gould, Finance Director and Erin Mitchell, HR Assistant/EM Coordinator. The Union’s negotiating team consisted of Mary Keefe, Teams Business Partner, Juanita Smart, Staff Accountant, and Stefanie Vaughn, Senior GIS Analyst. All parties of the negotiating team are recommending the attached CBA.

The members of the Collective Bargaining Unit ratified the attached agreement on March 21, 2023.

APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services

COMMITTEE REVIEW AND RECOMMENDATION: This item was reviewed by the entire City Council in closed session pursuant to RCW 42.30.140(4)(a) on March 21, 2023 to discuss labor negotiations. It was recommended this item move forward for consideration on the Consent Agenda at the April 4, 2023 meeting.

RECOMMENDED ACTION: **MOTION to approve AB23-042, authorizing the Mayor to enter into a Collective Bargaining Agreement with Teamsters Local 763 covering Public, Professional & Office-Clerical Employees.**

RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
April 4, 2023		

VOTING DOCUMENT 3/21/23

AGREEMENT

by and between

CITY OF NORTH BEND, WASHINGTON
and

PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS
LOCAL UNION NO. 763
(Representing the Office-Clerical and Technical Employees)

January 01, 2020-2023 through December 31, 2022-2025

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AGREEMENT

by and between

CITY OF NORTH BEND, WASHINGTON
and
PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS
LOCAL UNION NO. 763
(Representing the Office-Clerical and Technical Employees)

January 01, ~~2020-2023~~ through December 31, ~~2022-2025~~

THIS AGREEMENT is by and between the CITY OF NORTH BEND, WASHINGTON, hereinafter referred to as the Employer, and PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS LOCAL UNION NO. 763, affiliated with the International Brotherhood of Teamsters, hereinafter referred to as the Union.

ARTICLE 1 - RECOGNITION, PAYROLL DEDUCTION AND NOTIFICATION

- 1.1 **Recognition** - The Employer recognizes the Union as the sole and exclusive collective bargaining representative for all full-time and regular part-time office clerical and technical employees of the Employer, excluding supervisors, confidential employees, and all other employees of the Employer.
- 1.1.1 A temporary employee ~~shall~~will be defined as an employee hired to work within the bargaining unit during any period when additional work requires a temporarily augmented work force, to fill in for the absence of a regular employee or to fill a vacancy in a regular position until a regular employee is appointed. A temporary employee ~~shall~~will not be employed more than six (6) consecutive months within the bargaining unit except when such temporary employee is working in relief of a regular employee on leave. The Employer ~~shall~~will not employ more than three (3) temporary employees at any one time within the bargaining unit.
- 1.2 **Payroll Deduction** – The Employer ~~shall~~will make deductions for Union dues, initiation fees, and/or agency fees from the wages of all employees covered by this Agreement who execute a properly written authorization to the Employer demonstrating the employee has affirmatively consented to the deduction of such dues/fees. The Union ~~shall~~will provide the Employer the signed authorization prior to the commencement of the deductions. Such deductions ~~shall~~will be remitted to the Union on a monthly basis.

The Employer will stop or revise deducting such dues/fees from employees who revoke or revise consent or other written direction regarding payroll deductions, to the ~~Employer~~Union; the ~~Employer~~Union will promptly ~~provide the Union a copy of the written revocation or change in deductions relating to union dues or fees~~notify the Employer when to stop dues deduction from an employee. The Union ~~shall~~will defend, indemnify and hold the Employer harmless against any and all liability resulting from the dues and/or fee deduction system.
- 1.3 **Union Notification** – Within seven (7) days from the date of hire of a new employee, the Employer ~~shall~~will forward to the Union the name, address, telephone and Social Security number, classification and rate of pay of the new employee. The Employer

Agreement ~~2020-2022-2023-2025~~
City of North Bend (Office Clerical & Technical)
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~~shall~~will promptly notify the Union of all employees leaving its employment.

1.3.1 New-Hire Orientation - The Employer ~~shall~~will notify the Union of all new full-time and part-time employees hired into the bargaining unit. The Union and shop steward will then be provided 30 minutes during employees' regular working hours for purposes of presenting information about the bargaining unit and Union membership. This ~~shall~~will generally occur within the first two (2) weeks of an employee's date of hire (or, for seasonal/temporary employees, from the date of eligibility into the bargaining unit), but in no instance later than 90 calendar days. Employees have the option to attend or not attend the orientation.

ARTICLE 2 - UNION RIGHTS

2.1 Discrimination - The Employer ~~shall~~will not interfere with the rights of employees to become members of the Union and there ~~shall~~will be no discrimination, interference, restraint, or coercion by the Employer or any Employer representative against any employee because of Union membership or because of any employee activity in an official capacity on behalf of the Union.

2.2 Union Investigation - Authorized Union representatives ~~shall~~will have access to the Employer's establishment during working hours for the purpose of investigating working conditions and to ascertain that the provisions of this Agreement are being adhered to; provided, however, the right to access ~~shall~~will be exercised reasonably so that there ~~shall~~will be no interruption of the Employer's work schedule.

2.3 Shop Steward - A Union Shop Steward ~~shall~~will be allowed reasonable time, at the discretion of the Employer, to assist in processing contract grievances during regular working hours. Employees ~~shall~~will not use working hours for the conduct of Union business or the promotion of Union affairs other than stated.

2.4 Bulletin Boards - The Employer ~~shall~~will provide suitable space for a bulletin board at each primary facility for employees covered by this Agreement. Postings by the Union on such boards ~~shall~~will be confined to official business of the Union.

ARTICLE 3 - PROBATION PERIOD, LAYOFF, RECALL AND JOB VACANCIES

3.1 Probation Period - A new employee ~~shall~~will be subject to a six (6) month probation period, commencing with their most recent first date of hire. During this period, such employee ~~shall~~will be considered as being on trial, subject to immediate dismissal at any time at the sole discretion of the Employer. Discharge of an employee during the probation period ~~shall~~will not be subject to the grievance procedure.

3.1.1 An employee transferring to a different job classification or employment status (e.g. promotion or change from part-time to full-time), ~~shall~~will be subject to a trial period of six (6) months, commencing with the change of job classification or status. During the trial period the Employer or the employee may, without right to the grievance procedure or disciplinary action, option to revert back to the job classification or status the employee previously held. An employee subject to the trial period ~~shall~~will not be subject to termination solely due to the change in job classification or status.

3.2 Seniority - An employee's seniority ~~shall~~will be defined as that period from the

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employee's most recent first day of compensated work within the bargaining unit.

| 3.2.1 On July 1st of each year, the Employer ~~shall~~will provide the Union with a seniority list showing the name of each employee within the bargaining unit, their present classification, rate of pay and their date of hire.

| 3.2.2 An employee's seniority ~~shall~~will be broken so that no prior period of employment ~~shall~~will be counted and their seniority ~~shall~~will cease upon:

- Justifiable discharge;
- Voluntary quit;
- Failure of the employee to timely return to work after expiration of a temporary disability leave or leave of absence;
- Leaving the bargaining unit to accept a position with the Employer outside of the bargaining unit and remaining outside the bargaining unit for in excess of six months;
- Failure of the employee to notify the Employer of their willingness to return to work upon recall from a layoff, of twelve (12) months or less;
- Layoff exceeding twelve (12) months;
- Leave of absence exceeding twelve (12) months.

| 3.3 In layoff, recall and filling job vacancies, the Employer ~~shall~~will give consideration to an employee's length of continuous service with the Employer and their ability to perform the duties required in the bargaining unit jobs. In applying this provision, it is the intent to provide qualified employees with opportunities for promotion and the Employer with efficient operations.

| 3.3.1 Layoff - The Employer ~~shall~~will provide an employee with two (2) weeks advance notice prior to layoff. The employee that is notified of layoff may accept the layoff or displace a less senior employee that is in a job classification that is of an equal or lesser classification and one in which the employee is qualified to perform the job duties.

| 3.3.2 Recall - Employees on layoff ~~shall~~will be recalled by the Employer for recall before the Employer fills an open position with employees outside the bargaining unit, unless the employee(s) on layoff are not qualified to perform the duties of the open position. The Employer ~~shall~~will have no obligation to consider recall for an employee after the employee has been on continuous layoff for a period of twelve (12) months.

| 3.3.3 If the Employer determines to recall an employee from layoff and is unable to contact such employee, the Union ~~shall~~will be so notified. If neither the Union nor the Employer is able to contact the employee within seven (7) calendar days from the time the Union is notified, the Employer ~~shall~~will have no further obligation to recall the employee. Should an employee not return to work when recalled, the Employer ~~shall~~will have no further obligation to continue to consider the employee for recall.

If the Employer recalls an employee from layoff and is unable to contact the employee, [←](#)

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the Employer will notify the Union. The Employer and Union will attempt to contact the employee for an additional 7 calendar days from the time the Union is notified. If the Employer and Union are unable to contact the employee after that date or the employee does not report to work, the Employer is not required to recall that employee. (10/27/22)

3.3.4 Job Vacancies - New positions and positions which become vacant within the bargaining unit shallwill be posted on the bulletin board so that employees who have completed their probation period may indicate their interest in being considered for the position. The City shallwill post notice in each department on the date submitted for advertisement. The Employee must indicate interest in the position to the City Administrator (or designee), before the closing date.

ARTICLE 4 - HOURS OF WORK, OVERTIME AND PREMIUM PAY

4.1 Work Schedule - A full-time employee shallwill be scheduled to work five consecutive days within a seven (7) consecutive day period. Without limiting the Employer's right to direct overtime, alternative work schedules will be acceptable with mutual agreement between the employee and the employer, prior to implementing any change in the existing work schedule (days of work and/or hours of work), the Employer shallwill meet and confer with the Union.

4.1.1 Employees may have flexible starting times and work hours, without the necessity of meeting and conferring with the Union, with the mutual consent between the employee and the Employer.

4.1.2 Time worked will be paid in fifteen (15) minute increments.

4.2 Rest Periods - Employees shallwill receive a rest period of fifteen (15) minutes on the Employer's time for each four (4) hours of working time. Rest periods shallwill be scheduled as near as possible to the midpoint of each four (4) hour work period. No employee shallwill be required to work more than three (3) hours without a rest period.

4.3 Meal Periods - Employees shallwill receive an uninterrupted meal period of no less than thirty (30) minutes which shallwill be on the employee's own time and which shallwill be commenced no less than three (3) nor more than five (5) hours from the beginning of the shift.

4.3.1 On those occasions where an employee is not permitted, by their Employer, to take a meal period, the employee shallwill be compensated one and one-half times their regular rate of pay or at employee discretion, compensatory time in lieu of pay during the regularly scheduled meal period missed.

4.4 Callback - An employee who has left work and is unexpectedly and without notice called back to work after completion of their regular day's shift, shallwill be paid a minimum of three (3) hours at one and one-half (1-1/2) times the employee's regular straight time hourly rate of pay, unless the employee is called back within three (3) hours of his next regular shift.

An employee who has left work and is unexpectedly and without notice called back to work after completion of their regular day's shift, will be paid a minimum of three (3) hours at one and one-half (1-1/2) times the employee's regular straight time hourly rate of pay.

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If an employee is called into work less than 3 hours before the start of their regular shift, the employee will choose to receive either pay at one and one-half (1 ½) times their regular rate of pay or to adjust their hours to leave after they have completed their scheduled number of hours worked.

4.5 Time worked shall be paid in increments of fifteen (15) minutes with the major portion of fifteen (15) minutes being paid as fifteen (15) minutes. For example:

Time Worked	Time Worked	Paid
Greater than seven and one half minutes	Less than twenty two and one half minutes	Fifteen minutes
Greater than twenty two and one half minutes	Less than thirty seven and one half minutes	Thirty minutes
Greater than thirty seven and one half minutes	Less than fifty two and one half minutes	Forty five minutes
Greater than fifty two and one half minutes	Less than one hour seven and one half minutes	One hour

4.6 Overtime - Any work in excess of forty (40) hours in a work week will be considered overtime work and will be paid at the overtime rate of one and one-half (1-1/2) times the affected employee's regular rate of pay. All overtime work must be approved, in writing, by the Employer prior to the employee beginning such work. The workweek shall will be from 12:01 a.m. Monday to Midnight Sunday.

4.6.1 Approved vacation time off, holidays and call-out guarantees shall will be considered as time worked for the purposes of calculating overtime. Compensatory time off shall will not be considered time worked for the purposes of this Article.

4.6.1.1 If an employee is absent three (3) days or less on sick leave, the sick leave usage shall will not be considered time worked for the purpose of this Article.

4.6.1.2 Notwithstanding Sections 4.6.1 and 4.6.1.1, any time worked that is required by the Employer outside of the employee's regular scheduled work time in excess of eleven (11) hours in any given day shall will be paid at the overtime rate of pay for those hours the employee is assigned such work. However, if an employee decides on their own initiative to work outside of their regular work schedule and has either utilized sick leave for three (3) days or less or utilized compensatory time during the work week, shall will not be compensated for work at the overtime rate of pay until such time as the employee accrues forty (40) hours of actual time worked.

4.7 No Pyramiding - There shall will be no pyramiding of overtime and/or premium pay.

4.8 Work in Higher Classification - Whenever an employee is assigned by the Employer to perform a substantial amount of the duties and accept a substantial amount of the responsibilities of a higher paid classification for a period in excess of three (3) consecutive working days, the employee shall will thereafter be paid at the STEP of the higher classification while performing such duties and accepting such responsibility which provides for a salary increase of at least four point five percent (4.5%).

4.9 Compensatory Time - In lieu of paid overtime, employees may accrue compensatory time at the rate of one and one half hours for each hour worked. Compensatory time

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~~may be schedule and used with manager approval. In lieu of paid overtime, compensatory time off may be granted upon the written request of the employee. Subject to scheduling by the Employer, said compensatory time off shall be taken at the rate of one and one half (1 1/2) times the actual time worked. Compensatory time off shall/will be utilized used within the calendar year the time is earned. Otherwise, it shall be redeemed to the employee in monies based upon the employee's regular straight time hourly rate of pay in effect at the time he earned the compensatory time. In any event, no compensatory time shall/will be carried into the following calendar year, unless the employee makes the request that it be carried over and it is approved by the City. Unused compensatory time will be paid to the employee on the last pay period of the calendar year.~~

- 4.10 Weekend Premium - An employee assigned to work on a Saturday or Sunday as part of their regular workweek ~~shall/will~~ be compensated an additional two dollars and fifty cents (\$2.50) an hour for each hour worked on Saturday and/or Sunday.
- 4.11 Employee evaluations ~~shall/will~~ be timely and normally be performed by the Supervisor and reviewed by the employee.
- 4.12 Emergency Conditions – In the event of a natural disaster, threat/act of terrorism, declared emergency or inclement weather resulting in emergency conditions, the following provisions ~~shall/will~~ apply:
 - 4.12.1 When City Hall is open, employees who are unable to travel safely to work or who request to leave before the end of their shift and such request is approved by their supervisor/manager, ~~shall/will~~ be permitted to use accrued compensatory time, accrued vacation time, or leave without pay to cover all hours away from work.
 - 4.12.2 In such instances where City Hall is officially declared closed by direction of the Mayor or City Administrator, all employees who reported to work and are present at the time when City Hall is declared closed ~~shall/will~~ be paid for all hours they would have otherwise been scheduled to work on that day.
 - 4.12.3 In the event that City Hall is closed as a result of inclement weather or other emergency as determined by the Mayor or City Administrator, any employees who are required to work will be granted an equivalent amount of comp time hours as the hours they work in addition to any other compensation that they receive for the number of hours worked. The amount of comp time hours earned will be granted at straight time and ~~shall/will~~ not exceed the number of hours an employee would regularly work during that work day.
- 4.13 Remote Work – Employees covered by this agreement are eligible for remote work. The Employer will make every effort to create a regular work schedule that allows for at least one day of remote work each week. Employees who are regularly assigned to office-clerical work will be eligible for remote work at least two days per week. Employees may be assigned a rotating front counter or customer service assignment to balance the business needs with remote schedules.

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ARTICLE 5 - WAGES

- 5.1 The classifications of work and monthly rates of pay for employees covered by this Agreement are set forth within Appendix "A" to this Agreement which by this reference ~~shall/will~~ be incorporated herein as if set forth in full. Any new classifications ~~shall/will~~ be

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negotiated between the Employer and the Union.

ARTICLE 6 - HOLIDAYS

6.1 All employees regularly scheduled to work twenty (20) hours or more per week ~~shall~~will receive the following holidays off with pay at their straight-time hourly rate.

New Year's Day	January 1st
Martin Luther King, Jr's Birthday	3rd Monday of January
President's Day	3rd Monday of February
Memorial Day	Last Monday of May
Independence Day	July 4th
Labor Day	1st Monday of September
<u>Juneteenth</u>	<u>June 19</u>
Veterans' Day	November 11th
Thanksgiving Day	4th Thursday of November
Day Following Thanksgiving Day	4th Friday of November
Christmas Eve	December 24th
Christmas Day	December 25th
Floating Holiday	At employee's discretion with prior notice and approval of the Employer

6.2 If a holiday occurs while an employee is on vacation or sick leave, the holiday ~~shall~~will not be charged to such vacation or sick leave.

6.3 If the date of any of the afore-referenced holidays should be changed, the new date ~~shall~~will be deemed a holiday. Any holiday falling on Sunday ~~shall~~will be observed on the following Monday. Any holiday falling on Saturday ~~shall~~will be observed on the preceding Friday. Any day or portion thereof designated as a holiday by the Employer ~~shall~~will be recognized as a holiday under this Article. The Employer ~~shall~~will honor all holidays which are recognized by the State of Washington.

6.4 Employees required to work on a holiday ~~shall~~will be paid at one and one-half (1-1/2) times their regular straight-time hourly rate of pay for each hour worked in addition to the holiday pay. All holiday work ~~shall~~will be pre-approved by the Employer in writing.

6.5 To qualify for holiday pay, an employee ~~shall~~will have worked their regularly scheduled workday preceding and following the holiday, unless the employee is on vacation, sick leave, or other paid leave.

6.6 In the event a holiday falls on an employee's regular day off, the employee's workday before or after the holiday ~~shall~~will be granted off with pay, or upon prior approval, the employee may schedule an alternate day off as long as the requested day off falls within the same pay period as the holiday.

ARTICLE 7 - VACATIONS

7.1 Each regular employee ~~shall~~will be granted vacation with pay on the following basis in accordance with the employee's years of service as of the employee's anniversary date of hire:

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Years of Service	Vacation Days	Hours
0 – 4 years	12	96
5 – 9 years	17	136
10 years	20	160
11 years	21	168
12 years	22	176
13 years	23	184
14 years	24	192
15+ years	25	200

Service years will be calculated as of the beginning of the year, i.e. the beginning of Year 5 (completion of 4 years of service) or the beginning of Year 10 (completion of 9 years of service).

7.2 A vacation ~~shall~~will not be taken until the completion of six (6) calendar months of service. An employee hired on or before the fifteenth (15th) day of any month ~~shall~~will accrue vacation leave from the first (1st) day of that month. An employee hired on or after the sixteenth (16th) day of any month ~~shall~~will accrue vacation from the first (1st) day of the next month following.

7.3 Vacations ~~shall~~will be scheduled at such times as the Employer finds most suitable after considering the wishes of the employee and the requirements of the department. Scheduling conflicts ~~shall~~will be resolved on the basis of seniority for those vacation requests submitted by January 31st. Scheduling conflicts for vacation requests submitted after January 31st, ~~shall~~will be resolved on a first come-first served basis.

7.4 An employee may carry over one (1) year's accrual of vacation past the employee's anniversary date of hire, up to a maximum of twenty (20) days.

7.5 Upon the effective date of the termination of an employee's employment, such employee ~~shall~~will thereupon be entitled to a sum of money equal to their most recent regular compensation for any earned vacation leave time not yet used; provided, however, this provision ~~shall~~will not be applicable to probationary employees.

7.6 Upon the employee's request, the Employer ~~shall~~will, subject to reasonable fiscal ability, provide the employee with a vacation paycheck prior to the commencement of the employee's vacation. The vacation must be for a period in excess of five (5) workdays before the employee is permitted to make such a request.

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ARTICLE 8 - LEAVES

8.1 Sick Leave - Employees regularly scheduled to work forty (40) hours or more per week ~~shall~~will accumulate sick leave at the rate of eight (8) hours per month and may accumulate up to a maximum of one hundred twenty (120) days or nine hundred sixty (960) hours of sick leave. Employees regularly scheduled to work twenty (20) hours or more per week, but less than forty (40) hours, accumulate sick leave on a pro-rata basis to a pro-rated maximum. [For example, an employee regularly scheduled to work twenty (20) hours per week accumulates sick leave at the rate of four (4) hours per month to a maximum of four hundred and eighty (480) hours of sick leave.] Accumulated sick leave ~~shall~~will be paid at the employee's regular straight-time hourly

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rate of pay from and including the employee's first working day of absence. Employees are entitled to use their accrued, unused paid sick leave beginning on the 90th calendar day after the start of their employment.

- 8.1.1 **Sick Leave Benefit Usage** - Regular employees may use sick leave in accordance with City Personnel Manual. To the extent the City desires to change any provisions in the Personnel Manual relating to sick leave, the City ~~shall~~will provide notice to the union and an opportunity to bargain prior to implementing any change not mandated by state or federal laws.
- 8.1.2 Sick leave time which is used by an employee ~~shall~~will be deducted from their accumulated sick leave time.
- 8.1.3 The Employer may require a doctor's certificate if the absence exceeds three (3) days or a shorter period if the Employer has good cause to believe the sick leave is being abused.
- 8.1.4 **Sick Leave Bonus** - If, during the calendar year, an employee uses no sick leave, the employee ~~shall~~will be paid a bonus of one hundred dollars (\$100.00), payable on the last paycheck of the year.
- 8.1.5 **Sick Leave Buyback** - Upon termination of employment, employees ~~shall~~will be compensated for any accrued sick leave at twenty-five percent (25%) of the accrued sick leave value. The value ~~shall~~will be calculated at the employee's hourly rate of pay at the time of termination.
- 8.2 **Worker's Compensation** – Any employee involved in an accident while on duty or involving City equipment or vehicles or suffering an injury on-the-job, must report the accident or injury to their supervisor immediately. If the on-the-job injury requires time loss from work, an employee who is eligible for State Industrial Insurance ~~shall~~will receive sick leave for the difference between their regular day's pay and the amount paid by State Industrial Insurance after the first three (3) days off the job. The full amount of sick leave ~~shall~~will be paid for the first three (3) days off the job (or at the employee's election, accrued vacation leave). If an employee is reimbursed by State Industrial Insurance for the first three (3) days off the job, such amount ~~shall~~will be returned to the Employer and the employee ~~shall~~will be credited an amount of sick leave equal to the amount reimbursed to the Employer. In the event the eligibility for payment under Worker's Compensation is denied by the State, the employee may use sick leave or vacation leave to cover any time loss caused by an on-the-job injury. At no time during any absence caused by a compensable injury will the employee receive more than their regular full amount of pay through any combination of State and City payments.
- 8.3 **Bereavement Leave** - An employee who has a member of their immediate family taken by death ~~shall~~will receive three (3) days off with pay for bereavement leave. Upon approval by the Mayor, additional time off with or without pay may be granted if the employee is the Executor of the estate or must travel a great distance or if other travel hardship is encountered. When an employee is granted the additional time off without pay, the employee may choose to take accrued compensatory time, sick leave, vacation leave, and/or a personal holiday, in lieu of leave without pay. Such additional compensated leave ~~shall~~will not exceed five (5) days.

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- 8.3.1 For purposes of Bereavement Leave, the "immediate family" ~~shall~~will be defined as spouse, domestic partner, child, parent, step-child, sister, brother, aunt, uncle, mother-in-law, father-in-law, sister-in-law, brother-in-law, step-brother, step-sister, grandmother, grandfather, and grandchildren.
- 8.3.2 Should an employee have a member of their immediate family taken by death, while on vacation, such employee ~~shall~~will be eligible to have such time off for bereavement leave and the unused vacation returned to their vacation accrual.
- 8.3.3 Should an employee have multiple members of their immediate family taken by death at the same time, each member of the immediate family ~~shall~~will be considered a separate death.
- 8.4 Jury Leave - An employee who is required to serve on a jury or is required to appear before a court, legislative committee or quasi-judicial body, except when the employee is a plaintiff or defendant, ~~shall~~will advise the Employer upon receipt of such notice, and if taken from their work for such service ~~shall~~will be reimbursed as provided herein for any loss of wages while actually performing such service; provided however, they ~~shall~~will provide to the Employer their properly endorsed check and ~~shall~~will permit the Employer to copy the check or voucher they received for such service. The amount the employee ~~shall~~will be reimbursed ~~shall~~will be determined by subtracting the amount they received for such jury service from the amount they would have earned at their regular straight-time hourly rate of pay during the regular working hours they missed while performing such service. In the event the employee was entitled to compensation for such service but did not take it, then the amount they would have been entitled to ~~shall~~will be deducted from their compensation for the next pay period. The Employer ~~shall~~will have the right, at the Employer's expense and after consulting with the employee, to request the court to excuse the employee from any or all jury duty if there are extraordinary circumstances that would make the absence of the employee an undue hardship on the Employer or other personnel. If an employee is released from jury service by noon on their regularly scheduled workday, they ~~shall~~will report to work that day.
- 8.5 Leave of Absence - Leaves of absence ~~shall~~will be at the discretion of the Employer. If approved by the Employer, an employee may take a leave of absence without pay or benefits. Such a leave ~~shall~~will not constitute a break in service but no benefits or seniority ~~shall~~will accrue during the leave of absence. The employee ~~shall~~will use accrued sick leave and then vacation leave before going on unpaid leave and no vacation or sick leave or any other benefits ~~shall~~will be accrued during the leave. An employee failing to return to work from a Leave of Absence may be terminated.
- 8.6 Temporary Disability Leave - Employees who are physically unable to perform the functions of their position for medical reasons and who have exhausted all accrued sick leave and vacation may be placed on temporary disability leave. The Employer may request written verification from a licensed medical doctor that the employee is physically disabled and verification of the extent of such disability and the projected date for return to work. Temporary disability leave ~~shall~~will only be granted for the period of disability and ~~shall~~will not exceed six (6) months. The Employer ~~shall~~will continue to pay the health and welfare benefits during such leave but the leave ~~shall~~will be without pay and no vacation leave, sick leave or any other benefits ~~shall~~will accrue during the leave. An employee failing to return to work from a Temporary Disability Leave may be terminated; provided however, that the employee ~~shall~~will have three (3)

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business days to return to work following the date the employee is released by a licensed medical doctor.

- | 8.6.1 The Union ~~shall~~will not cite the Employer granting any leave of absence as a practice, precedent or ability to accommodate in any administrative proceeding or civil litigation.
- | 8.7 Family Medical Leave – Family Medical Leave ~~shall~~will be administered in accordance with State and Federal laws and in conformance with the most current version of the City Personnel Manual as adopted by resolution of the City Council.
- | 8.8 Paid Family and Medical Leave Program – Eligible employees are covered by Washington's Family and Medical Program, RCW 50A. Eligibility for leave and benefits, which begins January 1, 2020, is established by Washington law and is therefore independent of this Agreement. Premiums for benefits are established by law. Employees will pay through payroll deduction the full cost of the premiums associated with family leave benefits and forty-five percent (45%) of the cost of premiums associated with the medical leave benefits, as determined by RCW 50A. The City will pay the remaining medical leave premium amount.

ARTICLE 9 - HEALTH AND WELFARE BENEFITS

- | 9.1 Medical Insurance – Effective January 1, 2016, for full-time employees, the Employer ~~shall~~will pay each month ninety-five percent (95%) of the premium necessary for the purchase of employee and ninety percent (90%) of the premium necessary for the purchase of dependent(s) coverage, (unless the spouse is excluded under Section 9.1.2 below), under the Association of Washington Cities, HealthFirst Plan or an equivalent plan. Dependents ~~shall~~will not include a child beyond age twenty-six (26). For Part-time employees, the Employer ~~shall~~will pay each month ninety-five percent (95%) of the premium necessary for the purchase of employee coverage under the Association of Washington Cities, HealthFirst Plan or an equivalent medical plan. In addition, the Employer ~~shall~~will make the same medical insurance available for dependent coverage to part-time employees at the employee's expense. The employee ~~shall~~will pay, through payroll deduction, the remaining five percent (5%) of the medical premiums for the employee and ten percent (10%) of the medical premiums for the dependent(s).
- | 9.1.1 For the purpose of the health and welfare benefits hereunder, a full-time employee is one who is regularly scheduled to work thirty-six (36) or more hours per week. A part-time employee is one who is regularly scheduled to work twenty (20) to thirty-five (35) hours per week.
- | 9.1.2 In the event an employee's spouse has medical insurance available through his or her place of employment, the Employer will not pay any percentage or portion of the medical insurance premiums. The employee may elect to cover his or her employed spouse on the City's medical insurance by paying one hundred percent (100%) of the spouse's medical premium. Should the spouse lose their existing medical coverage through the loss of employment or other reasons outside the spouse's control then Sections 9.1 and 9.1.1 would be available for the employee. (Note: The employee may choose to enroll their spouse for medical coverage with one hundred percent (100%) of the premium being paid by the employee).
- | 9.1.3 Medical Opt-Out - Employees ~~shall~~will receive thirty five percent (35%) of the employee

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only medical premium amount each month, if they choose to decline medical coverage from the City. Medical opt-out requests will be allowed on a first come/first serve basis by approval of the City so as not to jeopardize the participation requirements of the City's insurance provider. Should an employee who has elected to opt out have a change in medical coverage status due to a qualifying event as defined by the City's insurer they will be able to re-enroll in the City's medical plans.

9.1.4 Flexible Spending Account – Effective January 1, 2023 and each year after, the Employer will establish a flexible spending account. Employees may opt into the plan and contribute through payroll deduction. The Employer will cover the full cost of plan administration.

9.2 Dental Insurance - For full-time employees, the Employer ~~shall~~will pay each month ninety-five percent (95%) of the premium necessary for the purchase of employee and dependent coverage under the Association of Washington Cities, Dental Service Plan B, including Orthodontia coverage for one dependent, under the Association of Washington Cities, Washington Dental Service Option Plan II. For part-time employees, the Employer ~~shall~~will pay each month ninety-five percent (95%) of the premium necessary for the purchase of employee coverage under the Association of Washington Cities, Dental Service Plan B, under the Association of Washington Cities, Washington Dental Service Option Plan II.

9.3 Vision Insurance - The Employer ~~shall~~will pay each month one hundred percent (100%) of the premium necessary for the purchase of employee and dependent coverage under the Association of Washington Cities, Vision Service Plan (VSP), Full Family - \$10.00 deductible.

9.4 Long-Term Disability Insurance - The Employer ~~shall~~will pay each month one hundred percent (100%) of the premium necessary for the purchase of employee coverage under the Association of Washington Cities, Standard Insurance Long-Term Disability Plan which provides for sixty percent (60%) of the employee's annual salary, following a ninety (90) day waiting period.

9.5 Life Insurance – The Employer ~~shall~~will pay each month one hundred percent (100%) of the premium necessary for the purchase of employee life insurance coverage at the fifty thousand dollars (\$50,000.00) benefit level under the Association of Washington Cities Group Life Insurance Plan.

9.6 The Employer ~~shall~~will provide an Employee Assistance Program (EAP) for all bargaining unit employees at no expense to the employees.

9.7 Western Conference of Teamsters Pension Trust - On October 17, 2018, The Union held an election to determine whether the Office Clerical and Technical employees wanted to participate in the Western Conference of Teamsters Pension Trust. The Union certifies herein that such an election occurred and that bargaining unit members by majority vote determined that they wished to participate. Effective January 1, 2019, all bargaining unit members as recognized in the Collective Bargaining Agreement ~~shall~~will participate in the Western Conference of Teamsters Pension Trust Fund (the "Trust Fund"). Contributions ~~shall~~will be made for all bargaining unit members as recognized in the Collective Bargaining Agreement, based on the previous month's compensable hours, starting with compensable hours earned in January, 2019, and

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paid in the February, 2019 pay warrants. Said contributions ~~shall~~will be made by all bargaining unit members through a pre-tax payroll diversion from their monthly earnings for all compensable hours to the Trust Fund's "basic plan" in the manner set forth below. The "basic plan" for purposes of this Agreement means the Trust plan that does not include a Program for Early Retirement (PEER).

- 9.7.1 The total amount due to the Trust Fund for each monthly payroll period ~~shall~~will be remitted to the Administrator for the Trust Fund in a lump sum by the City on or before the 20th of each month for all compensated hours during the preceding month. The Employer ~~shall~~will abide by rules as may be established by the Trustees of said Trust Fund to facilitate the determination of the reporting and recording of the contribution amounts paid for all bargaining unit employees.
- 9.7.2 The Employer ~~shall~~will pay one dollar (\$1.00) per hour into the Western Conference of Teamsters Pension Trust on account of each member of the bargaining unit for which each hour for which compensation was paid. The one dollar (\$1.00) per hour contribution will be through a payroll diversion on a pre-tax basis.
- 9.7.3 For probationary employees and temporary employees hired or utilized for the first time on or after January 1, 2019, the Employer ~~shall~~will pay by wage diversion an hourly contribution rate of ten cents (\$.10) during the probationary period as defined in Article 5.1 or the initial period of utilization, but in no case for a period longer than 90 calendar days from an employee's first date of hire (into the bargaining unit) or utilization in the performance of bargaining unit work. Contributions ~~shall~~will be made on the same basis set forth in Article 9.1.2 of this agreement. After the expiration of the probationary period as defined in Article 3.1 or an equivalent period if an individual is utilized as a temporary employee, but in no event longer than 90 calendar days from an employee's first date of hire (into the bargaining unit) or first day of utilization as a temporary employee, the contribution ~~shall~~will be increased the full contractual rate stated in Article 9.7.2
- 9.7.4 The pre-tax hourly diversions provided for in Section 9.7.2 may be increased by a majority vote of the affected classification. In the event this occurs the Employer and the Union will execute a Letter of Agreement modifying Section 9.7.2.

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ARTICLE 10 - MISCELLANEOUS

- 10.1 Non-Discrimination - The Employer and/or the Union ~~shall~~will not unlawfully discriminate against any employee or applicant for employment on the basis of race, color, creed, religion, sex, national origin, age, marital status, non-membership in the Union, political affiliation or physical, sensory or mental handicaps.
- 10.1.1 Wherever words denoting a specific gender are used in this Agreement, they are intended and ~~shall~~will be construed so as to apply equally to either gender.
- 10.2 Strikes and Lockouts - No employee ~~shall~~will strike or refuse to perform his assigned duties to the best of his ability nor ~~shall~~will the Union cause or condone any strikes, slow downs, or other interference with the normal operations of the Employer during the life of this Agreement. The Employer ~~shall~~will not lock out any employee during the life of this Agreement.
- 10.3 Rainwear - The Employer ~~shall~~will maintain appropriate rain gear for use by employees whose work duties require the employee to work in the field on a regular basis.
- 10.4 Compulsory Retirement - No employee ~~shall~~will be compelled to retire solely on the basis of age prior to attaining seventy (70) years of age.
- 10.5 Footwear - The Employer ~~shall~~will pay up to ~~one hundred sixty dollars (\$160.00)~~two hundred and fifty dollars (\$250.00) for the purchase of appropriate footwear which meets WISHA Standards for employees required to wear safety footwear in the course of their duties at an Employer designated supplier, once every three (3) years or as necessary but not more frequently than every twelve (12) months. The Department Director must approve the footwear prior to the employee purchase of the footwear. ~~The Building Inspector and Infrastructure Inspector are not eligible for footwear reimbursement pursuant to the Uniform allowance in section 10.10.1.~~
- 10.6 Training - The Employer ~~shall~~will allow employees to attend activities necessary for maintaining required certification on work time. The Employer ~~shall~~will pay all attendance costs, and when a City vehicle is not available, ~~shall~~will reimburse mileage in accordance with the established rate.
- 10.7 Education - The Employer may reimburse employees for education expenses (tuition, fees and books) for courses that are job related or related to career development, upon the successful completion of such courses (the employee must attain a grade of "B" or the equivalent, or better). The employee must obtain written approval prior to enrolling in the course.
- 10.8 Paychecks - The salaries of employees ~~shall~~will be paid twice monthly on the 5th and 20th of each month; provided however, if such day is a holiday, the preceding day ~~shall~~will normally be the payday.
- 10.9 Health and Safety - The Employer and employee recognize their joint responsibility to maintain a safe and healthful work environment for all parties concerned.

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10.10 Uniform and Safety Equipment - The Employer ~~shall~~will provide the Building Inspector the following Personal Protective Equipment (PPE) and photo identification:

- One (1) reflective safety vest
- One (1) 5 in 1 safety Jacket (every two years or as needed)
- One (1) pair of safety glasses

The Employer ~~shall~~will provide replacement or repair of PPE items as necessary due to normal wear and tear.

The Building Inspector ~~shall~~will carry his/her badge identifying him/her as an employee of the City of North Bend when he/she is on site meeting with citizens or customers of the City of North Bend.

10.10.1 ~~The Employer will pay the Building Inspector and Infrastructure Inspector eight hundred and eighty dollars (\$880.00) annually, for the purchase of clothing and footwear such as, the following:~~

- Work pants
- Long-sleeved work shirts (for winter)
- Tee-shirts (for summer)
- Hats
- Coveralls
- Winter weight jacket
- One Lightweight jacket
- Safety Boots which meet WISHA standards,

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10.11 Deferred Compensation - Effective upon ratification the Employer ~~shall~~will match an employee's contribution to the Employer provided Deferred Compensation Plan on a one (1) for one (1) basis (one (1) Employer dollar for every employee dollar), up to maximum Employer Contribution of ~~one~~two hundred ~~and~~and fifty dollars (\$~~150~~200.00). If during the term of this Agreement any other represented group at the City of North Bend negotiates an amount greater than ~~one~~two hundred ~~and~~and fifty dollars (\$~~150~~200.00), this contract ~~shall~~will be increased to match such amount.

ARTICLE 11 - DISCHARGE AND SUSPENSION

11.1 The Employer ~~shall~~will not discipline, suspend or discharge an employee without just cause. The Employer ~~shall~~will recognize the principal of progressive discipline in the administration of employee discipline, except when the discipline is for violations including but not limited to violence, intoxication, insubordination, illegal activities, sexual or racial harassment or harassment of any protected class, or similar activities, violations of this nature will be cause for disciplinary action up to and including termination. The Employer ~~shall~~will forward a copy of any disciplinary action to the Union at the same time of issuance to the employee.

11.2 The City must issue discipline, suspension or discharge within fourteen (14) calendar

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days of its knowledge of an incident-giving rise to discipline. If the City has not issued discipline within that time limit, the discipline ~~shall~~will be null and void.

ARTICLE 12 - GRIEVANCE PROCEDURE

12.1 The sole and exclusive method of adjusting all matters pertaining to the proper application and interpretation of any and all of the provisions of this Agreement ~~shall~~will be by utilizing the following procedure:

12.1.1 **STEP 1** - The Union ~~shall~~will present the grievance in writing to the Department Supervisor with a copy to the City Clerk, within fourteen (14) calendar days of its occurrence, or the date the employee should have reasonably known of its occurrence, or it ~~shall~~will not be subject to the grievance procedure. The Department Supervisor ~~shall~~will provide a written response within fourteen (14) calendar days of its receipt of the Step 1 grievance.

12.1.2 **STEP 2** - If the grievance is not resolved at Step 1, the Union ~~shall~~will have fourteen (14) calendar days from the receipt of the Supervisor's response to Step 1 to submit the grievance in writing to the City Administrator. A grievance not presented to the City Administrator in writing and within the time-line specified herein ~~shall~~will not be subject to the grievance process. The parties may meet and try to resolve the issue. The City Administrator ~~shall~~will provide a written response to the Union within fourteen (14) calendar days of their receipt of the Step 1 grievance letter.

12.1.3 The Union ~~shall~~will proceed immediately to Step 2 in presenting a grievance on a discharge, and the grievance must be submitted in writing to the City Administrator, pursuant to Step 2, within fourteen (14) calendar days of its occurrence, or the date the employee should have reasonably known of its occurrence. If a discharge grievance is not presented to the City Administrator in writing and within the time line specified herein it ~~shall~~will not be subject to the grievance process. The parties may meet and try to resolve the issue. The City Administrator ~~shall~~will provide a written response to the Union within fourteen (14) calendar days of its receipt of the Step 2 letter.

12.1.4 **STEP 3** - If the grievance is not resolved to the Union's satisfaction at Step 2, the Union may refer the matter to arbitration by submitting a written petition to the Public Employment Relations Commission within fourteen (14) calendar days of receiving the City Administrator's Step 2 written response. The petition ~~shall~~will request a list of nine (9) names of qualified arbitrators from which the parties ~~shall~~will alternatively strike names until one (1) name remains. The right to strike first ~~shall~~will be determined by a flip of the coin. The remaining name ~~shall~~will serve as the impartial arbitrator who ~~shall~~will conduct a hearing and issue a decision, which ~~shall~~will be final and binding upon all parties to the dispute. The Arbitrator may only render a decision on issues addressed within this Agreement. Nothing in this section should be construed as to prohibit the parties from agreeing upon a neutral third party to serve as impartial arbitrator.

12.2 The failure to comply with the time limitations specified herein for taking complaints to the grievance procedure, as well as for processing the grievance through the steps of this procedure ~~shall~~will constitute a bar to filing a grievance or a dismissal of the grievance and a forfeiture of the right to process the grievance further. The time limits may only be extended by the written agreement of the parties.

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12.3 Each party ~~shall~~will bear the expense of presenting its own case. The expenses of the arbitrator ~~shall~~will be borne equally by the Employer and the Union.

12.4 If the Employer is the grieving party, the same procedure set forth above ~~shall~~will apply except the roles of the Union and the Employer ~~shall~~will be reversed.

ARTICLE 13 - MAINTENANCE OF STANDARDS

13.1 The Employer agrees, subject to the other specific language of this Agreement that any and all conditions of employment ~~shall~~will be maintained at not less than the highest standards in effect at the time of signing this Agreement.

ARTICLE 14 - MANAGEMENT RIGHTS

14.1 Subject to the provisions of this Agreement, the following items are solely the responsibility of management:

- A) Hiring, evaluating qualifications, evaluating skill and ability, maintaining order, the power and right to hire, lay off, recall, promote and demote, the power to discipline and discharge for just cause;
- B) The assignment and scheduling of work; the determination and location of any part or all of the physical premises, the determination of the number of persons required to operate and/or maintain all or any portion of the physical premises; the determination to subcontract; the determination of equipment, methods, procedures, schedules and system's designs; the decision to operate, determine the level of operation or to shut down any portion or all of the physical premises; the right to relocate any or all of the physical premises;

14.2 Notwithstanding Section "B" above, the Employer may not subcontract bargaining unit work if it would result in the layoff of bargaining unit employees.

ARTICLE 15 - MATTERS COVERED AND COMPLETE AGREEMENT

15.1 It is agreed that this document contains the full and complete agreement on all bargainable issues between the parties hereto and there are no other agreements written or verbal except as specifically referred to within.

ARTICLE 16 - SEVERABILITY AND SAVINGS

16.1 Should any portion of this Agreement not be put into effect because of subsequent legislation, Executive Orders, regulations dealing with Wage and Price Stabilization, or any other similar superior governmental mandates, then such portions or any part thereof including any retroactive requirement thereof ~~shall~~will become effective at such time and in such amounts and for such periods retroactively and prospectively as ~~shall~~will be permitted by law at any time during the life of this Agreement and any extensions thereof.

16.2 Should any provision of this Agreement be held invalid by operation of law or by any

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tribunal of competent jurisdiction, or if compliance or enforcement of any provision should be retained by such tribunal pending a final determination as to its validity, the remainder of this Agreement as it relates to persons or circumstances other than those to which it has been held invalid ~~shall~~will not be affected thereby. In the event that any provision of this Agreement is held invalid or enforcement of or compliance with has been restrained, as hereinbefore set forth, the Employer and the Union ~~shall~~will enter into immediate collective bargaining negotiations upon the request of either party for the purpose of arriving at a mutually satisfactory replacement for such provision during the period of invalidity or restraint.

ARTICLE 17 - DURATION

17.1 Duration of Agreement – This Agreement ~~shall~~will be effective January 1, ~~2023~~2020 and ~~shall~~will remain in full force and effect through December 31, ~~2022~~2025

17.2 Notwithstanding the provisions of Section 16.1, this Agreement and all of its terms and provisions ~~shall~~will continue to remain in full force and effect during the course of negotiations on a new Labor Agreement and the term of this Agreement ~~shall~~will automatically be extended until such time as the terms of a new Agreement have been reached or an impasse has been reach and declared by the Employer and/or the Union, whichever is sooner; provided however, in no event ~~shall~~will an impasse be declared earlier than one (1) year following the original expiration date of this Agreement.

PUBLIC, PROFESSIONAL & OFFICE-
CLERICAL EMPLOYEES AND DRIVERS
LOCAL UNION NO. 763, affiliated with the
International Brotherhood of Teamsters

CITY OF NORTH BEND,
WASHINGTON

By _____ By _____
Scott A. SullivanChad Baker
Secretary-Treasurer

By _____
Robert McFarland
Mayor

Date _____ Date _____

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APPENDIX "A"
 to the
 AGREEMENT
 by and between
 CITY OF NORTH BEND, WASHINGTON
 and
 PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS
 LOCAL UNION NO. 763
 (Representing the Office-Clerical and Technical Employees)

January 01, ~~2020-2023~~ through December 31, ~~2022-2025~~

THIS APPENDIX is supplemental to the AGREEMENT by and between the CITY OF NORTH BEND, WASHINGTON, hereinafter referred to as the Employer, and PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS LOCAL UNION NO. 763, affiliated with the International Brotherhood of Teamsters, hereinafter referred to as the Union.

A.1 ~~Effective January 01, 2020, the 2019 rates of pay for each classification covered by this Agreement shall be increased by three percent (3%) across the board plus one half (1/2) of the percentage below the market average adjustment.~~
~~Effective January 1, 2023, the 2022 rates of pay for each classification covered by this Agreement will be increased by seven percent (7%).~~

CLASSIFICATIONS	STEP A 00-06m	STEP B 07-12m	STEP C 13-24m	STEP D 25-36m	STEP E 37-48m	STEP F 49m +
Accounting Assistant I	\$4,136	\$4,301	\$4,474	\$4,652	\$4,839	\$5,032
Administrative Assistant	\$4,232	\$4,402	\$4,578	\$4,761	\$4,951	\$5,149
Accounting Assistant II						
Business License & Tax Coordinator	\$4,849	\$5,043	\$5,244	\$5,454	\$5,672	\$5,899
Utilities Coordinator						
Public Works Office Coordinator	\$4,960	\$5,159	\$5,365	\$5,580	\$5,803	\$6,035
Office Coordinator/Permit Tech						
Payroll Officer	\$5,126	\$5,331	\$5,544	\$5,766	\$5,996	\$6,236
Special Events & Visitor Information Coordinator	\$5,256	\$5,466	\$5,685	\$5,912	\$6,149	\$6,395
Records Coordinator	\$5,491	\$5,711	\$5,940	\$6,177	\$6,424	\$6,681
Deputy City Clerk	\$5,422	\$5,639	\$5,865	\$6,099	\$6,343	\$6,597
Staff Accountant	\$5,526	\$5,747	\$5,977	\$6,216	\$6,465	\$6,724
Mapping CADD Tech	\$5,729	\$5,958	\$6,196	\$6,444	\$6,702	\$6,970
Long Range Planner						
Associate Planner	\$5,872	\$6,107	\$6,351	\$6,605	\$6,869	\$7,144
Building Inspector						
Public Works Infrastructure Inspector	\$5,876	\$6,111	\$6,355	\$6,609	\$6,874	\$7,149

Agreement ~~2020-2022-2023-2025~~
 City of North Bend (Office Clerical & Technical)
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CLASSIFICATIONS	STEP A 00-06m	STEP B 07-12m	STEP C 13-24m	STEP D 25-36m	STEP E 37-48m	STEP F 49m +
Senior Long-Range Planner	\$6,856	\$7,131	\$7,416	\$7,712	\$8,021	\$8,342
Senior Planner						

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2023 Salary Schedule (7% Increase)						
CLASSIFICATIONS	STEP A 00- 06m	STEP B 07- 12m	STEP C 13- 24m	STEP D 25- 36m	STEP E 37- 48m	STEP F 49m +
Accounting Assistant I	\$ 4,821	\$ 5,014	\$ 5,215	\$ 5,424	\$ 5,641	\$ 5,866
Administrative Assistant	\$ 4,907	\$ 5,103	\$ 5,307	\$ 5,519	\$ 5,741	\$ 5,970
Accounting Assistant II	\$ 5,610	\$ 5,835	\$ 6,068	\$ 6,311	\$ 6,563	\$ 6,826
Business License & Tax Coordinator	\$ 5,610	\$ 5,835	\$ 6,068	\$ 6,311	\$ 6,563	\$ 6,826
Utilities Coordinator	\$ 5,610	\$ 5,835	\$ 6,068	\$ 6,311	\$ 6,563	\$ 6,826
Public Works Office Coordinator	\$ 5,716	\$ 5,945	\$ 6,182	\$ 6,430	\$ 6,688	\$ 6,955
PW Ofc Coord/Contract Specialist	\$ 7,276	\$ 7,490	\$ 7,704	\$ 7,918	\$ 8,132	\$ 8,346
Planning Assistant/Permit Tech	\$ 5,716	\$ 5,945	\$ 6,182	\$ 6,430	\$ 6,688	\$ 6,955
Office Coordinator/Permit Tech	\$ 5,716	\$ 5,945	\$ 6,182	\$ 6,430	\$ 6,688	\$ 6,955
Payroll Officer	\$ 6,023	\$ 6,264	\$ 6,514	\$ 6,775	\$ 7,046	\$ 7,328
Special Events & Visitor Information Coordinator	\$ 6,073	\$ 6,316	\$ 6,569	\$ 6,832	\$ 7,105	\$ 7,389
Records Coordinator	\$ 6,173	\$ 6,420	\$ 6,677	\$ 6,944	\$ 7,221	\$ 7,510
Deputy City Clerk	\$ 6,337	\$ 6,590	\$ 6,854	\$ 7,128	\$ 7,413	\$ 7,709
Staff Accountant	\$ 6,338	\$ 6,591	\$ 6,855	\$ 7,129	\$ 7,414	\$ 7,711
Mapping CADD Tech	\$ 6,440	\$ 6,697	\$ 6,966	\$ 7,244	\$ 7,534	\$ 7,836
Long Range Planner	\$ 6,601	\$ 6,865	\$ 7,140	\$ 7,425	\$ 7,722	\$ 8,031
Associate Planner	\$ 6,601	\$ 6,865	\$ 7,140	\$ 7,425	\$ 7,722	\$ 8,031
Public Works Infrastructure Inspector	\$ 6,671	\$ 6,938	\$ 7,216	\$ 7,504	\$ 7,805	\$ 8,117
Building Inspector	\$ 6,671	\$ 6,938	\$ 7,216	\$ 7,504	\$ 7,805	\$ 8,117

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GIS Analyst	\$ 6,576	\$ 6,914	\$ 7,251	\$ 7,588	\$ 7,925	\$ 8,263
GIS Sr. Analyst	\$ 7,064	\$ 7,584	\$ 8,100	\$ 8,617	\$ 9,135	\$ 9,652
Senior Long Range Planner	\$ 7,800	\$ 8,112	\$ 8,437	\$ 8,774	\$ 9,125	\$ 9,490
Senior Planner	\$ 7,800	\$ 8,112	\$ 8,437	\$ 8,774	\$ 9,125	\$ 9,490

A.1.2 Retroactive pay, where applicable, ~~shall~~will be paid on the first regular pay day following execution of this Agreement, if possible and in any case not later than the second regular pay day for all hours compensated.

A.2 ~~Effective January 01, 2021, the 2020 rates of pay for each classification covered by this Agreement shall be increased by two and one half percent (2.5%) plus one half (1/2) of the percentage below the market average adjustment.~~

~~Effective January 1, 2024, the 2023 rates of pay for each classification covered by this Agreement will be increased by one hundred percent (100%) of the percentage increase in the Seattle-Tacoma-Bellevue Area Consumer Price Index (CPI - W) annual change from June 2022 to June 2023 with a minimum of one percent (1%) and a maximum of five percent (5%).~~

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CLASSIFICATIONS	STEP A 00-06m	STEP B 07-12m	STEP C 13-24m	STEP D 25-36m	STEP E 37-48m	STEP F 49m +
Accounting Assistant I	\$4,396	\$4,572	\$4,755	\$4,945	\$5,143	\$5,349
Administrative Assistant	\$4,474	\$4,653	\$4,839	\$5,032	\$5,234	\$5,443
Accounting Assistant II						
Business License & Tax Coordinator	\$5,115	\$5,320	\$5,532	\$5,754	\$5,984	\$6,223
Utilities Coordinator						
Public Works Office Coordinator	\$5,212	\$5,421	\$5,637	\$5,863	\$6,097	\$6,341
Office Coordinator/Permit Tech						
Payroll Officer	\$5,492	\$5,711	\$5,940	\$6,177	\$6,425	\$6,682
Special Events & Visitor Information Coordinator	\$5,538	\$5,759	\$5,990	\$6,229	\$6,478	\$6,738
Records Coordinator	\$5,629	\$5,854	\$6,088	\$6,332	\$6,585	\$6,848
Deputy City Clerk	\$5,778	\$6,009	\$6,249	\$6,499	\$6,759	\$7,030
Staff Accountant	\$5,779	\$6,010	\$6,250	\$6,500	\$6,760	\$7,031
Mapping CADD Tech	\$5,872	\$6,107	\$6,351	\$6,605	\$6,869	\$7,144
Long-Range Planner	\$6,019	\$6,259	\$6,510	\$6,770	\$7,041	\$7,323
Associate Planner						
Building Inspector	\$6,083	\$6,326	\$6,579	\$6,842	\$7,116	\$7,401
Public Works Infrastructure Inspector						
Senior Long-Range Planner	\$7,112	\$7,396	\$7,692	\$8,000	\$8,320	\$8,653
Senior Planner						

VOTING DOCUMENT 3/21/23

VOTING DOCUMENT 3/21/23

A.3 ~~Effective January 01, 2022, the 2021 rates of pay for each classification covered by this Agreement shall be increased by two and one-half percent (2.5%).~~

~~Effective January 1, 2025, the 2024 rates of pay for each classification covered by this Agreement will be increased by one hundred percent (100%) of the percentage increase in the Seattle-Tacoma-Bellevue Area Consumer Price Index (CPI - W) annual change from June 2023 to June 2024 with a minimum of one percent (1%) and a maximum of five percent (5%).~~

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CLASSIFICATIONS	STEP A 00-06m	STEP B 07-12m	STEP C 13-24m	STEP D 25-36m	STEP E 37-48m	STEP F 49m +
Accounting Assistant I	\$4,506	\$4,686	\$4,874	\$5,069	\$5,272	\$5,482
Administrative Assistant	\$4,586	\$4,769	\$4,960	\$5,158	\$5,365	\$5,579
Accounting Assistant II						
Business License & Tax Coordinator	\$5,243	\$5,453	\$5,671	\$5,898	\$6,134	\$6,379
Utilities Coordinator						
Public Works Office Coordinator	\$5,342	\$5,556	\$5,778	\$6,009	\$6,250	\$6,500
Office Coordinator/Permit Tech						
Payroll Officer	\$5,629	\$5,854	\$6,088	\$6,332	\$6,585	\$6,849
Special Events & Visitor Information Coordinator	\$5,676	\$5,903	\$6,139	\$6,385	\$6,640	\$6,906
Records Coordinator	\$5,769	\$6,000	\$6,240	\$6,490	\$6,749	\$7,019
Deputy City Clerk	\$5,922	\$6,159	\$6,406	\$6,662	\$6,928	\$7,205
Staff Accountant	\$5,923	\$6,160	\$6,407	\$6,663	\$6,929	\$7,207
Mapping CADD Tech	\$6,019	\$6,259	\$6,510	\$6,770	\$7,041	\$7,323
Long-Range Planner						
Associate Planner	\$6,169	\$6,416	\$6,673	\$6,939	\$7,217	\$7,506
Building Inspector						
Public Works Infrastructure Inspector	\$6,235	\$6,484	\$6,744	\$7,013	\$7,294	\$7,586
Senior Long-Range Planner	\$7,290	\$7,581	\$7,885	\$8,200	\$8,528	\$8,869
Senior Planner						

A.4 ~~Step Increases – STEPS A to B, B to C, C to D, and E to F are STEP increases which become effective upon completion of the specified months of employment identified in Section A.1, A.2, A.3 and A.4.~~

A.5 ~~Promotion – In the event that an employee moves from one classification to a higher paying classification, as measured by the comparative pay scales on STEP A, the employee ~~shall~~will be placed into the lowest pay STEP of the higher classification which provides for a salary increase of at least four point five percent (4.5%). An employee moving from one classification to a lower paying classification ~~shall~~will be placed into the highest STEP of the lower classification which does not provide a salary increase.~~

VOTING DOCUMENT 3/21/23

A.6 Longevity Bonus — In addition to the monthly rates of pay provided for in Sections A.1, A.2, A.3 and A.4, employees ~~shall~~will receive a Longevity Bonus based upon their years of service with the Employer as follows:

After the first five (5) years of service with the Employer, an employee ~~shall~~will receive thirty dollars (\$30.00) per month in addition to his regular wage, and for each additional year of service with the Employer thereafter, an employee ~~shall~~will receive an additional ten dollars (\$10.00) per month in addition to his regular wage; provided however, at no time ~~shall~~will this Longevity Bonus exceed one hundred fifty dollars (\$150.00) per month.

A.7 The elimination of old classifications and creation of new classifications in Appendix "A" is intended to be a housekeeping modification and is not intended to be any change in or alter the scope of bargaining unit work.

PUBLIC, PROFESSIONAL & OFFICE-CLERICAL EMPLOYEES AND DRIVERS LOCAL UNION NO. 763, affiliated with the International Brotherhood of Teamsters

CITY OF NORTH BEND,
WASHINGTON

By _____ By _____
Scott A. Sullivan Chad Baker
Spartan Team

Rob McFarland
Mayor

Date _____ Date _____

Agreement 2020-20222023-2025
North Bend (Office Clerical & Technical)
PAGE 24 of 21

VOTING DOCUMENT 3/21/23

Plain Language Proposal: The Union and the City will review and update contract language to "plain language", that is accessible and understandable to all readers. This proposal is not intended to change the spirit of the current contract language. The yellow highlighted sections are suggestions on areas to update the contract to plain language. (This proposal represents the initial bargaining position and to provide a historical reference to the plain language changes throughout the voting document. This section will be removed in the final agreement.)



City Council Agenda Bill

SUBJECT:	Agenda Date: April 4, 2023	AB23-043
Motion Authorizing a 12-year Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract with Recology King County, Inc.	Department/Committee/Individual	
	Mayor Rob McFarland	
	City Administrator – David Miller	
	City Attorney – Lisa Marshall	
	City Clerk – Susie Oppedal	
	Administrative Services – Lisa Escobar	
	Comm & Econ Development – Rebecca Deming	
	Finance – Robert Gould	
Cost Impact:	Public Works – Mark Rigos, P.E.	X
Fund Source:		
Timeline: Immediate		
Attachments: Exhibit A – Rate Comparison, Contract, Public Comment		

SUMMARY STATEMENT:

The City of North Bend's current Comprehensive Solid Waste, Recyclables, and Yard Waste Collection Contract with Republic Services expires on March 31, 2024. The City conducted an open, competitive procurement process during 2022. Several procurement process updates were provided to the City's Transportation and Public Works Committee during 2022. The City coordinated with its consultant, Epicenter Services, to prepare draft requests for proposals (RFP) in May 2022. An "industry review draft" was distributed to all known vendors who had responded to past solid waste collection RFPs in King County. The City received comments on the "industry draft" in June 2022. The final RFP was issued in July 2022. Republic Services, Recology, and Waste Management submitted timely RFP responses to the City.

Proposals were evaluated and scored using the criteria outlined in the RFP with 60 maximum points for the quantitative component of the RFP (rates) and 40 maximum points for qualitative components of the RFP. The quantitative scores were based solely on the base rate proposal to the draft contract included in the RFP. The qualitative scores were based upon a review of the non-rate portions of the RFP responses, interviews, and reference checks. The City assigned the following quantitative and qualitative scores to the three companies that responded to the RFP:

Table 1. Proposal Evaluation & Scoring

Evaluation Element	Republic Services	Recology	Waste Management
Contract Compliance	5	10	8
Customer Service	12	10	12
Community Outreach & Education	8	10	8
Qualitative Score	25	30	28
Quantitative Score	60.0	50.2	46.7
TOTAL SCORE	85.0	80.2	74.7

Although Republic Services received the highest quantitative score of the three responses to the RFP, Recology earned the highest qualitative score. In November, 2022 the City presented to the City Council a draft contract with Republic. However, the City Council and the public expressed concerns regarding the City's recommended vendor, Republic, and stated a desire that the City exercise the City's right pursuant

City Council Agenda Bill

to RCW 35.21.156(5)¹ to negotiate with another vendor in addition to the recommended vendor, Republic. The City did not terminate negotiations with Republic following the November 2022 City Council meeting, but continued negotiations in an effort to address missed service credits, which became an important issue to the City following Republic's refusal to provide service credits to North Bend customers following missed service due to an early 2022 storm and labor strike. The City was unable to reach an agreement with Republic regarding service credits and the City therefore discontinued discussions with Republic.

The City commenced negotiations with Recology, resulting in the draft contract now before the Council. Exhibit A "Select Rate Comparison" attached to this staff report provides a snapshot of the rate impact for various line of business for both Republic and Recology, using 2023 rates as a baseline.

The City determined that Recology is a better fit for the City for the following reasons:

1. Customer service is expected to be better under Recology than Republic Services.
2. Republic was unwilling to credit City residents after Republic missed solid waste collections due to a January 2022 strike that adversely affected Republic operations and upset City residents. The City was unable to resolve this issue with Republic under either the previous Republic contract or in a future contract.
3. Republic refused to reimburse the City for the >\$30,000 in City paid expenses to private contractors who collected garbage during Republic's strike, when the City requested reimbursement in early 2022 before the RFP process was initiated.
4. The City had to perform Republic's work for a few weeks at the City taxpayer's expense with no reimbursement by Republic thereby diverting valuable City staff time from addressing snowstorm impacts in the City.
5. The final rates between Republic and Recology were quite close.

Highlights from the new contract with Recology include:

- 12-year term to obtain slightly lower rate.
- New collection vehicles within first year of contract (more reliable service and lower emissions).
- Increased service requirements during winter weather and labor interruptions including credit for services missed after the first week of service interruption.
- Discounted curbside pickup of appliance and bulky items.
- North Bend customer access to Recology's "Store" in Issaquah. The store serves as a local customer service center as well as a recycling center for hard-to-recycle items such as batteries, Styrofoam, textiles, fluorescent bulbs, and electronics.
- Additional recycling and composting educational outreach and promotion to increase diversion and decrease contamination.
- Local call center available 7 days per week and two-way texting for customers.
- Annual inflation-related rate increases capped at 5%.

Recology's proposed total rate revenue for 2023 is \$3.3 million compared with an estimated \$2.0 million in current Republic revenues. Negotiations with Recology resulted in slightly over \$200,000 per year in

¹ RCW 35.21.156(5) states as follows: "The legislative authority or its representative may attempt to negotiate a contract with the vendor or vendors selected .. If the legislative authority or its representative is unable to negotiate such a contract with any one or more of the vendors first selected on terms that it determines to be fair and reasonable and in the best interest of the city or town, negotiations with any one or more of the vendors shall be terminated or suspended and another qualified vendor or vendors may be selected in accordance with the procedures set forth in this section. If the legislative authority decides to continue the process of selection, negotiations shall continue with a qualified vendor or vendors in accordance with this section at the sole discretion of the legislative authority until an agreement is reached with one or more qualified vendors, or the process is terminated by the legislative authority. The process may be repeated until an agreement is reached."

City Council Agenda Bill

reductions from its initial proposed rates because Recology extended the term of the contract by two years to allow an additional period to depreciate Recology's new equipment and mobilization costs. The new contract rates will be adjusted for April 1, 2024, so the 2024 rates will incorporate a CPI adjustment capped at 5%, increase in the 2024 King County disposal fee, and the new King County Fixed Annual Charge.

City of Issaquah recently (in 2022) contracted with Recology for the next 12 years. Recology rates to North Bend are somewhat higher than Issaquah's rates for the following reasons:

- North Bend is further away from disposal/recycling/composting sites as well as the contractor's truck base. North Bend is an extra 30-40 minute round trip drive each way from Issaquah, which results in increased operating costs to service City customers.
- North Bend is a slightly smaller contract for Recology, and larger cities have more economies of scale.
- Issaquah's contract was executed in early 2022, whereas 2022 was another year of heavy inflation and so rates have increased.
- Recology is new to North Bend so mobilization and training costs will need to be capitalized.

North Bend has had below-market solid waste collection rates for a decade as a fortunate result of the abnormally competitive market present during the last procurement cycle in 2012, which is no longer the case in a current contracting cycle. Reductions in the market value of recyclables, operating cost increases that have exceeded CPI over the past ten years, and uncertainty over the degree to which costs will continue to exceed CPI in the future have led contractors to be much more conservative when pricing new contracts.

The table below shows the current contract (Republic) 2023 rates and new contract (Recology) rates in 2023 dollars for the most common service level for each line of business. The rates below include the 7.5% administrative fee.

Table 2. Garbage Rates (Current Republic Rates vs. New Recology Rates Normalized to 2023 Dollars)

Common Service Levels	Current Contract (Republic) 2023 Rates	New Contract (April 1, 2024) with Recology Proposed Rates (in 2023 Dollars)
Residential 32 Gallon Cart	\$26.56	\$51.57
1 Cubic Yard Container	\$138.65	\$194.69
Compacted Drop-box	\$306.91	\$421.13
Estimated Annual Service Revenues	\$2.0 M	\$3.3 M

The City's current administrative fee on the solid waste collection contract is proposed to remain at 7.5%. Some cities in the region have a slightly higher administration fee; Snoqualmie has a 10% administration fee. The City will not raise the administration fee percentage. Administrative fee funds are utilized for solid waste contract management, solid waste and recycling grant matches (of which the City does many each year), and road pavement maintenance programs due to pavement damage caused by heavy garbage trucks.

Although North Bend customers will experience increased rates under the Recology contract, these rates are consistent with the results of recent procurements in King County. Although customers will pay more initially for garbage collection, the utilization of recycling and composting alternatives and reducing garbage container sizes will offset some of the increase. Of particular note, basic rates have been so low

City Council Agenda Bill

over the last ten years that North Bend has an abnormal residential customer service distribution, with many customers having larger than the average level of garbage service in King County. For example, in Issaquah 73% of single-family residential customers are at a 32-gallon cart or lower level of service, however in North Bend 44% of those customers are at the 32-gallon cart or lower levels of service. This indicates that the apparent level of rate increase will be a bit lower for the average customer if they are willing to recycle and compost more.

The City knows the importance of solid waste to the community and wants this service to be continued without any lapse. City staff recommend approving the 12-year Comprehensive Solid Waste, Recyclables, and Yard Waste Collection Contract with Recology for the period April 1, 2024, through March 31, 2036.

APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services.

COMMITTEE REVIEW AND RECOMMENDATION: This item has not been discussed during a Committee Meeting and is being sent directly to full City Council for discussion.

RECOMMENDED ACTION: **MOTION to approve AB23-038, authorizing the Mayor to enter into and execute a 12-year Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract with Recology King County, Inc. for the period of April 1, 2024, through March 31, 2036, in a form and content approved by the City Attorney, as a final reading.**

RECORD OF COUNCIL ACTION

<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
March 21, 2023	AB23-038 Passed 1 st Reading	6-1 (Loudenback)
April 4, 2023		



Exhibit A

Solid Waste Collection and Hauling Contract Select Rate Comparison March 1, 2023

The City's consultant, Epicenter Services, developed the table below which shows a comparison of 2023 garbage rates for the most common service levels for each line of business for the current contract with Republic, proposed rates by Recology, and adjusted proposed rates by Republic.

Most Common Service Level	Republic's Current Contract 2023 Rates	Recology's New Contract Proposed Rates (2023 Dollars)	Increase from Current Rates	Republic's New Contract Adjusted Proposed Rates* (2023 Dollars)	Increase from Current Rates
Residential 32/35 Gallon Garbage Cart	\$26.56	\$51.57	94%	\$53.98	103%
MF/Comm 1 Cubic Yard Garbage Container	\$138.65	\$194.69	40%	\$186.44	34%
MF/Comm Compacted Drop-box Hauling	\$306.91	\$421.13	37%	\$451.08	47%
Estimated Annual Contract Revenue	\$1,996,282	\$3,263,790	63%	\$3,014,828	51%

The rates in the table above reflect 2023 CPI adjustments, 2023 King County tipping fees, and City's 7.5% administrative fee. Rates and revenues above do NOT include drop-box disposal, taxes, and fees. Estimated annual revenues are calculated based upon container counts provided by Republic.

Current and new contracts both allow for annual CPI and tipping fee increases. The current contract allows for a full CPI adjustment and the new proposed contract has a 5% CPI cap. The new King County Fixed Annual Charge will be added to all rates in 2024.

*Republic's adjusted proposed rates were calculated by adjusting their original proposed rates with the 2022-2023 CPI increase, 2022-2023 tipping fee increase, and the City's administrative fee. These rates were based on the contract finalized with Republic that was previously shared with Council, not the proposed contract finalized with Recology. Major differences between the two contracts are listed below:

- 10 years (Republic) v. 12 years (Recology) in length.
- No Republic service credits for missed collection due to weather or strike.
- Recology was provided 1 year waiver on truck age requirements to obtain new trucks.
- Recology provides Issaquah store/extended recycling.

FINAL CONTRACT 3-8-23

COMPREHENSIVE
GARBAGE, RECYCLABLES, AND COMPOSTABLES
COLLECTION SERVICES
CONTRACT

City of North Bend
and
Recology King County

April 1, 2024 – March 31, 2036

**Comprehensive Garbage, Recyclables, and Compostables
Collection Services Contract**
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EXHIBITS:

- EXHIBIT A: Service Area
- EXHIBIT B: Contractor Rates
- EXHIBIT C: Recyclables List
- EXHIBIT D: Rate Modification Example
- EXHIBIT E: City of North Bend Identity Theft Prevention Program

This Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract (hereafter, "Contract"), passed by the North Bend City Council at its regular meeting on the _____ day of _____, 2023. This Contract is made and entered into this _____ day of _____, 2023 (hereafter the "Date of Execution"), by and between the City of North Bend, a municipal corporation (hereafter "City"), and Recology King County, Inc. (hereafter "Contractor").

RECITALS

WHEREAS, the City has conducted a competitive process to select a contractor to provide Garbage, Recyclables, and Compostables collection services ("Services") to all residents, businesses, and institutions located within the Service Area; and

WHEREAS, the Contractor, having participated in the competitive process, acknowledges that the City conducted a thorough and exhaustive competitive process; and

WHEREAS, the Contractor, having participated in the competitive process, acknowledges that the City had the right at any time during the process to reject any or all of the competitors, regardless of their proposals or prices; and

WHEREAS, having completed the competitive process, the City has selected the best candidate to provide the Services outlined in the competitive process; and

WHEREAS, the Contractor represents and warrants that it has the experience, resources, and expertise necessary to perform the Services as requested in the competitive process; and

WHEREAS, the City desires to enter into this Contract with the Contractor for the Services outlined in the competitive process and included below;

NOW, THEREFORE, in consideration of the mutual covenants, agreements, and promises herein contained, the City and Contractor do agree as follows:

AGREEMENT

1. DEFINITIONS

The following definitions apply to terms used in this Contract:

1.1 Administrative Fee: A City-defined fee that is included in Customer rates charged by the Contractor, with receipts collected from Customers by the Contractor and remitted to the City as directed in this Contract. The Administrative Fee is separate from and distinct from any itemized utility, sales, or other taxes that may be assessed from time to time.

1.2 Bulky Waste: Discrete items of Garbage of a size or shape that precludes collection in regular collection Containers. Bulky Waste includes: large appliances (such as refrigerators, freezers, stoves,

dishwashers, clothes washing machines or dryers), water heaters, furniture (such as chairs, tables, shelves, cabinets or sofas), televisions, mattresses, and other similar large items placed at the Curb as discrete separate items. Bulky Waste does not include piles of debris, car parts, construction or demolition debris, Unacceptable Waste, or stumps.

1.3 Call Center Hours: The times during which a live person Customer Service support shall be available to address Customer calls, e-mails, texts, or other communications. Call Center Hours shall be 7:00 a.m. PST through 7:00 p.m. PST, Monday through Friday of each week and no less than four hours on Saturdays, as agreed upon by the City and Contractor. Holidays are excluded.

1.4 Can: A receptacle that is a Customer-provided water-tight galvanized sheet-metal or plastic container not exceeding four (4) cubic feet or thirty-two (32) gallons in capacity; fitted with two (2) sturdy looped handles, one on each side. All Cans shall be rodent and insect-resistant and kept in sanitary conditions by their owner at all times.

1.5 Cart: A Contractor-provided twenty (20), thirty-two (32) or thirty-five (35), forty-five (45), sixty-four (64), or ninety-six (96) gallon wheeled receptacle with attached lid suitable for collection, storage, and Curbside placement of Garbage, Recyclables, or Compostables. Carts shall be rodent and insect-resistant.

1.6 Change of Control: Any single transaction or series of related transactions by which the beneficial ownership of more than fifty percent (50%) of the voting securities of the Contractor is acquired by a person or entity, or by a related or affiliated group of persons or entities, who as of the effective date of the Contract do not have such a beneficial interest; provided, however, that intra-company transfers, such as transfers between different subsidiaries or branches of the parent corporation of the Contractor, or transfers to corporations, limited partnerships, or any other entity owned or controlled by the Contractor upon the effective date of the Contract, and transactions effected on any securities exchange registered with the U.S. Securities and Exchange Commission, shall not constitute a Change in Control.

1.7 City: City of North Bend, in King County, Washington. As used in the Contract, use of the term "City" may include reference to the City Administrator or his/her designated representative. Where the context makes it apparent, references to staff, streets, rights-of-way, activities and things refer to the staff, streets, rights-of-way and activities of the City, and things belonging to or located within the City.

1.8 Commercial Customer: Non-Residential Customers, including businesses, institutions, governmental agencies, and all other users of commercial-type Garbage collection services.

1.9 Compostables: Any organic waste material that is Source-separated for processing or composting, such as Yard Debris, clean scrap wood, and Food Scraps generated by any Residential, Multifamily or Commercial Customers. Shredded uncontaminated paper, cardboard, and compostable plastics shall only be accepted as a Compostable material to the extent permitted by Contractor's composting processor.

1.10 Contractor: Recology King County, which has contracted with the City to provide all Services identified in this Contract, including, but not limited to, collecting, transporting, and disposing of Garbage and collecting, processing, marketing, and transporting of Recyclables and Compostables.

1.11 Container: Any Can, Cart, Detachable Container, or Drop-box Container used in the performance of this Contract, including both loose and compacting Containers.

1.12 Contract: This Contract for comprehensive Garbage, Recyclables and Compostable collection services.

1.13 Contract Term: Term of this Contract as provided for in Section 2.

1.14 County: King County in Washington State.

1.15 Curb or Curbside: Customers' property, within five feet (5') of the Public Street or Private Road (or on the sidewalk without completely obstructing the sidewalk, if there is no Customer property within five feet (5') of the Public Street or Private Road) without blocking driveways or on-street parking. If extraordinary circumstances preclude such a location, Curbside shall be considered a placement suitable to the Customer, convenient to the Contractor's equipment, and mutually agreed to by the City and Contractor.

1.16 Customer: All account-holders of the Contractor's services within the City as set forth in this contract, who may be the occupant and/or the owner of the premises for which service herein mentioned is rendered.

1.17 Customer Service: The assistance, advice and information provided by the Contractor to Customers and potential customers within the City.

1.18 Date of Commencement of Service: April 1, 2024, which is the date that the Contractor agrees to commence the provision of Services as described throughout this Contract.

1.19 Date of Execution: The date that this Contract is executed by all signatories.

1.20 Day/Days: Calendar days unless otherwise specified.

1.21 Detachable Container: A watertight metal or plastic loose or compacting receptacle equipped with a tight-fitting cover, capable of being mechanically unloaded into a collection vehicle, and that is not less than one (1) cubic yard or greater than eight (8) cubic yards in capacity.

1.22 Driveway: A privately-owned and maintained way that connects a Residence or parking area/garage/carport with a Private Road or Public Street.

1.23 Drop-box Container: A watertight all-metal loose material or compactor receptacle with ten (10) cubic yards or more capacity that is loaded onto a specialized collection vehicle.

1.24 Emergency: An emergency declared by the Governor of the State of Washington pursuant to RCW 43.06.220(1) or RCW 38.08 or an emergency declared by the City of North Bend pursuant to North Bend Municipal Code Chapter 2.68, RCW 38.52.070(2) and RCW 39.04.280.

1.25 Environmental Law: Any applicable federal, State, or local statute, code, or ordinance or federal or State administrative rule, regulation, ordinance, order, decree, or other governmental authority as now or at any time hereafter in effect pertaining to the protection of human health or the environment.

1.26 Extra Unit: Excess material that does not fit in the Customer's primary Container. An Extra Unit is 32-gallon equivalent and may be contained in either a plastic bag (only for Garbage) or Garbage can.

1.27 Fixed Annual Charge: The charge related to Garbage disposal that is assessed on the Contractor by the County on an annual basis that is allocable to the City Service Area to fund certain elements of the County's disposal system, in accordance with King County Ordinance 2021-0449.

1.28 Food Scraps: All compostable pre- and post-consumer food waste, such as whole or partial pieces of produce, meats, bones, cheese, bread, cereals, coffee grounds, or eggshells, and food-soiled paper, such as paper napkins, paper towels, paper plates, coffee filters, paper take-out boxes, pizza boxes, or other paper products accepted by the Contractor's selected composting site. Food Scraps shall not include dead animals, plastics, diapers, cat litter, liquid wastes, ashes, pet wastes, or other materials prohibited by the selected composting facility. The range of Food Scraps handled by the Compostables collection program may be changed from time to time upon the mutual agreement of the Parties to reflect those materials allowed by the jurisdictional health department for the frequency of collection provided by the Contractor.

1.29 Garbage: All putrescible and non-putrescible solid and semi-solid wastes, including, but not limited to, rubbish, small quantities of bagged cold ashes, demolition and construction wastes, dead small animals completely wrapped in plastic and weighing less than fifteen (15) pounds, and discarded commodities that are placed by Customers in appropriate Containers, bags, or other receptacles for collection and disposal by the Contractor. Needles or "sharps" used for the administration of medication can be included in the definition of "Garbage," provided that they are placed within a sealed, secure container as agreed upon by the City and the Contractor and this handling is consistent with current King County sharps policy. The term "Garbage" shall not include Hazardous Waste, Source-separated Recyclable materials, or Source-separated Compostables.

1.30 Hazardous Waste: Any hazardous, toxic, or dangerous waste, substance, or material, or contaminant, pollutant, or chemical, known or unknown, defined or identified as such in any federal, State, or local law, statute, code, ordinance, rule, regulation, guideline, decree, or order relating to human health or the environment or environmental conditions, including but not limited to any substance that is:

- A. Defined as hazardous by 40 C.F.R. Part 261.3 and regulated as Hazardous Waste by the United States Environmental Protection Agency under Subtitle C of the Resource Conservation and Recovery Act ("RCRA") of 1976, 42 U.S.C. § 6901 *et seq.*, as amended by the Hazardous and Solid Waste Amendments ("HSWA") of 1984; the Toxic Substances Control Act, 15 U.S.C. § 2601 *et seq.*, as may be amended; or any other federal statute or regulation governing the treatment, storage, handling, or disposal of waste imposing special handling or disposal requirements similar to those required by Subtitle C of RCRA;
- B. Defined as dangerous or extremely hazardous by WAC 173-303-040, as may be amended, and regulated as dangerous waste or extremely hazardous waste by the Washington State

Department of Ecology under the State Hazardous Waste Management Act, Chapter 70A.300 RCW, or any other State statute, regulation or rule governing the treatment, storage, handling, or disposal of wastes and imposing special handling requirements similar to those required by Chapter 70A.300 RCW; and

C. Any substance that comes within the scope of this definition after the Date of Execution of this Contract.

Any substance that ceases to fall within this definition as determined by the City after the Date of Execution of this Contract shall not be deemed to be Hazardous Waste.

1.31 Holidays: The statutory holidays observed by the King County Disposal System.

1.32 Inclement Weather: Adverse weather conditions documented by data substantiating that weather conditions were extreme for the period of time for which Contractor claims unavoidable delay.

1.33 King County Disposal System: The areas owned, leased, or controlled by King County, Washington for the disposal of Garbage, or such other site as may be authorized by the current King County Comprehensive Solid Waste Management Plan and the Interlocal Agreement between the City and King County.

1.34 Multifamily: A multiple-unit Residence with multiple attached or unattached dwellings billed collectively for collection service. This includes shared Containers as well as individual Containers for each Residence.

1.35 Office Hours: The times during which a Contractor administrative and management staff shall be available to respond to City staff inquiries. Office Hours shall be 8:00 a.m. PST through 5:00 p.m. PST, Monday through Friday of each week. Holidays are excluded.

1.36 On-call: The provision of specified services only upon direct phone, written, or e-mailed request of the Customer to the Contractor.

1.37 Party: Either the City or the Contractor.

1.38 Parties: The City and Contractor.

1.39 Private Road: A privately-owned and maintained way that allows for access by a service vehicle and that serves multiple Residences.

1.40 Public Street: A public right-of-way used for public travel by motor vehicle, including public alleys.

1.41 Recycling: The preparation, collection, transport, processing, and marketing of Recyclables.

1.42 Recyclables: The materials designated as being part of a Residential or Commercial Recycling collection program, as listed in Exhibit C.

1.43 Residence/Residential: A Single-Family and/or Multifamily living space individually rented, leased, or owned.

1.44 Services: The comprehensive Garbage, Recyclables, and Compostables collection and processing services provided by the Contractor pursuant to the Contract.

1.45 Service Area: The initial service area boundaries shall be a portion of the corporate boundaries of the City as of the Date of Execution, which are currently as shown on Exhibit A hereto. In the event of a change to the corporate boundaries of the City, the Service Area may be changed in accordance with Section 4.1.1.

1.46 Single-Family Residence: All one-unit houses, duplexes, triplexes, four-plexes, and mobile homes that are billed for collection service individually and located on a Public Street or Private Road.

1.47 Source-separated: Certain reclaimable materials that are separated from Garbage by the generator for recycling or reuse, including but not limited to Recyclables, Compostables, and other materials. Construction and demolition materials containing less than 10% (ten percent) non-recyclable contamination which are collected and processed to recovery recyclable materials shall be considered Source-separated for the purposes of this Contract.

1.48 State: The State of Washington.

1.49 Strike Contingency Plan: The plan the Contractor will develop pursuant to Section 4.1.18 of this Contract.

1.50 Tipping Fee: The per-ton disposal fee assessed on the Contractor by the County for Garbage delivered to County disposal facilities.

1.51 Transition and Implementation Period: The entire period following the Date of Execution of this Contract, up through and including the six (6) month period following the Date of Commencement of Service.

1.52 Transition and Implementation Plan: The plan that the Contractor will develop pursuant to Section 4.1.21 of this Contract.

1.53 Unacceptable Waste: Highly flammable substances, Hazardous Waste, liquid wastes, special wastes, certain pathological and biological wastes, explosives, toxic materials, radioactive materials, material that the disposal facility is not authorized to receive and/or dispose of, and other materials deemed by federal, State, or local law, or in the reasonable discretion of the Contractor, to be dangerous or threatening to health or the environment, or which cannot be legally accepted at the applicable disposal facility.

1.54 WUTC: Washington Utilities and Transportation Commission.

1.55 Yard Debris: Leaves, grass, prunings, branches and small trees. Materials larger than four inches (4") in diameter or four feet (4') in length are excluded. Bundles of Yard Debris up to two feet (2') in diameter by four feet (4') in length and no more than fifty-five (55) pounds, shall be allowed, and shall be

secured by degradable string or twine, not nylon or other synthetic materials. Un-flocked, undecorated whole Christmas trees cut to less than six feet (6') in height are acceptable. Kraft paper bags, or Cans labeled "Yard Debris" may also be used to contain extra Yard Debris.

2. TERM OF CONTRACT

The Term of this Contract is twelve (12) years starting on the Date of Commencement of Service.

3. CONTRACTOR REPRESENTATIONS AND WARRANTIES

The Contractor represents and warrants to the City as follows:

- *Organization and Qualification.* The Contractor is duly incorporated, validly existing, and in good standing under State laws, and has all requisite corporate power and authority to enter into and to perform its obligations under this Contract.
- *Authority.* This Contract has been validly executed by an authorized representative of the Contractor, with the authority to sign on behalf of and bind the Contractor, and this Contract constitutes a valid and legally binding and enforceable obligation of Contractor.
- *Government Authorizations and Consents.* The Contractor has or will obtain at its sole cost prior to the Date of Commencement of Service any such licenses, permits, and other authorizations from federal, State, and other governmental authorities, as are necessary for the performance of its obligations under this Contract.
- *Accuracy of Information.* None of the representations or warranties in this Contract, and none of the documents, statements, reports, certificates, or schedules furnished or to be furnished by the Contractor pursuant to this Contract or in connection with the performance of the obligations contemplated under this Contract, at any time contain untrue statements of a material fact or omissions of material facts.
- *Independent Examination.* In accepting these responsibilities, the Contractor represents and affirms that it has made its own examination of all conditions affecting the performance of this Contract, currently and into the future, and of the quantity, quality, and expense of labor, equipment, vehicles, facilities, properties, materials needed, and of applicable taxes, permits, and applicable laws. The Contractor affirms that within the Service Area it is aware of the present placement and location where all Containers are set out for regular collection. The Contractor represents and warrants that it is capable of collecting all Containers from their present locations, and that it is capable of providing service to and collection of Containers in any areas of the Service Area that may be built out or developed during the term of this Contract.

4. SCOPE OF WORK

4.1 General Collection System Requirements

4.1.1 Service Area

The Contractor shall provide all Services pursuant to this Contract throughout the entire Service Area.

If, during the term of the Contract, additional territory is added to the City through annexation or other means within which the Contractor has an existing WUTC certificate or other franchise for solid waste collection at the time of annexation, the Contractor shall, from the date of annexation, make collection in the annexed area in accordance with the provisions of this Contract at the unit prices set forth in this Contract.

This Contract is in lieu of a franchise as provided in RCW 35A.14.900. The Contractor agrees that their WUTC certificate applicable to such additionally annexed territory areas shall be cancelled effective on the date of annexation by the City. The Contractor expressly waives and releases its right to claim any and all damages or compensation from the City, its officers, agents, or assigns arising out of the cancellation of any pre-existing permit or franchise held by the Contractor prior to annexation, and further specifically waives the right to receive any additional compensation or any rights of collection in the newly annexed territory. The term during which the Contractor shall service any future annexation areas shall be seven (7) years from the date of annexation, notwithstanding the term set forth in Section 1 of this Contract. If, during this seven (7) year period, this Contract terminates for any reason, and a new service provider is engaged to provide collection services under the terms of a new collection contract, the Contractor agrees to provide the services outlined in the new contract to customers in the annexed area in accordance with the provisions of that new collection contract at the unit prices set forth in that new collection contract, through the duration of the seven (7) year period, unless such area has been transferred to the new service provider prior to the end of that seven (7) year period.

If, during the term of the Contract, additional territory is added to the City through annexation within which the Contractor does not have an existing WUTC certificate or other franchise for Garbage or other collections, then, upon written notification from the City, the Contractor agrees to make collections in such annexed areas in accordance with the provisions of this Contract at the unit price set forth in this Contract. The City will indemnify, hold harmless and defend the Contractor from any and all claims, actions, suits, liability, loss, costs, expenses and damages, including costs and attorney fees arising out of the Contractor's service in such annexed territory under this Contract.

In the event that additional territory is added to the Contract Service Area, the City acknowledges that equipment, such as Contract-compliant vehicles and Containers, may take time to procure; and therefore, shall not charge performance fees as outlined in Section 6.1 to the Contractor for reasonable delays in the provision of services to annexed areas covered by this section due to procurement delays that are not within the control of the Contractor.

4.1.2 Service to Residences on Private Roads and Driveways

The Contractor shall provide Curbside service to all Residences located on Private Roads, except as noted in this Section. Drive-in charges are to be used only for requested service on Driveways and are prohibited

on Private Roads. The Contractor shall use smaller limited-access service vehicles as necessary to provide service to those Customers.

If the Contractor believes that a Private Road cannot be safely negotiated or that providing walk-in service on Driveways for Single-Family Residence Customers is impractical due to distance or unsafe conditions, the Contractor shall document the condition for the City and Customer and provide safe and appropriate alternative service to the Customer.

If the Contractor believes that there is a probability of Private Road or Driveway damage due to the Contractor's vehicles, the Contractor shall inform the respective Customer(s) and may require a road damage waiver agreement in a form previously approved by the City. In such event, if the Customer(s) refuse to sign such a road damage waiver, the Contractor may decline to provide service on those Private Roads or Driveways, and the Customer(s) will only be serviced from the closest Public Road access.

4.1.3 Hours/Days of Collection

All collections by Contractor shall be made between the hours of 7:00 a.m. and 7:00 p.m. PST Monday through Thursday for Residential Customers and Monday through Friday for Commercial Customers, unless the City authorizes either a temporary extension of hours or days or a site-specific authorization to collect a particular Customer outside of the specified regular collection times. Friday or Saturday collection is allowed to the extent consistent with Holiday schedules (Section 4.1.6) and Inclement Weather schedule (Section 4.1.7).

4.1.4 Employee Conduct

The Contractor's employees collecting Garbage, Recyclables, or Compostables shall at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public and private property. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return all Containers, in an upright position, with lids closed and attached, to their designated set-out location.

If on private property, Contractor employees shall follow the regular pedestrian walkways and paths, returning to the street after replacing empty Containers. Contractor employees shall not trespass or loiter, cross flowerbeds, hedges, planting strips, or property of adjoining premises, or meddle with property that does not concern them or their task at hand. While performing work under the Contract, Contractor employees shall wear a professional and presentable uniform with a company emblem visible to the average observer and carry photo identification on their person.

At the City's option and direction, Contractor employees shall work with groups or organizations, such as neighborhood community organizations, homeowner associations, or the City's Utilities, Police, or Fire Departments, for training to recognize and call the appropriate agency when suspicious activities are observed.

If any person employed by the Contractor to perform collection services is, in the opinion of the City, incompetent, disorderly, or otherwise unsatisfactory, the City shall promptly document the incompetent, disorderly, or unsatisfactory conduct in writing and transmit the documentation to the Contractor with a demand that such conduct be corrected. The Contractor shall promptly investigate any written complaint

from the City regarding any unsatisfactory performance by any of its employees and take immediate corrective action. The City reserves the right to request at any time that the person be removed from all performance of additional work under this Contract. The Contractor shall remove the employee from Contract work within four (4) hours of City notification.

4.1.5 Disabled Persons Service

The Contractor shall provide carry-out service for Garbage, Recyclables, and Compostables to Single-Family Residence Customers in cases where no household member has the ability to place Containers at the Curb, at no additional charge. The Contractor shall establish criteria that are fair and meet the needs of the City's disabled residents when determining whether a household member is unable to place Containers at the Curb. These criteria shall comply with all federal, State, and local regulations, and shall be subject to City review and approval prior to program implementation, which shall not be unreasonably withheld by the City.

4.1.6 Holiday Schedules

The Contractor shall observe the same Holiday schedule as the King County transfer stations with the exception that Martin Luther King, Jr. Holiday shall also be considered a collection Holiday. When a Holiday falls on a regular collection day, the Contractor shall reschedule the remainder of the week of regular collection to the next succeeding business day. The Contractor may not collect Single-Family Residence and Multifamily Garbage, Recyclables, or Compostables earlier than the regular collection day due to a Holiday. Commercial collections may be made one (1) day early only with the consent of the Commercial Customer. Holiday scheduling information shall be included in written program materials, on the Contractor's website, on the Contractor's social media accounts, and by press releases to general news media in the Service Area by the Contractor the week prior to the Holiday affecting service.

4.1.7 Inclement Weather and Other Service Disruptions

During periods of Inclement Weather as defined in Section 1.32, Contractor shall notify the City by 7:00 a.m. PST on the same business day of Inclement Weather of Contractor's plans for collection for each day of Inclement Weather.

During a service disruption due to Inclement Weather as defined in Section 1.32, Contractor shall within twenty-four (24) hours of the City's request, provide Drop-boxes for Garbage, Recyclables, and Compostables at two (2) locations mutually agreed upon between the City and the Contractor. The number of Drop-boxes and servicing schedule shall be sufficient to handle the volume of delivered Garbage, Recyclables, and Compostables without overflow. Within four (4) business hours of the City's notice to Contractor that Drop-boxes are reaching maximum capacity, Contractor shall remove the overflowing Garbage, Recyclables, and Compostables from Drop-boxes, add more Drop-boxes, or replace overflowing Drop-boxes with empty Drop-boxes. The Contractor shall provide this service to the City at no additional cost, provided that the City shall use its best efforts to seek reimbursement at Contract rates on behalf of the Contractor in the event that FEMA reimbursement is available in response to a declared disaster.

The Contractor shall collect Garbage, Recyclables, and Compostables from Customers with interrupted service on the Friday of the same week of the interrupted service. If Inclement Weather as defined in

Section 1.32 persists, Contractor shall collect Garbage, Recyclables, and Compostables on the first day that regular service to a Customer resumes and shall collect reasonable accumulated volumes of materials equal to what would have been collected on the missed collection day(s) from Customers at no extra charge. Following notification to the City, the Contractor will be provided temporary authorization to perform collection services after 7:00 p.m. PST and/or on Saturdays following disruptions due to Inclement Weather in order to finish collection routes.

If successive Inclement Weather events occur on the same scheduled collection day(s) two collection cycles in a row for a single collection day (i.e., Tuesday Customers), an additional collection will be made on the earliest day possible in the same week, (i.e. not waiting for the regularly scheduled collection day for the missed area.) If multiple days are missed due to Inclement Weather in multiple weeks, collections shall be made on the next regularly scheduled collection day. In the event of successive service disruptions impacting entire neighborhoods, the Contractor shall provide temporary Residential Garbage collection sites approved in advance by the City using Contractor-staffed Drop Box Containers or other suitable equipment, with no additional charge assessed for such temporary service.

In the event of missed Service as a result of Inclement Weather that continues for two or more consecutive weeks, the Contractor shall provide a credit to affected Customers for all Service missed after the first week of consecutive missed service weeks that is equal to the Customers' pro-rata service component on the Customer's next regular invoice calculated in accordance with this paragraph. To calculate the pro-rata service component, the monthly service component shall first be divided by 4.33 to determine the portion of the service component that is applicable to one week of service. the service component shall be divided proportionally for the collection frequency of each material stream as follows: (i) for Single-Family Customers with weekly Garbage and Recycling and every-other-week Compostables, forty percent (40%) of the service component shall be allocated to Garbage, forty percent (40%) to Recycling, and twenty percent (20%) to Compostables, and (ii) for Multifamily and Commercial Customers, seventy percent (70%) of the service component shall be allocated to Garbage and thirty percent (30%) to Recycling only for the purposes of determining the appropriate credit. The calculation of the credit is represented by the following:

$$\text{Credit} = \text{Service Component} \div 4.33 \times \text{Percentage for Missed Material Stream}$$

For example, assume an Inclement Weather event results in missed Service for two consecutive Tuesdays. On the first Tuesday of the Inclement Weather event, Contractor is unable to complete any Collection Services. On the second Tuesday, the Contractor collects Garbage Containers but does not Collect Recycling. In this case, an affected Single-Family Customer subscribed for weekly service with a corresponding \$34.21 monthly service component would receive the following credit:

$$\$34.21 \text{ Service Component} \div 4.33 \times .4 \text{ for missed Recycling} = \$3.16 \text{ Credit}$$

The Inclement Weather/disruption in service requirements in this Section 4.1.7 may be changed upon mutual written agreement of the Contractor and City at any time during the term of this Contract.

All Holiday and weather policies shall be included in program information provided to customers. On each Inclement Weather day, the Contractor shall release notices of service disruption and alternative collection schedules to a media list approved by the City notifying residents of the modification to the collection schedule. The Contractor shall use automated dialing services, e-mail, or text messages to inform Customers at the route level about service changes, provided that Customers shall be provided the

option of using their preferred method or to opt out of communications. Contractor shall update their website with Inclement Weather conditions by 8:00 a.m. PST.

When closure of roadways providing access or when other non-Inclement Weather related events beyond the Contractor's control prevent timely collection on the scheduled day, the Contractor shall make collections on the first day that regular service to a Customer resumes, collect reasonable accumulated volumes of materials equal to what would have been collected on the missed collection day(s) from Customers at no extra charge. Following notification to the City, the Contractor will be provided temporary authorization to perform collection services after 7:00 p.m. PST and/or on Saturdays following such disruptions in order to finish collection routes. Such temporary authorization may be rescinded if the City believes that Customers are adversely impacted. Delayed or interrupted collections as described in this Section are not considered service failures for purposes of Section 6.

4.1.8 Suspending Collection from Problem Customers

The City and Contractor acknowledge that some Customers may cause disruptions or conflicts that make continued service to that Customer unsafe or unreasonable. Those disruptions or conflicts may include, but not be limited to, repeated damage to Contractor-provided Containers, threatening or intimidating behavior toward the Contractor, repeated late placement of Containers at Curbside followed by demands for return collection at no charge, repeated unsubstantiated claims of Contractor damage to a Customer's property, repeated contamination of Recyclables or Compostables.

The Contractor shall make every reasonable effort to provide service to problem Customers. However, the Contractor may discontinue service to a problem Customer after prior written notice is given to the City of the intent to discontinue service, including the name, service address, reason for such action, and whether reasonable efforts to accommodate the Customer and provide services have occurred and failed. If the Customer submits a written letter or e-mail to the City appealing the Contractor decision, the City may, at its discretion, intervene in the dispute. In this event, the decision of the City shall be final. The City may also require the discontinuance of service to any Customer who is abusing the service or is determined to be ineligible.

Single-Family Customers with suspended service shall be assessed a standby fee in accordance with Exhibit B.

4.1.9 Missed Collections

If Garbage, Recyclables, or Compostables are set out inappropriately, improperly prepared, or contaminated with unacceptable materials, the Contractor shall place in a prominent location a written notification tag that identifies the specific problem(s) and reason(s) for rejecting the materials for collection. Failure to provide proper written notification to Customers, per the contamination reduction program referenced in Section 4.1.11, of the reason for rejecting Garbage, Recyclables, or Compostables shall be considered a missed collection and subject to performance fees, as established in Section 6.1, due to lack of proper Customer notification. The specific provisions in this paragraph may be revised and superseded by the annual promotion and education program (and contamination reduction plan) developed each year by the Contractor and City.

The failure of the Contractor to collect Garbage, Recyclables, or Compostables that has been set out by a Customer in the proper manner on the appropriate day shall be considered a missed collection, and the Contractor shall collect the materials from the Customer within one (1) collection day of the Contractor's receipt of notification of the missed pick-up. If the Contractor is notified of a missed pick-up by 12:00 p.m. PST the following collection day, the missed pick-up shall be collected that same day. The Contractor shall maintain an electronic record of all calls related to missed collections and the response provided by the Contractor. Such records shall be made available for inspection upon request by the City, and the information shall be included in monthly reports. (See Reporting requirements set forth in Section 4.3.4).

If the Contractor is requested by the Customer to make a return trip due to no fault of the Contractor, which the Contractor can prove through documentation (e.g., the Containers were not placed at the curb on time and the driver documented that fact in a log, with a photograph, etc.), the Contractor shall charge the Customer an additional return trip fee for this service, provided the Contractor notifies the Customer of this charge in advance and the Customer agrees to payment of the return trip fee. The Contractor will not be liable for a missed collection in such case.

4.1.10 Same Day Collection

Collection of Garbage, Recyclables, and Compostables shall occur on the same regularly scheduled day of the week for Single-Family Residence Customers. Collection of Garbage, Recyclables, and Compostables for Multifamily and Commercial Customers can be scheduled on different days for each material.

4.1.11 Requirement to Recycle and Compost and Quality Assurance

The Contractor shall use processing facilities to recycle or compost all Source-separated Recyclables and Compostables collected under this Contract (other than residue or contaminated Recyclables or Compostables), unless express prior written permission is provided by the City. The Contractor shall use processing facilities that:

1. Process materials to a high standard to maximize the recovery and recycling of all incoming Recyclable and Compostable materials;
2. Are operated to minimize cross-contamination of materials that would result in otherwise Recyclable materials being misdirected to a market or disposal where they would not be recovered;
3. Are designed and operated to minimize the stream of otherwise recoverable materials destined for disposal.
4. Have sufficient preprocess and screening staff and equipment to ensure that otherwise recoverable materials are not cross-contaminated and rendered non-recyclable due to the nature of the processing facility.

The City and Contractor agree that the Contractor is being compensated to fully recycle or compost those incoming materials and that maximum cost-effective recovery is a primary objective of the City's collection programs.

The City shall have the option, but not the obligation, to review processing facilities for Recyclables and Compostables collected under this Contract and/or confirm the destination of marketed materials.

4.1.11.1 Contamination Reduction Program

The Contractor shall visually inspect Recyclables and Compostables Containers before or during servicing. If the Contractor finds that more than five percent (5%) contamination is reasonably apparent in the Container, the Contractor shall document the contamination and leave a tag, noting the specific contamination for the Customer. If contamination is observed through photograph(s) or video recording technology on collection vehicles, the Contractor shall email notification of contamination to the Customer within one (1) business day if Customer has provided an email address and the Customer shall also receive educational materials and resources for proper Recycling. If a Customer receives a second tag and/or contamination notification in a ninety (90) day period, then the Contractor shall send the Customer personalized communication with documentation for both instances of contamination and an explanation of why materials cannot be accepted. If the Customer receives a third tag and/or contamination notifications within a ninety (90) day period, then the Contractor shall call and/or visit the Customer to review previously provided information and assist in resolving the contamination. If the Customer receives a fourth tag and/or contamination notification within the ninety (90) day period, then the Contractor shall call and/or visit the Customer again to provide documentation of contamination, further assist in resolving the contamination issues, and notify the Customer that their Recycling and/or Compostables service may be placed on suspension if repeated contamination continues. If the Customer continues to set out contaminated Containers, then the Contractor shall work with the City to determine if the Customer's Recycling and/or Compostables service shall be suspended. Customers with suspended service due to contamination may restore their service by participating in educational training provided by the Contractor. If the contamination reduction program does not result in a measurable decrease in contamination after a year, the program shall be adjusted or a new program shall be developed to address contamination. The Contractor shall develop the program in consultation with the City and shall implement the program on approval of the program by the City. The program may be reviewed and adjusted at any time, if both Parties agree that review and adjustment is appropriate.

The Contractor shall develop and implement a contamination reduction program to reduce contamination in Customers' Recyclables and Compostables Containers. The Contractor's program shall include communication, education and outreach to Customers, methods for evaluating Customer compliance with recycling and contamination standards, and thresholds and policies for removing or re-establishing Recyclables and/or Compostables collection service to a customer. The contamination reduction program shall be adjusted annually or as needed to address continuous improvement to reduce contamination and increase the marketability of Recyclables. A contamination fee shall be considered an option if other methods to not generate the desired results, however, such contamination fee shall only be assessed under the terms and conditions agreed upon by the City at the time such contamination fee is authorized in writing to be a component of the contamination reduction program. The Contractor shall develop the program in consultation with the City and shall implement the program only on approval of the program by the City.

Contractor shall provide such information as the City may request regarding aggregate contamination data that is collected and maintained by the Contractor on a quarterly basis. However, notwithstanding the foregoing or any other provision of this Agreement, the Contractor shall not provide any information to City regarding the contents of any individual Customer's Container.

4.1.12 Routing, Notification and Approval

The Contractor shall indicate, on a map acceptable to the City, the day of the week Garbage, Recyclables, and Compostables shall be collected from each Single-family Residence.

The Contractor may change the day of collection by giving notice at least thirty (30) Days prior to the effective date of the proposed change to and obtaining written approval from the City. On the City's approval, the Contractor shall provide affected Customers with at least fourteen (14) Days written, phone, and/or e-mail notice of pending changes of collection day. The Contractor shall obtain the prior written approval from the City of the notice to be given to the Customer, such approval shall not be unreasonably withheld. Routing changes shall be implemented in a manner that ensures that no Customer shall receive less than their normal frequency of service (e.g. a weekly Customer shall have no more than seven [7] days between collection days during the shift to the new collection date).

4.1.13 Vehicle and Equipment Type/Age/Condition/Use

The Contractor shall use collection vehicles year 2023 or newer in the performance of collection services under this Agreement. The age requirement of collection vehicles is waived for the first twelve (12) months of this Contract, but subject to all other conditions of this section. Support vehicles such as those driven by management staff, route supervisory staff, and Container delivery (if feasible) shall be fully electric. Back-up collection vehicles used fewer than thirty (30) Days a calendar year shall not be subject to the age requirement that applies to regularly-used vehicles, but shall be: (i) presentable, (ii) in safe working order, (iii) not leak fluids, and (iv) subject to all other conditions of this section. The accumulated annual use of individual back-up vehicles shall be reported in the Contractor's monthly report.

No later than January 1, 2025, the City and Contractor shall jointly determine the feasibility of replacing the vehicles used for collection of one or more stream under this Contract with electric vehicles starting July 1, 2026. The feasibility determination shall consider factors such as the prior performance of electric vehicles in similar operating environments, availability of charging infrastructure, net sustainability impact, economic costs or savings, and other relevant factors. Upon written mutual agreement between City and Contractor, including approval of any applicable rate adjustments, the Contractor shall proceed with implementation as soon as practicable.

Collection vehicles used in the performance of this Contract shall be of sufficient size and dimension to provide service to all Customers. In some cases, this may mean that a small collection vehicle, capable of servicing narrow and/or tight locations must be used, and the Contractor shall make such vehicles available to ensure smooth and effective collection services throughout the Service Area.

Collection vehicles shall have a switchable placard that clearly indicates the material stream currently being collected by that vehicle. The colors, trim scheme, and design to be used by the Contractor on the switchable placards shall be subject to the prior written approval of the City. The lack of switchable placards on collection vehicles shall be cause for performance fees as described in Section 6.1.

Collection vehicles shall be maintained in a good condition at all times which includes but is not limited to being clean and sanitary, and shall be thoroughly washed at least once each week. All collection vehicles shall have appropriate safety markings, including all highway lighting, flashing and warning lights, clearance lights, and warning flags, all in accordance with current statutes, rules and regulations.

Collection vehicles shall be repaired and/or have damaged areas repainted upon showing rust on the body or chassis or at the request of the City. All parts and systems of the collection vehicles shall operate properly and be maintained in a condition compliant with all federal, State, and local safety requirements and be in a condition satisfactory to the City. All collection vehicles shall be equipped with variable tone or proximity activated reverse movement back-up alarms.

The Contractor shall maintain collection vehicles and Containers to ensure that no liquid wastes (e.g., Garbage or Compostables leachate) or oils (e.g., lubricating, hydraulic, or fuel) are discharged to Customer premises or streets. All collection, service, and supervisory vehicles used by the Contractor shall be equipped with a minimum 10-gallon capacity spill kit. Any collection, service, and supervisory vehicles, or Containers not meeting these standards shall not be used within the Service Area until repairs are made.

All collection vehicles shall be labeled with signs on both the front and driver's side door and the rear of the collection vehicle which clearly indicate the vehicle inventory number. The Customer Service phone number shall be labeled on the side of the collection vehicle. Signs shall use lettering not less than four inches (4") high and shall be clearly visible from a minimum distance of twenty feet (20'). Signs, sign locations and the phone number shall be subject to approval by the City. No advertising shall be allowed on Contractor vehicles other than the Contractor's name, logo and Customer Service phone number and website address, unless otherwise previously approved in writing by the City. Special promotional messages may be permitted, upon the City's prior written approval. The City's approval shall be in writing and solely within the City's discretion. In addition, any Contractor vehicle regularly used in the City shall include a placard clearly visible at the rear of the vehicle. This placard will show, in lettering at least 12" high, an abbreviated truck designation number specific to the Contractor's operating division, for example NB-1, NB-2, etc., limited to a two (2) digit numeral to aid in rapid identification of vehicles to allow more precise reporting and correction of any unsatisfactory condition related to specific vehicles. All Contractor collection, service, and supervisory vehicles shall be equipped with properly licensed two-way communication equipment. The Contractor shall maintain a base station or have communication equipment capable of reaching all collection areas. Collection vehicles shall also be equipped with back-up cameras, as well as route-recording cameras integrated with their on-board route management system.

All collection vehicles shall be equipped with global positioning systems (GPS), as well as an on-board computer and data tracking system to track route progress and log non-set-outs, extras, and other service issues. The system shall incorporate photo documentation of route exceptions. The Contractor's drivers shall be fully trained and required to use these systems. The resulting data shall be uploaded to the Contractor's Customer Service database no less than daily to allow Customer Service personnel to be fully apprised of route progress, and be able to address misses and other Customer inquiries in near real-time.

The Contractor shall provide to the City, on the Date of Commencement of Service of this Contract, a complete initial inventory of the vehicles and facilities to be used in the performance of this Contract. The inventory shall include each vehicle (including chassis model year, type of body, material collected, capacity, model, and vehicle identification number) and each facility to be used in performance of this Contract (including address and purpose of the facility). The Contractor may change vehicles and facilities from time to time, and shall include the revised inventory in the monthly report provided for in Section 4.3.5.1. The Contractor shall maintain vehicles and facilities levels during the performance of this Contract at least equal to those levels described in the initial inventory. The City reserves the right to request maintenance history logs for vehicles or equipment during the performance of this Contract.

4.1.14 Container Requirements and Ownership

Contractor Garbage fees included in Exhibit B include all costs of the associated Containers unless Container rental for a particular service is specifically listed in Exhibit B, such as rent for Drop-box Containers.

Single-Family Residence, Multifamily, and Commercial Customers must use Contractor-provided Containers for their initial Container of Garbage collection service, with the exception of compacting Drop-box Containers, which may be Customer-owned or Customer-leased from other parties. Plastic bags or Cans may be used for excess volumes of Garbage, but not as a Customer's primary container.

In the event the Customer uses a Can for Extra Units, the Contractor shall handle the Customer-owned Can in such a way as to prevent undue damage. The Contractor shall be responsible for unnecessary or unreasonable damage to or for unrequested removal of Customer-owned Containers. Notwithstanding the foregoing or anything else in this Agreement, Contractor shall only be required to collect Customer-owned Containers that are safe for Contractor's personnel to handle and that are in good working order.

All Contractor-provided Containers shall be permanently, clearly, and prominently screened, molded-in, molded-on, imprinted, or otherwise labeled in a fashion that any reasonable person can readily determine the intended material for the Container. The Container must also be labeled with the size capacity and material preparation requirements. Contractor-provided Containers shall not be screened, molded-in, molded-on, imprinted, or otherwise permanently labeled with the Contractor's logo or company name unless the City provides written permission.

4.1.14.1 Garbage, Recyclables, and Compostables Carts

The Contractor shall provide a twenty (20), thirty-two (32) or thirty-five (35), forty-five (45), sixty-four (64), and ninety-six (96) gallon Garbage Carts for the respective level of Garbage collection, thirty-two (32) or thirty-five (35), sixty-four (64), and ninety-six (96) gallon Recycling Carts for Recyclables collection, and thirty-two (32) or thirty-five (35), sixty-four (64), and ninety-six (96) gallon Compostables Carts for Compostables collection. The Contractor shall make available wildlife-resistant Carts to requesting Customers at the additional surcharge provided for in Exhibit B. The City shall transfer ownership of existing in-place Carts to the Contractor, and the Contractor shall re-label all carts no later than June 30, 2024. All replacement Carts shall be manufactured from a minimum of fifteen percent (15%) post-consumer recycled plastic, with a lid that will accommodate a label. Carts shall be provided to requesting Customers within seven (7) Days of the Customer's initial request. All Carts must have materials preparation instructions including any Customer actions that would void manufacture warranties (such as placement of hot ashes in the container causing the container to melt), procedures to follow to minimize potential fire problems, and phone and website contact information printed on a sticker on the lid. If this sticker is destroyed or removed, Contractor shall replace the sticker within seven (7) Days of being notified by the Customer or City.

All Contractor-provided Carts shall be maintained by the Contractor in good condition for material storage and handling; contain no jagged edges or holes; contain wheels or rollers for movement and be equipped with an anti-skid device or sufficient surface area on the bottom of the Container to prevent unwanted movement.

Collection crews shall note missing or damaged lids, damaged hinges, holes, missing or poorly functioning wheels, and other similar repair needs for Contractor-provided Carts (including those for Garbage, Recyclables, and Compostables), and forward written or electronic repair notices that same day to the Contractor's service personnel. Repairs shall then be made within seven (7) Days at the Contractor's expense. Any Cart that is damaged or missing on account of an accident, collection truck mechanical error, act of nature or the elements, fire, or theft or vandalism by a third party shall be replaced not later than three (3) business days after notice from the Customer or the City. In the event that a Cart is inadvertently lost into a collection vehicle during collection due to mechanical or operator error, Customers shall be notified on the same day via a door knocker tag of the incident and a replacement Cart shall be provided within twenty-four (24) hours of the loss. Replacement Carts may be used and reconditioned, but shall be presentable and cleaned before delivered to the Customer. Unusable Containers shall be cleaned (if necessary) and recycled to the extent possible.

In the event that a Customer repeatedly damages a Container or requests more than one replacement Container during the term of the Contract due to negligence or intentional misuse, the Contractor shall forward in writing the Customer's name and address to the City. The City shall then attempt to resolve the problem. In the event that the problem continues, the Contractor may charge the Customer a City-approved Container repair or replacement fee and/or discontinue service to that Customer, provided the City provides previous written approval.

4.1.14.2 Detachable Containers and Drop-box Containers

The Contractor shall furnish and install one (1), two (2), three (3), four (4), six (6), and eight (8) cubic yard Detachable Containers, and ten (10), twenty (20), thirty (30), and forty (40) cubic yard non-compacted Drop-box Containers to any Customer who requires their use for storage and collection of Garbage, Recyclables or Compostables within three (3) collection days of the Customer's request. Containers shall be located on the premises in compliance with any related ordinance, and a manner satisfactory to the Customer and for collection by the Contractor.

The Contractor shall charge rent for temporary and permanent Drop-box Container service in accordance with Exhibit B. The Contractor may not charge Customers any additional fees, charges, rates, or any expenses in connection with Drop-box Container service other than the applicable fees listed in Exhibit B.

Detachable Containers shall be watertight and equipped with tight-fitting metal or plastic covers; have four (4) wheels for Containers four (4) cubic yards and under unless site-specific concerns dictate the use of a non-wheeled Container; be in good condition for Garbage or Recyclables storage and handling; be safe for the intended use; and, have no leaks, jagged edges, or holes. Drop-box Containers shall be all-metal, and if requested by a Customer, equipped with a tight-fitting screened or solid cover operated by a winch in good repair.

Detachable Containers shall be cleaned, reconditioned, and repainted (if necessary), at the Contractor's expense before being supplied to a Customer who had not used it earlier. The Contractor shall provide a fee-based On-call Detachable Container cleaning service to Customers.

As between the Contractor and the City, all Containers on Customers' premises are at the Contractor's risk and not the City's. The Contractor shall repair or replace within one (1) collection day any Container

that was supplied by or taken over by the Contractor and was in use if the City Code Compliance Inspector, King County Health Department Inspector, or other agent having safety or health jurisdiction determines that the Container fails to comply with reasonable standards or constitutes a health or safety hazard.

The Contractor shall place Detachable Containers in areas mutually agreed upon by the Contractor and Customer with the least slope and best vehicle access possible. For Customers that must stage their Detachable Containers on Public Streets or on significantly sloped hills, the Contractor shall make a good faith effort to work with the Customer to ensure that Detachable Containers are not left unattended in potentially problematic staging areas and are sufficiently restrained such that the Container may not roll and cause harm to persons or property. The Contractor may require a Customer to attend to the Containers immediately prior to and after collection. Any disputes arising between the Contractor and a Customer as to what constitutes a "significantly sloped hill" or a "safety hazard" shall be submitted in writing to the City, and the City's decision shall be final. Containers shall be replaced after emptying in the same location as found, with the lid closed.

Customer Containers shall be supplied by the Contractor, with the exception of compactors. Customers may elect to own or secure secondary Containers from other sources, and shall not be subject to discrimination by the Contractor in collection services on that account, provided that such Containers (including Carts) are compatible with the Contractor's collection equipment. However, Containers owned or secured by Customers must be properly labeled to be eligible for collection. The Contractor shall provide Garbage, Recyclables, and/or Compostable Container labels to Customers for use on personal Containers upon request. The Contractor is not required to service Customer Containers that are not compatible with the Contractor's equipment.

In the event that a Customer damages a Detachable Container or Drop-box Container due to negligence or intentional misuse, the Contractor may charge the Customer a City-approved Container repair or replacement fee, provided the City provides prior written approval.

4.1.14.3 Ownership

At the end of the Contract Term or in the event the Contract is terminated for any reason, all Containers at Customer locations used by Contractor to provide Contract Services, shall, at the option of the City, revert to City ownership without further compensation to the Contractor. Temporary Containers, Compactor Drop-box Containers leased to Customers outside of this Contract, and all Containers held in reserve at the Contractor's yard and not actively in service at a Customer location are excluded from this provision.

The City may elect to assign this potential ownership of said Containers to a third-party, and shall provide written notice to the Contractor. Any remaining warranties associated with the Containers described herein shall be transferred to the City or the City's assignee.

The City in advance accepts all such Containers in their "as-is, where-is" condition and without any express or implied warranty by the Contractor of any kind, including but not limited to any warranty of fitness for any particular purpose or any warranty of merchantability. As between the City and the Contractor, the City assumes all risks of loss or liability on account of the City's exercising of its rights under this Section 4.1.14.3 or any use made of any such Containers after they become the property of the City or assignee of the City.

4.1.14.4 Container Colors and Labeling

Contractor-provided Carts and Detachable Containers for Recyclables shall be blue, Compostables Carts shall be green, and Carts and Detachable Containers for Garbage shall be grey. Specific Container colors shall be approved in writing by the City prior to the Contractor's order of new Containers.

All distributed Containers shall be labeled with instructional information and contact information that include both a Customer Service phone number and website address. All reused Recyclables Containers used under the previous collection contract shall be relabeled within ninety (90) Days of the start of collection services under this Contract. Contractor shall visually inspect labels on reused Garbage and Compostables Containers that were used under the previous collection contract and shall relabel Containers as needed. All labels shall be approved by the City prior to ordering by the Contractor. Location of the label on Containers shall be subject to the City's prior approval. Labels shall be replaced when faded, damaged, or upon the City or Customer request. Should any changes be made to the Garbage, Recycling, or Compostables collection program that affect the accuracy of information provided on labels, the Contractor at their sole expense shall reproduce and reaffix labels on all Containers. The City may, at its option, provide labels to the Contractor to be affixed on the initial and replacement inventory of Carts and the Contractor shall place on the specified location on each Cart. The City shall reimburse the Contractor the Contractor's cost of applying the City's labels.

All Detachable Containers and Drop-box Containers to be used for Garbage or Recyclables collection shall have materials preparation instructions and phone/contact information, including both a Customer Service phone number and a website address, printed on a sticker, and subject to the prior written approval of the City. All Detachable Containers and Drop-box Containers to be used for Garbage or Recyclables shall have a sticker affixed that indicates no charge replacement or repair for leaky or broken Containers, and provides a phone number to call. Information shall be printed in a size that is easily read by the users, on durable UV-resistant label stock squarely affixed to each Container. All labels shall be approved in writing by the City prior to ordering by the Contractor. Location of the label on the Containers shall be subject to the City's prior written approval.

Containers used for the collection of Recyclables from Multifamily and Commercial Customers shall be relabeled by the Contractor if labels fade, are unreadable, contain incorrect information, or upon City's request for any individual Container.

4.1.14.5 Container Weights

The Contractor shall not be required to lift or remove materials from any Container exceeding the safe working capacity of the Container, lifting mechanism, or collection vehicle. For Drop-box Containers, the combined weight of the Drop-Box and contents must not cause the collection vehicle to exceed legal road weight limits.

Any loose Extra Units or Recyclables that are not place in a Container and must be manually loaded shall be limited to fifty (50) pounds per bag or bundle unless otherwise authorized by the Contractor.

4.1.14.6 Container Removal Upon City or Customer Request

The Contractor shall remove all Containers automatically upon service cancellation within seven (7) Days of the cancellation or upon three (3) business days of specific Customer, property manager, property owner, or the City's request. The contents of removed Containers shall be managed as if they were collected on a regular route (e.g. Recyclables shall be recycled, Compostables shall be delivered for composting). The disposal or recycling of materials accumulating in the Contractor's Container at the former Customer's location after the final Customer-paid collection shall be at the Contractor's, not Customer's cost. Failure to remove Containers within the specified timeline shall be subject to the same performance fees as delayed Container delivery for that Customer sector.

4.1.15 Spillage

All loads collected by the Contractor shall be completely contained in collection vehicles at all times, except when material is actually being loaded. Hoppers on all collection vehicles shall be cleared frequently to prevent the occurrence of unnecessary blowing, leakage, or spillage.

The Contractor shall develop spill response procedures for review and approval by the City before initiating any work under this Contract. Prior to operating any vehicle in the City, all Contractor vehicle drivers shall be provided with hands-on training on the location, maintenance, and use of spill kits and associated containment and notification procedures. Such training shall be provided to all vehicle drivers at least annually.

Cleanup and removal of leakage or spillage of materials upon the road surface or exposed appurtenances that occurs during collection shall be initiated by the Contractor within four (4) hours of the Contractor's knowledge of the leakage or spillage and completed as soon as practicable at its sole expense. Any associated spillage or leakage entering the City's municipal storm system shall be cleaned up or removed by the Contractor within four (4) hours of Contractor's receipt of the report at its sole expense. The Contractor shall be responsible for paying all City's costs in the event that City staff or contractors are required for spill containment or cleaning due to the Contractor's action. The Contractor shall document the fluid leakage, including taking pictures before and after clean-up or removal, and shall provide this documentation to the City. Leakage or spillage not cleaned up or removed by the Contractor within the required time frame shall be cause for performance fees, as described in Section 6.1 and may be subject to fines and penalties pursuant to City municipal code. Should a leakage or spillage occur during collection, the Contractor shall notify the designated City contact. Contractor expressly acknowledges it is solely responsible for any federal, State, or local violations, which may result from said leakage or spillage.

Any leakage or spillage of materials that occurs during collection that is reported by Customers or the City shall be cleaned up or removed by the Contractor within four (4) hours at its sole expense. The Contractor shall document the reported leak or spillage, who reported the incident, and measures made to correct the incident and report this information via e-mail to the Contract administrator within three (3) hours. Failure of the Contractor to comply shall be cause for performance fees, as described in Section 6.1.

Any Contractor-supplied Container determined by the City to be leaking shall be replaced by the Contractor within one (1) collection day of notification from the City. Failure of the Contractor to comply shall be cause for performance fees, as described in Section 6.1.

4.1.16 Pilot Programs

The City may wish to test and/or implement one or more new services or developments in waste stream segregation, materials processing, or collection technology at some point during the term of this Contract. The City shall notify the Contractor in writing at least ninety (90) Days in advance of its intention to implement a pilot program or of its intentions to utilize a new technology system on a partial or City-wide basis, or as negotiated between the City and Contractor. The costs (or savings) accrued by City-initiated pilot programs shall be negotiated prior to implementation. If the City deems the pilot a success, and desires to incorporate the service or development represented in the pilot program in the terms of this Contract, the City and Contractor each agrees to negotiate in good faith and in accordance with Section 8.14 to include the provisions of the pilot program into this Contract, including any costs or savings to be accrued and timeline for implementation. Notwithstanding the foregoing or anything else in this Contract, City shall not implement any pilot program that conflicts with the rights granted to Contractor by this Contract.

Contractor-initiated pilot programs shall require prior written notification to and written approval by the City. Contractor-initiated pilot programs shall be performed at no additional charge to the City or the Customers; however, costs (or savings) accrued may be subject to negotiations prior to implementation at the City's request. Results of any Contractor-initiated pilot program shall be reported to the City in the monthly reports described in Section 4.3.5.1. The Contractor shall not be required to test or implement any pilot program, new technology, service or development unless the terms and conditions thereof (including any savings or additional compensation to Contractor) have been mutually agreed in writing by the City and Contractor.

4.1.17 Disruption Due to Construction

The City reserves the right to construct any improvement or to permit any such construction in any Public Street in such manner as the City may direct, which may have the effect for a time of preventing the Contractor from traveling the accustomed route or routes for collection. However, the Contractor and the City shall develop a reasonable workaround to enable the Contractor to continue to collect Garbage, Recyclables, and Compostables to the nearest extent possible as though no interference existed upon the streets or alleys normally traversed. This shall be done at no extra expense to the City or Customers.

4.1.18 Contractor Planning and Performance Under Labor Disruption

No later than ninety (90) Days prior to the expiration of any labor agreement associated with services performed under this Contract, the Contractor shall provide the City in writing with its planned response to labor actions that could compromise the Contractor's performance under this Contract. The planned response will take the form of a Contractor-prepared Strike Contingency Plan and shall address in detail:

1. The Contractor's specific staffing plan to cover Contract Services, including identification of staff resources moved from out-of-area operations and the use of local management staff to provide basic services. The staffing plan shall be sufficient to provide recovery of full operations within seven (7) Days following the initiation of the disruption.
2. Contingency training plans to ensure that replacement and management staff operating routes are able to continue to collect route data and follow collection and material delivery procedures for all material streams collected from Customers.

3. Identification of temporary Drop-box Containers or staffed packer truck locations for all material streams. For all sites identified in the Contractor-prepared Strike Contingency Plan, the Contractor shall list the property owner/lessee's contact information and the date on which permission for temporary use was received. The City shall review these locations, after which the City shall approve or deny in writing use of specific locations.
4. A recovery plan to address how materials will be collected in the event of a short-notice disruption that does not allow the Contractor to collect all materials on their regular schedule (e.g. a wildcat strike) within seven (7) Days following the initiation of the disruption.

Except to the extent necessary to preserve Contractor's attorney-client privilege and attorney work doctrine rights, The Contractor shall keep the City informed of the status of active labor negotiations affecting the Services hereunder on a timely basis, specifically during the period surrounding the end of employee contracts with Contractor employees. In the event that labor disruptions of any kind cause reductions in service delivery, the Contractor shall inform the City within three (3) hours by phone and e-mail of the nature and scope of the disruption, as well as the Contractor's immediate plans to activate some or its entire Strike Contingency Plan. At the close of each service day during a Labor Disruption, the Contractor shall report to the City via e-mail the areas (per a detailed map) and customer counts of served and un-served customers by material stream and service sector.

The Contractor shall provide make-up collection on Saturday for any Single-family Garbage and Recyclables collection Customers missed during the preceding week.

In the event that a disruption lasts more than one full Single-family Residential collection cycle, the Contractor with approval of the City shall provide Drop-box Containers or staffed packer trucks for Customer use for each affected material stream in approved locations throughout the affected route areas, as well as the collection of reasonable quantities of accumulated materials at no additional charge on the next regular collection cycle for each material.

In the event of a disruption that results in two or more consecutive weeks of missed service, the Contractor shall provide a credit to affected Customers for all Service missed after the first week. Such credit shall be calculated in the manner set forth in Section 4.1.7.

The City and Contractor agree that the following special compensation and performance fees reflect the best estimate of the impacts of the Labor Disruption to Customers and the City. The Contractor shall pay the City monthly by the tenth day of the following month:

1. A cost reimbursement amount of one thousand dollar (\$1,000) for each day of Labor Disruption to reimburse staffing and other costs for managing the impacts of the Labor Disruption;
2. A performance fee of two thousand five hundred dollars (\$2,500) a day for each day of Labor Disruption from the first (1st) day to the seventh (7th) day of the Labor Disruption;
3. A performance fee of five thousand dollars (\$5,000) a day for each day of Labor Disruption from the eighth (8th) day to fourteenth (14th) day of the Labor Disruption; and
4. A performance fee of ten thousand dollars (\$10,000) a day for each day of Labor Disruption for every day beyond the fourteenth (14th) day of Labor Disruption.

The performance fees listed as 2 through 4, above, are intended to apply to any complete work stoppage where alternative but substantially equivalent service by non-striking employees is not provided by the Contractor or otherwise. In the event substantially equivalent service is provided by the Contractor

through the employment of non-striking employees at any point during the course of the labor disruption, the Contractor is entitled to reduce the amount of the performance fees that otherwise would be due on a pro-rata basis, based on the percentage of Contract service provided to Customer provided on that day. Given the nature of the failure arising from labor disruptions, the Contractor shall not be allowed any cure period opportunity or rectification process; provided, however, that the City may elect to receive the equivalent value of additional services, as negotiated, in lieu of these specific performance fees.

The Contractor's failure to comply with the Contractor-prepared Strike Contingency Plan of this section shall be subject to a special fee of one thousand dollars (\$1,000) per day for its non-compliance during the Labor Disruption event. This special fee is separate compensation to the City for the Contractor's failure to plan and execute the provisions of this section. The special fee shall be paid to the City within thirty (30) Days of the Contractor's receipt of the City's invoice.

Fees paid by the Contractor under the terms of this Section 4.1.18 are not regular performance fees for the purposes of Section 6.1 and shall not be counted in the cumulative performance fee default threshold referenced in Section 6.2 (6).

Any Contractor-prepared Strike Contingency Plan or other information communicated by the Contractor to the City pursuant to this section shall be maintained in confidence by the City to the maximum permissible extent under applicable law.

4.1.19 Site Planning and Building Design Review

The Contractor shall, upon request and without additional charge, make available site planning assistance to either the City and Customers or potential Customers, and shall publicize the appropriate contact information for this function. The site planning assistance shall be available for all new construction or remodeling of buildings and structures within the Service Area, and shall address the design and planning of Garbage, Recyclables, and Compostables removal areas and their location upon the site of the proposed construction or remodeling project. Contractor planning assistance for optimizing loading docks and other areas shall also be available for existing building managers when realigning Garbage, Recyclables, and Compostables services.

4.1.20 Safeguarding Public and Private Facilities

Contractor shall protect all public and private improvements, facilities, and utilities whether located on public or private property, including streets, signs/posts, light poles, planting strips, and trees. If such improvements, facilities, utilities, or streets are damaged as a result of Contractor's operations, Contractor shall notify the City in writing of all damage within four (4) hours of its knowledge of such damage, and Contractor shall repair or replace the same or pay the City for the costs of repairs, including overhead and administrative costs. If the damage creates an immediate public safety issue that requires an immediate response, Contractor shall, along with notifying the City in writing, call the City to inform them of such matter. If Contractor fails to repair or replace the damage promptly, as determined by the City, the City shall cause repairs or replacement to be made, and the cost, including overhead and administrative costs, of doing so shall be paid by the Contractor. The Contractor shall be liable for any

damage to property or person caused by the negligent actions of Contractor, and the Contractor shall indemnify and hold the City harmless for any such damage or legal implications from said actions.

4.1.21 Transition and Implementation of Contract

The Contractor shall develop, with the City's input and prior written approval, and submit to the City no later than thirty (30) Days after the Date of Execution of this Contract, a Transition and Implementation Plan for introducing the new and revised services to the different Customer sectors (i.e., Single-family, Multifamily, and Commercial Customers), and detailing a specific timeline as to when different activities and events will occur, including details of Container delivery, how different events impact other events in the timeline and the process to be used to ensure that implementation occurs with no disruption. The Transition and Implementation Plan shall cover the entire Transition and Implementation Period and describe in detail what is involved with each of the activities and events listed in the timeline. The Transition and Implementation Plan shall also specifically address how the Contractor intends to proceed in the event of Inclement Weather and what contingency plans will be in place to accelerate implementation if Container delivery or other planned activities are impacted by Inclement Weather.

The Contractor shall be responsible for funding all the design, development, printing, sorting, mail prep, delivery, and mailing costs, including the cost of the postage-prepaid mail-back cards and any costs associated with the website ordering services, and of all new and continuing service and educational materials described above and needed to comply with the Transition and Implementation Plan outreach described in this section of the Contract.

Any additional promotional, educational, informational, and outreach materials provided by the Contractor to Customers in connection with the initial Transition and Implementation Plan of the Contract shall be designed, developed, printed, and delivered by the Contractor unless otherwise directed by the City, at the Contractor's cost, and subject to the City's prior review and written approval and the City's final approval as to method of delivery. Customer materials must contain important dates/timelines, answers to frequently asked questions, information about translations available, and a phone number and website for Customers needing additional information. Materials must contain clear and accurate wording, easy-to-read font, professional visual graphics, be free of inaccurate or misleading information, be free of typographical errors, and must be printed on minimum 30% post-consumer recycled paper. The City will be provided a minimum of two (2) weeks to review any of the materials included in the Contractor's Transition and Implementation Plan schedule to allow sufficient time for the City prior review and written approval.

4.1.22 Performance Review

The City may, at its option, and upon reasonable notice to the Contractor, conduct a review of the Contractor's performance under this Contract. If conducted, the performance review shall include, but is not limited to, a review of the Contractor's performance relative to requirements and standards established in this Contract, including Customer Service standards. The Contractor agrees to fully cooperate with the performance review and work with City staff and consultants to ensure a timely and complete review process. Should the City exercise its discretion to retain a consultant to conduct a performance review, Contractor agrees to pay one-half of the cost of the consultant within thirty (30) days of the City's delivery to the Contractor consultant's invoices for conduct of the Performance Review.

The results of the performance review shall be presented to the Contractor within thirty (30) Days of completion. Should the City determine that the Contractor fails to meet the Contract performance requirements and standards, the City shall give the Contractor written notice of all deficiencies. Notice to Contractor of all deficiencies shall include recommendations for correction of the deficiencies (hereafter "Action Plan"). The Contractor shall have sixty (60) Days from its receipt of notice to complete or commence completion of the Action Plan to the City's satisfaction. If the Contractor fails to complete or commence completion of the Action Plan within sixty (60) Days, the City may allow the Contractor additional time to comply, accept other remedies for the service failure or proceed with the contract default process pursuant to Section 6.2 of this Contract, at the City's discretion.

The costs of the development and implementation of any Action Plan required under this Section 4.1.22 or Section 6.1 for the purpose of addressing failures on the part of the Contractor to perform in accordance with the terms and conditions of this Contract shall be paid for solely by the Contractor, and the costs of developing or implementing such action plan may not be passed on to Customers or the City, or included in rates or fees charged Customers.

The City may, at its option, and upon reasonable notice to the Contractor, design and implement an alternative annual Contract compliance monitoring program with or without Contractor performance incentives. If such a program is desired by the City, the City and Contractor agree to negotiate in good faith the monitoring methodologies used to ensure accurate and unbiased sampling of performance data. The City shall bear the costs of City staff, City-retained consultants and performance incentives (if used) and the Contractor shall bear the costs of Contractor staff and route costs to perform the monitoring.

4.1.23 Continual Monitoring and Evaluation of Operations

The Contractor's supervisory and management staff shall be available to meet with the City in person or via phone/video conference, at the City's option, on a weekly basis during the period three (3) months before and two (2) months after the Date of Commencement of Service and monthly throughout the term of the Contract to discuss operational and Contract issues.

The Contractor shall continually monitor and evaluate all operations to ensure that compliance with the provisions of this Contract is maintained.

The City may periodically monitor collection system parameters such as participation, Container condition, contents weights, and waste composition. The Contractor shall assist and fully cooperate with the City by coordinating the Contractor's operations with the City's periodic monitoring to minimize inconvenience to Customers, the City, and the Contractor. The Contractor also shall provide full access to equipment, processing facilities, route and Customer Service data, safety records, and other applicable information. The City's review of Contractor activities and records shall occur during normal Office Hours and shall be supervised by the Contractor's staff.

4.1.24 Collection/Disposal Restrictions

Unless otherwise directed by the City, all Garbage collected under this Contract, as well as residues from processing Recyclables and Compostables (to the extent required for the City to comply with its Solid Waste Interlocal Agreement with the County), shall be delivered to the King County Disposal System in compliance with all King County rules regarding such disposal.

Garbage containing obvious amounts of Yard Debris shall not knowingly be collected from Customers and instead prominently tagged with a written notice informing the Customer that the County does not accept Yard Debris mixed with Garbage for collection. Contractor's awareness, knowing, or intentional collection of Garbage mixed with visible Yard Debris shall be grounds for performance fees as provided in Section 6.1. Contractor shall be liable and legally responsible for the Contractor's awareness, knowing, or intentional collection of Garbage mixed with visible Yard Debris. The Contractor shall indemnify and hold the City harmless for any damage or liability resulting from said collection.

The Contractor shall not knowingly collect or dispose of Unacceptable Waste or other hazardous materials that are either restricted from disposal or would pose a danger to collection crews. If materials are rejected for this reason, the Contractor shall leave a written notice in a prominent location with the rejected materials listing why they were not collected and providing the Customer with a contact for further information about proper disposal options for such materials.

Title to and liability for any Unacceptable Wastes that are included with any materials collected under this Contract by Contractor despite the City's and Contractor's attempts to prevent the inclusion of such materials shall not pass to Contractor, but shall remain with the party from whom such Unacceptable Waste or any such other materials or substances is received.

Garbage collected by the Contractor may be processed by the Contractor to recover recyclable material; provided, however, that the residual is appropriately disposed of within the King County Disposal System. The processing of such Recyclable material shall only be undertaken with the prior written approval of the County and the City and in accordance with the Solid Waste Interlocal Agreement between the County and the City. Contractor in all such instances shall charge Customers no more than the equivalent Garbage disposal fee within the King County Disposal System or such other disposal fee as the City reasonably directs the Contractor to charge. In addition, hauling fees charged by the Contractor in such instances shall be no higher than those provided for in Exhibit B.

4.1.25 Emergency Response

Contractor shall assist the City in the event of an Emergency. The Contractor's services shall be provided as soon as practical upon City direction and paid at the Contract rates in Exhibit B.

Contractor shall keep full and complete records and documentation of all costs incurred in connection with disaster or emergency response and include such information in the monthly and annual reports required under Section 4.3.5. Contractor shall maintain such records and documentation in accordance with the City's prior written approval and any standards established by the Federal Emergency Management Agency (FEMA), and at the City's request, shall assist the City in developing any reports or applications necessary to seek federal assistance during or after a federally-declared disaster.

4.1.26 Violation of Ordinance

The Contractor shall report in writing immediately to the City any observed violation of the City's ordinances providing for and regulating the Containerization, collection, removal and disposal of Garbage, Recyclables and Compostables.

4.1.27 Hiring Preference

For initial hiring under this Contract, the Contractor and subcontractors shall give hiring preference to any Garbage, Recyclables, or Compostables (including Yard Debris) collection workers who serviced City routes for the previous hauler at the time that the previous collection contract expired and have been displaced as a result of the City awarding this Contract, provided that such workers are fully qualified and meet the Contractor's standards for employment. Nothing in this section is intended to create any third-party rights under this Contract.

Upon the hiring of a displaced collection worker represented by Teamsters Local 117 or 174, the Contractor shall be required to keep the displaced worker whole in regard to the workers' pay and benefit accruals earned as of the date of displacement. To the extent application of the Contractor's collective bargaining agreement would otherwise result in a reduction in pay or benefits, the existing pay/benefit accrual will be maintained at the current rate until such time as the applicable bargaining agreement provision(s) provides for an increase. Any displaced worker must be reimbursed by the company for any required COBRA payment made in order to retain health care coverage during the time period between displacement and when the worker would become eligible for such benefits under the collective bargaining agreement.

4.2 Collection Services

4.2.1 Single-Family Residence Garbage Collection

4.2.1.1 Subject Materials

The Contractor shall collect all Garbage placed at Curbside for disposal by Single-Family Residence Customers in, and properly prepared and contained materials adjacent to, Garbage Carts, Cans, and bags.

4.2.1.2 Containers

The Contractor shall provide collection Containers to Customers at no additional charge as part of the Customer-chosen service level. Garbage Containers shall be delivered by the Contractor to Single-Family Residence Customers within seven (7) Days of the Customer's initial request. Each Customer's initial Container must be a Contractor-provided Container, provided that Garbage in excess of the Customer's initial Container may be bundled or placed in a Customer-owned Can or plastic bag.

4.2.1.3 Specific Collection Requirements

The Contractor shall offer regular weekly collection of the following service levels:

1. Twenty (20) gallon Garbage Cart;
2. Thirty-two (32) or thirty-five (35) gallon Garbage Cart;
3. Forty-five (45) gallon Garbage Cart;
4. Sixty-four (64) gallon Garbage Cart; and
5. Ninety-six (96) gallon Garbage Cart.

The Contractor shall also offer a service of once per month collection of non-putrescible waste in a thirty-two (32) or thirty-five (35) gallon Cart.

Carry-out surcharge fees shall be assessed only to those Customers who choose to have the Contractor move Containers to reach the collection vehicle at its nearest point of access, unless otherwise provided for in this Contract. The Carry-out surcharge fee listed in Exhibit B shall be charged once for all three collection streams.

Garbage in excess of Container capacity or the subscribed service level shall be collected and properly charged as Extra Units to the Customer; with the exception of excess Garbage collection otherwise authorized under this Contract at no additional charge to the Customer. Extra charges may be assessed for materials loaded so as to lift the Container lid in excess of six inches (6") from the normally closed position. Overweight Containers shall be left at the Curb and tagged with written notification as to why it was not collected.

The Contractor shall maintain route lists in sufficient detail to allow accurate recording and charging of all Extra Units. Customers shall be allowed to specify that no Extra Units be collected without prior Customer notification, which shall be provided by the Single-Family Residence Customer no less than one (1) business day prior to that Customer's regular collection. If a Customer specifies no Extra Units, then such materials shall be left at the Curb uncollected and tagged with written notification as to why it was not collected.

Collections shall be made from Single-Family Residences on a regular schedule on the same day and as close to a consistent time as possible.

4.2.2 Single-Family Residence Recyclables Collection

4.2.2.1 Recyclable Materials

Residential Recyclables shall be collected from all participating Single-Family Residences Customers as part of Garbage collection services, at no additional charge. If operational or recycling processing improvements are made that allow additional materials to be recycled at no additional cost to the Contractor, the Contractor agrees to expand the defined list of Residential Recyclables to cover such materials, subject to prior written approval by the City. The Contractor shall collect Curbside prepared Recyclables as described in Exhibit C. With the exception of Corrugated Cardboard, the maximum dimensions for Recycling materials shall be two feet (2') by two feet (2').

The City reserves the right to engage in product stewardship and/or waste prevention activities that may result in one or more materials being removed from the Exhibit C list.

4.2.2.2 Containers

The Contractor shall provide collection Recycling Containers to Customers at no charge. The default Recycling Cart size shall be sixty-four (64) gallons, provided that the Contractor shall offer and provide thirty-two (32)/thirty-five (35) gallon or ninety-six (96) gallon Recycling Carts on request to those Single-Family Residence Customers requiring less or more capacity than provided by the standard sixty-four (64) gallon Recycling Cart. A Customer may request and receive from the Contractor one additional Recycling Cart at no additional charge.

Recycling Carts shall be delivered by the Contractor to new Single-Family Residence Customers, those Customers requesting replacements or additional Carts, or Customers that had previously rejected their Recycling Cart, within seven (7) Days of the Customer's initial request.

4.2.2.3 Specific Collection Requirements

Single-Family Residence Recyclables collection shall occur weekly on the same day as each household's Garbage and Compostables collection. Collections shall be made from Residences on a regular schedule on the same day and as close to a consistent time as possible. The Contractor shall collect on Public Streets and Private Roads in the same location as Garbage collection Service.

Upon one-hundred-eighty-days (180) written notice from the City, the Contractor shall shift Single-Family Residence Recyclables collection to every other week. In the event that the City implements this decreased collection frequency, the Single-Family Garbage rates in Attachment B shall be decreased by \$1.09/month (adjusted as provided below). This monthly amount shall be subject to the same CPI adjustments that are applied to the collection fee component of Contractor's rates under Section 5.3.1.

The Contractor shall collect all Residential Recyclables from Single-Family Residences that are placed in Carts, paper bags, boxes, or labeled Cans next to the Customers' Recycling Cart. Customers choosing to use their own Containers for excess Recycling shall be provided, upon Customer request, durable labels by the Contractor that clearly identify the Container's contents as Recycling. Recyclables must be prepared as described in Exhibit C and uncontaminated with food or other residues. No limits shall be placed on set-out volumes for Curbside Recyclables, other than those specifically listed in Exhibit C.

4.2.3 Single-Family Residence Compostables Collection

4.2.3.1 Subject Materials

Residential Compostables shall be collected from all participating Single-Family Residences Customers as part of Garbage collection services, at no additional charge.

4.2.3.2 Containers

A Compostables Cart shall be provided to all Single-Family Compostable service Customers as part of the service. The default Compostables Cart size shall be ninety-six (96) gallons, with thirty-two (32) or thirty-five (35) gallon and sixty-four (64) gallon sizes available upon request. Additional Compostables Cart may be rented from the Contractor, at the rental rate provided in Exhibit B.

Compostables Carts shall be delivered by the Contractor to Customers within seven (7) Days of the Customer's initial request. The Contractor shall offer an annual cleaning of Compostables Carts at no additional charge, upon Customer or City request. Additional cleaning shall be available to Customers upon request at the charges listed in Exhibit B.

Compostable service Customers shall be provided a kitchen Food Scraps composting starter kit upon request, including a kitchen container, one roll of compostable bag liners, and instructional materials. The contents of the starter kit shall be approved by the City prior to distribution. Customers shall be limited to one starter kit per Customer.

4.2.3.3 Specific Collection Requirements

Properly prepared Compostables shall be collected every-other-week on the same day as Residential Garbage and Recyclables collection. Collections shall be made from Single-Family Residence Customers on a regular schedule on the same day and as close to a consistent time as possible. Compostables in excess of one hundred-ninety-two (192) gallons per collection cycle may be charged at the additional Cart rate (if that Customer has ordered one or more additional Compostables Carts) or as Compostables Extra Units in thirty-two (32) gallon increments in accordance with Exhibit B.

Upon one-hundred-eighty-days (180) written notice from the City, the Contractor shall shift Single-Family Residence Compostables collection to weekly. If the City directs the Contractor to implement this increased collection frequency, the Single-Family Compostables rates in Attachment B shall be increased by \$3.39/month (adjusted as provided below). This monthly amount shall be subject to the same inflation adjustments that are applied to the collection fee component of Contractor's rates under Section 5.3.1

Extra Yard Debris material that does not fit in the initial Compostables Cart shall be bundled or placed in Kraft bags or Customer-owned Cans labeled for Yard Debris. Customers choosing to use their own Containers for excess Yard Debris shall be provided, upon Customer request, durable labels by the Contractor that clearly identify the Container's contents as Yard Debris. Food Scraps shall be contained in the initial Compostables Cart and only Yard Debris shall be placed in bags, bundles, or Cans.

Upon direction from the City, for two (2) collection cycles immediately following a City-designated storm event, up to ninety-six (96) additional gallons of containerized, bundled, or bagged Compostable storm debris shall be accepted with regular quantities of Compostables without additional charge, provided that the materials are prepared and set-out as described for excess Yard Debris in the prior section. This service shall be limited to no more than three (3) events per year.

Unflocked, undecorated, natural holiday trees (Christmas Trees) will be collected at no additional cost on the first full week of scheduled Compostable materials collection each year from all Single-Family and Multifamily Residences in the City if prepared as two feet (2') by two feet (2') by four feet (4') sections or bundles.

The Contractor shall collect on Public Streets and Private Roads in the same location as Garbage collection is provided.

4.2.4 Multifamily and Commercial Customer Garbage Collection

4.2.4.1 Subject Materials

The Contractor shall collect all Garbage set out for disposal by Multifamily and Commercial Customers in Garbage Containers, and adjacent to, if properly prepared.

4.2.4.2 Containers

Multifamily and Commercial Customers shall be offered a full range of Container and service options, including Garbage Carts, one (1) through eight (8) cubic yard non-compacted Detachable Containers, and one (1) through six (6) cubic yard compacted Detachable Containers. Containers shall be provided to

Customers at no charge, except for compacting Containers or unless otherwise set forth in this Contract and directed by the City. Customer-owned or Customer-leased Detachable Container compactors shall be collected by the Contractor unless the Container is incompatible with the Contractor's equipment. The Contractor shall provide locks for Containers at no additional charge upon Customer or City request.

Materials in excess of Container capacity or the subscribed service level shall be collected and properly charged as Extra Units at rates set forth in Exhibit B. Extra charges may be assessed for materials loaded so as to lift the Container lid in excess of six inches (6") from the normally closed position. The Contractor shall develop and maintain route lists in sufficient detail to allow accurate recording and charging of all Extra Units.

The Contractor may use either or both front-load or rear-load Detachable Containers to service Multifamily and Commercial Customers. However, not all collection sites within the Service Area may be appropriate for front-load collection due to limited maneuverability or overhead obstructions. The Contractor shall provide Containers and collection services capable of servicing all Customer sites, whether or not front-load collection is feasible.

Containers shall be delivered by the Contractor to requesting Multifamily and Commercial Customers within three (3) business days of the Customer's initial request.

4.2.4.3 Specific Collection Requirements

Collections from both Multifamily and Commercial Customers shall be made on a regular schedule on the same day and as close to a consistent time as possible. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return Containers after emptying to the same location as found, with their lids closed.

The Contractor shall not charge fees for opening gates, moving Containers, or unlocking Containers. The Contractor shall remove and replace Containers from enclosures and position (roll-out) Containers up to twenty-five feet (25') for Garbage collection at no additional charge. Additional roll-out charges may be assessed in twenty-five foot (25') increments only to those Multifamily and Commercial Customers for whom the Contractor must move a Container over twenty-five feet (25') to reach the collection vehicle at its nearest point of access. Customers with hard-to-access Containers requiring the Contractor to wait for Customer Container relocation or requiring Contractor's use of specialized equipment for Container relocation may charge those Customers additional access fees and/or hourly fees consistent with Exhibit B.

Multifamily and Commercial Customers may request extra collections and shall pay a proportional amount of their regular monthly rate for that service as established by the City.

4.2.5 Multifamily and Commercial Recyclables Collection

4.2.5.1 Subject Materials

All properly prepared Recyclables listed in Exhibit C for Multifamily and Commercial Customers (including those Multifamily and Commercial Customers utilizing permanent Drop-box Collection services), shall be collected without limit as part of the Garbage collection services without extra charge, subject to the

capacity limitations provided for in Section 4.2.5.3. The Contractor may decline to collect Recyclables if the Container in which they are placed by the Customer contains Excluded Materials or other materials that do not conform to the definition of Recyclables or that do not meet specifications.

4.2.5.2 Containers

The Contractor shall provide Recycling Containers at no additional charge to all Multifamily and Commercial Customers requesting Containers.

The Contractor shall encourage and promote participation in Recyclables and Compostables services and shall recommend appropriate relative Container sizes through its site visit and evaluation process. The Contractor shall encourage the use of Detachable Containers instead of multiple Carts at Multifamily sites where more than one (1) cubic yard of Recycling capacity is provided, unless constraints favor the use of Carts. The Contractor shall provide locks for Containers at no additional charge upon Customer or City request. Containers used for the collection of Recyclables shall be delivered by the Contractor to requesting Customers within three (3) business days of the Customer's initial request.

4.2.5.3 Specific Collection Requirements

Multifamily and Commercial Recyclables collection shall occur at least weekly or more frequently if space constraints preclude providing sufficient weekly capacity. Collections shall be made on a regular schedule on the same day(s) of the week and as close to a consistent time as possible. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return Containers after emptying to the same location as found, with their lids closed.

The Contractor shall not charge fees for opening gates, moving Containers, or unlocking Containers.

4.2.6 Multifamily and Commercial Customer Compostables Collection

The Contractor shall provide subscription-based (user fee-based) Compostables collection services to requesting Multifamily and Commercial Customers.

4.2.6.1 Subject Materials

The Contractor shall provide collection of Compostables from any requesting Multifamily or Commercial Customer, subject to that Customer's continued compliance with material preparation requirements. Containers including contaminated or oversized Compostables materials rejected by the Contractor shall be tagged in writing in a prominent location with an appropriate problem notice explaining why the material was rejected.

4.2.6.2 Containers

Carts shall be provided to subscribers as part of the service at no additional charge. The Contractor shall offer regular thirty-two (32) or thirty-five (35) gallon, sixty-four (64) gallon, and ninety-six (96) gallon Compostable Carts at the rates set forth in Exhibit B. Materials in excess of Container capacity or the subscribed service level shall be collected and properly charged as Extra Units as directed by the City. Extra charges may be assessed for materials loaded so as to lift the Container lid in excess of six inches (6") from

the normally closed position. The Contractor shall develop and maintain route lists in sufficient detail to allow accurate recording and charging of all Extra Units.

The Contractor shall offer an annual cleaning of Compostables Carts at no additional charge, upon Customer or City request. Additional cleaning shall be available to Customers upon request at the charges listed in Exhibit B. Compostables Carts shall be delivered by the Contractor to Multifamily and Commercial Customers within three (3) business days of a Customer's initial request.

4.2.6.3 Specific Collection Requirements

Multifamily and Commercial Customer Compostables collection shall occur weekly or twice-weekly, as subscribed for and requested by the Customer. Collections shall be made on a regular schedule on the same day(s) of the week and as close to a consistent time as possible. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return Containers after emptying to the same location as found, with their lids closed. The Contractor shall not charge fees for opening gates, moving Containers, or unlocking Containers.

4.2.7 Permanent Drop-Box Container Garbage Collection

4.2.7.1 Subject Materials

The Contractor shall provide permanent Drop-Box Container Garbage collection services to Customers, in accordance with the service level selected by the Customer. For the purposes of this Section, a permanent Drop-Box Container Customer is a Customer who retains service for more than ninety (90) Days and has their Container hauled at least once per calendar month.

Permanent Drop-Box Container Customers who have at least one (1) haul of their Container each month are eligible for Recycling services per Section 4.2.5. If a permanent Drop-Box Container Customer with regular Recycling service falls below the minimum one (1) Garbage haul per month threshold, the Contractor shall notify the Customer of the minimum requirement for Recycling eligibility and that the Contractor will charge for future Recycling collection at market rates if the minimum Garbage haul threshold is not met in successive months.

4.2.7.2 Containers

The Contractor shall pay the cost of procuring and providing Containers for Garbage meeting the standards described in Section 4.1.14. Customer-owned or Customer-leased Drop-Box Container compactors shall be collected by the Contractor unless the Container is incompatible with the Contractor's equipment.

The Contractor shall maintain a sufficient Drop-box Container inventory to provide delivery of empty Containers by the Contractor to new and temporary Customers within three (3) business days after the Customer's initial request.

4.2.7.3 Specific Collection Requirements

The Contractor shall provide dispatch service and equipment capable of collecting full Drop-box Containers on the same collection day if the Customer's initial request is received by the call center before or at 10:00 a.m. PST, and no later than the next collection day if the Customer's initial call is received by the call center after 10:00 a.m. PST. At the Customer's request, the Contractor shall deliver an empty Drop-box Container to the Customer at the time of collecting the full Drop-box Container. Drop-box Containers shall be delivered to new Customers within one (1) collection day of their initial request.

The Contractor shall detach, remove and replace Drop-Box Containers from locked or unlocked enclosures at no additional charge. The Contractor may charge additional time and/or mileage only if (1) the Customer requests that Contractor deliver material to a facility other than the closest King County disposal facility, (2) the facility is one to which the Contractor is allowed to deliver the material under this Contract, and (3) Contractor delivers the material to such facility after advising the Customer in writing (e-mail is acceptable) as to the basis of the additional time and/or mileage charges to be payable by the Customer on account of such delivery(ies).

4.2.8 Temporary (Non-Event) Container Customers

The Contractor shall maintain a sufficient Container inventory, including Detachable Container and Drop-box Containers, to provide delivery of empty Containers by the Contractor to temporary Customers within three (3) business days after the Customer's initial request. The charges for temporary Detachable Container service as listed in Exhibit B shall include delivery, collection, distance, and disposal. No additional fees other than those included in Exhibit B may be charged. Temporary Garbage services do not include Recycling or Compostables collection and shall not exceed ninety (90) Days in duration, unless the Customer has their Container hauled less than once per calendar month, in which case they will continue to be considered a temporary customer. Customers requiring more than monthly collection service for over ninety (90) Days shall subscribe for regular combined Garbage and Recycling service.

4.2.9 Special Event Services

Contractor shall provide temporary Garbage, Recyclables, and Compostables Carts to Customers sponsoring special events within the Service Area at the rates listed in Exhibit B. Contractor shall provide such Customers with assistance in determining Container needs and signage for Garbage, Recyclables, and Compostables at the special events, including site visits and technical assistance to ensure that the maximum Recyclables and Compostables diversion is achieved. Contractor shall coordinate their efforts with the City, and provide such Customers and the City with a summary of the volumes of materials disposed of and diverted for recycling and composting.

Contractor shall provide special event services as a bundle, with each event providing collection of Recyclables and Compostables at no additional charge as part of the event Garbage collection service. The provision of Garbage-only service shall only be provided on a case-by-case basis upon prior written approval of the City.

4.2.10 Municipal Services

The Contractor shall provide the services in this Section 4.2.10 at no additional charge to Customers or the City.

If the value of municipal services provided by the Contractor year-on-year increases more than the change in overall Contract revenues year-on-year, the City will either pay for the additional value of services, limit the provision of services to additional facilities, or adjust Contractor's rates to reflect the excess cost to Contractor in providing such services.

If the City is restricted from accepting these services at no charge, the Contractor shall be separately and specifically paid for these services at Contract rates and the Contractor shall reduce the Contract rates by the estimated costs of providing these services to the City at no charge.

4.2.10.1 Street and Park Litter and Recycling

The Contractor shall provide weekly Garbage and Recyclables collection for street litter or recyclables receptacles (including the provision of plastic bags to line the receptacles) within the City.

4.2.10.2 City Facilities

The Contractor shall provide weekly Garbage, Recyclables and (as appropriate) Compostables collection to all City-owned municipal facilities and parks as a part of this Contract and at no additional charge. As of the date herein, these facilities consist of the following:

FACILITY	ADDRESS
City Hall & Public Works Facility	920 SE Cedar Falls Way
Gardiner-Weeks Memorial Park & Mt Si Senior Center	411 Main Ave S
Meadowbrook Farm	1711 Boalch Ave NW
Tollgate Farm & Park	1300 W North Bend Way
Torguson Park	750 E North Bend Way
WWTP	400 Bendigo Blvd N

At any time during the term of this Contract, the City may add facilities in addition to those listed above. Additional municipal facilities added during the term of the Contract shall also be provided collection, including new facilities developed within the City Service Area, as well as municipal facilities in future annexation areas covered by this Contract. If the aggregate applicable rate charge that corresponds with the services provided to all municipal facilities under this agreement at any time exceeds by more than 10% the aggregate applicable rate charge corresponding with the services required for the facilities identified above (each calculated at then-applicable rates), then Contractor shall be entitled to recover the aggregate applicable rate charge for such additional services (calculated at then-applicable rates).

In cases in which Garbage, Recyclables, or Compostables are generated through the performance by third parties of services for the City outside of the normal operation of a municipal facility, Contractor may charge for the collection of such materials in accordance with charges listed in Exhibit B. For example, the City could be required by Contractor to pay for the disposal of debris generated by the replacement of the roof of a City facility. Regular Garbage, Recyclables, and Compostables generated on an ongoing basis

at all City facilities in the ordinary course of their operations, however, whether generated by staff or third parties (e.g. janitorial contractor) will be collected by the Contractor without charge to the City. Occupants or tenants of a municipal facility, other than those who operate the facility as a City contractor of municipal services may be charged by Contractor in accordance with this Contract for the collection from them of associated Garbage, Recyclables, and Compostables.

The Contractor shall provide, at contractor's expense, secure on-site paper shredding as follows:

- (1) every-other-weekly service for up to two (2) 64-gallon carts at City Hall;
- (2) monthly service for one (1) 64-gallon cart at public works offices;
- (3) monthly service for one (1) 64-gallon cart at community and economic development offices; and
- (4) four (4) hours of service at an annual community shredding event to be coordinated with the City. North Bend residents will be allowed to bring up to two (2) banker-boxes of paper for on-site shredding during the scheduled time.

The Contractor shall provide support to the City for up to two (2) clean-up events each calendar year to support City code enforcement compliance ("Code Enforcement Clean-Up Events"). At each Code Enforcement Clean-Up Event, the Contractor shall provide a forty (40) yard Drop-box Container (or other size approved by the City) without charge to the City. Contractor shall waive delivery, rental, disposal, and other fees for the first two (2) Code Enforcement Clean-Up Events each year. Contractor shall charge City the then applicable rate for services in excess of the foregoing services. All Source-separated materials shall be properly recycled or composted by the Contractor.

4.2.11 Community Events

The Contractor shall provide Drop-box Containers, hauling, and composting for two (2) spring and one (1) fall Yard Waste events each year at the Contractor's expense. The Contractor shall provide up to two (2) Drop-box Containers at each of these Yard Debris events and shall remove the Containers no later than noon the following Monday. If the City elects to provide additional Yard Debris collection events, the Contractor shall provide Containers at no charge and the City shall compensate Contractor for hauling and composting. The site will be monitored by City staff. The Contractor shall offer a similar service for scrap metal (to include all metal scrap including appliances, car parts, barbeques, prepared lawn mowers, and similar items as mutually agreed upon between the Contractor and the City) at a designated location once each year.

The Contractor shall support one drop-off Garbage collection events scheduled each year for City residents (proof of residency required) in a location mutually agreed upon between Contractor and City within the Service Area. At each event, the Contractor shall provide up to three (3) Drop-box Containers and/or other suitable equipment for Garbage. The Contractor shall provide all equipment, transportation, and disposal fees at no additional charge to the City.

The Contractor shall provide Garbage, Recycling, and Compostables services for the City-sponsored special events identified below at no additional charge to the City or users. Container capacity shall be coordinated with event staff to ensure that sufficient Container capacity and collection frequency is provided by the Contractor.

- Beautification Days
- Downtown Block Party

- Festival at Mt Si
- Trick or Treat Street
- Holly Days

At any time during the term of this Contract, the City may add City-Sponsored Community Events in addition to those listed above, subject to the Contractor's verification that such additional services do not create a conflict of interest or violate any legal obligations, and provided that if the City adds more than one event every year, the Contractor shall charge City the then applicable rates for services provided for those additional events.

4.2.12 On-call Bulky Waste Collection

The Contractor shall provide on-call Bulky Waste collection to any Customer, including Multifamily and Commercial Customers.

On-call collection of Bulky Waste shall be provided by the Contractor to Customers by appointment for no more than the charge set forth in Exhibit B to this Contract, with collection occurring no later than five (5) business days after a Customer initial request.

Customers must place Bulky Waste at the regular Garbage collection location no more than twenty-four (24) hours prior to collection. The Contractor shall notify the Customer of the specific date that their item will be collected and the charge that will be made to their next bill.

The Contractor shall recycle all metal appliances, unless another arrangement is approved in writing by the City, and to make a reasonable effort to recycle all other materials collected.

The Contractor shall maintain a separate log listing service date, materials collected, Customer charges, weights, and whether the item was recycled or disposed. This log shall be provided to the City on a monthly basis in accordance with Section 4.3.5. On-call Bulky Waste collection must occur during the hours and days specified in Section 4.1.3, with the exception that Saturday collection is permissible if it is more convenient for Customers. The Contractor's crews shall make collections in an orderly, non-disruptive and quiet manner.

4.2.13 Excluded Services

This Contract does not include the collection or disposal of Unacceptable Waste.

4.3 Collection Support and Management

4.3.1 General Customer Service

The Contractor shall be responsible for providing all Customer Service functions, including, but not limited to:

1. Answering Customer phone calls and e-mail requests;

2. Requesting (at start of service) Customer's preference for notification of service changes via out-dialer calls, texts, or e-mails;
3. Informing Customers of current, new, and optional services and charges;
4. Handling Customer subscriptions and cancellations;
5. Receiving and resolving Customer complaints;
6. Dispatching Drop-box Containers, temporary Containers, and special collections;
7. Billing;
8. Maintaining and updating regularly as necessary a user-friendly internet website; and
9. Maintaining and updating regularly as necessary a user-friendly website compatible with mobile devices.
10. Complying with the City's Identity Theft Prevention Program requirements, as attached in Exhibit E.

These functions shall be provided at the Contractor's sole cost, with such costs included in Contractor charges set forth in Exhibit B.

4.3.2 Specific Customer Service Requirements

The Contractor shall maintain a service base for storing and/or maintaining collection vehicles within forty (40) miles of the Service Area. Operations and management staff shall be located at that site. Call center operations may be remotely provided, but shall be based within the United States of America. The Contractor's call center shall be open and available with Customer Service representatives during Call Center Hours. Customer calls shall be taken during Call Center Hours by a person, not by voicemail. Outside of Call Center Hours, the Contractor shall have an answering or voicemail service available to record messages from all incoming phone calls.

The Contractor shall maintain a twenty-four (24) hour emergency phone number for use by the City. The Contractor shall have a representative, or an answering service to contact such representative, available at such emergency phone number for City use during all hours, including normal Office Hours. Inability to reach the Contractor's staff via the emergency phone numbers shall be cause for performance fees in accordance with Section 6.1.2.

4.3.2.1 Customer Service Representative Staffing

During Call Center Hours, the Contractor shall maintain sufficient call center staff to answer and handle complaints and service requests from all Customers without delay. If incoming phone calls necessitate, the Contractor shall increase staffing levels as necessary to meet Customer Service demands. The Contractor shall provide and publicize a phone number capable of handling service-related text messages.

The Contractor shall maintain sufficient staffing to answer and handle complaints and service requests in a timely manner made by methods other than phone, including letters, e-mails, text messages, social media messages, or webpage messages. If staffing is deemed to be insufficient by the City to handle Customer complaints and service requests in a timely manner, the Contractor shall increase staffing levels to meet performance criteria.

The Contractor shall provide additional staffing during the transition and implementation period, and especially from six (6) weeks prior to the Date of Commencement of Service, through the end of the fourth

(4th) month after the Date of Commencement of Service, to ensure that sufficient staffing is available to minimize Customer waits and inconvenience. The Contractor shall receive no additional compensation for increased staffing levels during the transition and implementation period. Staffing levels during the transition and implementation period shall be subject to the City's prior review and approval.

4.3.2.2 City Customer Service

The Contractor shall maintain local staff that have management level authority to provide a point of contact during Office Hours for the majority of inquiries, requests, and coordination covering the full range of Contractor activities related to this Contract. Duties include, but are not limited to:

1. Assisting staff with promotion and outreach to Single-Family Residences, Multifamily, Commercial Customers, and special events;
2. Serving as an ombudsperson, providing quick resolution of Customer issues, complaints, and inquiries; and
3. Assisting the City with program development and design, research, response to inquiries, and troubleshooting issues.

A Contractor-designated service expert shall be accessible by staff to address emerging problems as needed, and shall return messages (phone, mobile messaging, or e-mail) within four (4) hours of the City's leaving or sending a message during Office Hours and by noon on the next business day if after Office Hours.

Should the Contractor fail to meet the City expectations for Customer Service as described herein, the Contractor shall be assessed performance fees in accordance with Section 6.1.

4.3.2.3 Service Recipient Complaints and Requests

The Contractor shall record all complaints and service requests, regardless of how received, including date, time, Customer's name and address, if the Customer is willing to give this information, method of transmittal, and nature, date and manner of resolution of the complaint or service request in a computerized daily log. Any phone calls received through the Contractor's non-Call Center Hours voicemail or answering service shall be recorded in the log no later than by the following business day. The Contractor shall make a conscientious effort to respond directly to the Customer and resolve all complaints within one (1) business day of the original phone call, letter, or electronic communication, and service requests within the times established throughout this Contract for various service requests. If a longer response time is necessary for complaints or requests, the reason for the delay shall be noted in the log, along with a description of the Contractor's efforts to resolve the complaint or request.

The Customer Service log shall be available for inspection by the City, or its designated representatives, during the Contractor's Office Hours, and shall be in a format approved by the City. The Contractor shall provide a copy of this log in an electronic format from the Microsoft Office suite (or other City-approved format) of software to the City with the monthly report.

4.3.2.4 Handling of Customer Calls

All incoming phone calls shall be answered promptly and courteously, with an average speed of answer of less than thirty (30) seconds. No phone calls shall be placed on hold for more than two (2) minutes per

occurrence, and on a monthly basis, no more than 10% of incoming phone calls shall be placed on hold for more than twenty (20) seconds. A Customer calling into the Customer Service phone lines and placed on hold shall hear messages that are applicable to services provided under this Contract and not misleading to Customers.

A Customer shall be able to talk directly with a Customer Service representative when calling the Contractor's Customer Service phone number during Call Center Hours without navigating an automated phone answering system that takes longer than sixty (60) seconds to navigate. An automated voicemail service or phone answering system may be used when outside of Call Center Hours. Customer Service representatives shall provide accurate and applicable information, and shall not provide confusing, inaccurate, or misleading information.

4.3.2.5 Corrective Measures

Upon the receipt of Customer complaints in regard to busy signals or excessive delays in answering the phone, the City may request the Contractor submit a plan to the City for correcting the problem. Once the City has approved the plan, the Contractor shall have sixty (60) Days to implement the corrective measures, except during the transition and implementation period from thirty (30) Days prior to the Date of Commencement of Service, through the end of the fourth month after the Date of Commencement of Service, during which the Contractor shall have seven (7) Days to implement corrective measures. Reasonable corrective measures shall be implemented without additional compensation to the Contractor. Failure to provide corrective measures shall result in possible performance fees pursuant to Section 6.1 assessed against the Contractor.

4.3.2.6 Contractor Website

The Contractor shall maintain a mobile compatible website containing information specific to the City's collection programs, including the following information at a minimum:

1. Contact information, noting available hours for each contact method;
2. Collection schedules;
3. Current day of collection map;
4. Material preparation requirements;
5. Available services and options;
6. Rates and fees for all sectors and services;
7. Holiday scheduled and resulting delays in collections;
8. Inclement Weather service changes;
9. Current education and outreach materials;
10. Translation options available; and
11. Other relevant service information for its Customers.

The Contractor website shall provide the following functions for Customers to:

1. Obtain day-of-service information;
2. Report issues and receive a tracking number to monitor progress on their issue;
3. Chat/instant message with a Customer Service agent rather than talk if desired;
4. Connect to voice services for Customer Service;
5. Review and pay bills;
6. Manage services; and

7. Switch service levels or order additional services;

Electronic Customer Service requests shall be answered within one (1) business day of receipt.

The website design shall be usability tested and then submitted to the City for approval a minimum of three (3) months prior to the Date of Commencement of Service of this Contract, and then changes shall be subject to the City's prior approval throughout the term of this Contract. The Contractor shall provide among its local staff a knowledgeable and proficient communications manager that is responsive to the City's request(s) for changes to the Contractor's website. Changes requested by the City consisting of textual messages only shall be implemented within seventy-two (72) hours of the time of the request(s). Changes requested by the City, of a textual nature, that are related to an emergency or time-sensitive situation (such as an Inclement Weather event, windstorm, or event preventing access to a Customer's regular place of Container set-out) shall be implemented as soon as possible but not more than three (3) hours from of the time of request. Changes requested by the City that include a graphical component must be implemented within five (5) Days of the time of the request.

The Contractor shall provide timely updates to the website, and provide links to the City's website, checking on a regular basis that all links are current. The website shall include information requested by the City translated into up to three additional languages designated by the City. Upon the City's request, the Contractor shall provide a website utilization report indicating the usage and communication preferences.

The Contractor shall collect only the Customer information necessary to perform Contracted solid waste collection functions from websites, applications, and any other electronic media used by Customers. To the extent permitted by applicable law, any Customer data collected in the course of performing functions of this Contract shall be provided to the City upon request, but shall not be sold or otherwise provided to any other party.

4.3.2.7 Full Knowledge of Garbage, Recyclables, and Compostables Programs Required

The Contractor's Customer Service representatives shall be fully knowledgeable of all collection services available to Customers, including the various services available to Single-Family Residence, Multifamily and Commercial Customers. For new Customers, Customer Service representatives shall explain all Garbage, Recyclables, and Compostables collection options available depending on the sector the Customer is calling from. For existing Customers, the representatives shall explain new services and options, and resolve recycling issues, collection concerns, missed pickups, Container deliveries, disposal and recycling options for items not accepted by Contractor, and other Customer concerns. Customer Service representatives shall be trained to inform Customers of Garbage, Recyclables, and Compostables preparation specifications. City policy questions shall be forwarded to the City for response.

The Contractor's Customer Service representatives shall have instantaneous electronic access to Customer Service data and history to assist them in providing excellent Customer Service. The Contractor shall provide the City with internal Customer Service representative training and support information specific to the City to allow the City to review and check information provided to Customer Service representatives and, in turn, provided to Customers. Any revisions to these materials shall be approved in writing (e-mail is acceptable) by the City prior to being used by Customer Service representatives.

4.3.2.8 Customer Communications

All Customer communications (other than emergency announcements, routine service, and billing interactions with individual Customers) shall be reviewed and approved by the City before distribution. This includes messaging in out-dialer recorded messages, billing statements, bill inserts, e-newsletters, email marketing, City specific social media, website, mailed materials, printed materials, and other avenues of planned communications.

The City and Contractor recognize that Customer preferences for their method of communication may change during the Term of this Contract and agree to adjust Customer Service expectations to match Customer preferences. For example, if call traffic to the Contractor's phone-based call center reduces over time and is supplanted by an increase in texting, the Contractor shall shift staff resources accordingly to ensure high levels of Customer Service. The City and Contractor agree to review Contract requirements periodically and negotiate in good faith any desired improvements to the Contract service standards related to Customer Service delivery.

4.3.3 Contractor's Customer Billing Responsibilities

The Contractor shall be responsible for all billing functions related to the collection services required under this Contract. All Single-family Residence Customers shall be billed every-other-month or quarterly, and Multifamily and Commercial Customers shall be billed monthly. In no case shall a Customer's invoice be past due prior to the receipt of all services covered by the billing period. The Contractor's billing cycle parameters include, but are not limited to the service period, invoice date, due date, late fee date, reminder date(s), Container removal and stop-service date. The City reserves the right to review and provide feedback on the bill template used by the Contractor as to format and design to ensure Customer satisfaction. The Contractor shall evaluate and may incorporate the City's recommendations in good faith. Billing and accounting costs associated with Customer invoicing, including credit card fees, shall be borne by the Contractor, and are included in the service fees in Exhibit B. The Contractor may bill to Customers late payments and "non-sufficient funds" check charges, as well as the costs of bad debt collection, under policies and amounts that have been previously approved in writing by the City. The Contractor may stop service to delinquent accounts with the prior approval of the City.

The Contractor shall offer paperless billing, including an autopay/electronic notification function that allows Customer to set up autopay and receive an e-mail or text notification of the amount and draw date of the payment, without requiring the Customer to navigate to the Contractor's website to obtain that information.

The Contractor shall be responsible for the following:

1. Generating combined Garbage, Recyclables, and Compostables collection bills for all Customers;
2. Generating bills printed double-sided, on at least thirty percent (30%) post-consumer recycled-content paper;
3. Generating bills that include at a minimum a statement indicating the Customer's current service level, current charges and payments, appropriate taxes and fees, Customer Service contact information and website information;
4. Generating bills that clearly state the date at which late fees will be assessed for non-payment;
5. Generating bills that have sufficient space on the front or back of the bill for educational or informational messaging, as directed by the City;

6. Accepting automatic ongoing payments from Customers via debit or credit card, checking or savings account withdrawal, or by wire transfer. No transaction fees may be levied on any Customer payments;
7. Accepting, processing, and posting payment data each business day;
8. Accepting bill inserts from the City for specific Customer sectors;
9. Maintaining a system to monitor Customer subscription levels, record excess Garbage or Compostables collected, place an additional charge on the Customer's bill for the excess collection, and charge for additional services requested and delivered. This system shall maintain a Customer's historical account data for a period of not less than six (6) years from the end of the fiscal year in accordance with Washington State record retention laws and the City's record retention policy, whichever is greater. Data shall be kept in a manner that is instantaneously accessible to Customer Service representatives needing to refer to Customer Service data and history;
10. Accepting and responding to Customer requests for service level changes, missed or inadequate collection services, and additional services;
11. Collecting unpaid charges from Customers for collection services;
12. Implementing rate changes as specified in Section 5.3.; and
13. Applying the City's low-income senior and low-income disabled utility billing discount program to eligible Customer bills. The City shall provide the Contractor with a list of pre-screened eligible Customers and the Contractor shall apply the appropriate discount to the accounts of those Customers.

The Contractor shall be required to have procedures in place to backup and minimize the potential for the loss or damage of the account servicing (e.g., Customer Service, service levels, and billing history) database. The Contractor shall ensure that, at a minimum, a daily backup of the account servicing database is made and stored off-site. The Contractor shall also provide the City with a copy of the account servicing database (excluding Customer financial information such as credit card or bank account numbers) sorted by Customer sector via e-mail, FTP site or electronic media upon request. The City shall have unlimited rights to use such account servicing database for the purpose of developing targeted educational and outreach programs, analyzing service level shifts or rate impacts, and/or providing information to successor contractors.

Upon seven (7) Days written notice, the Contractor shall provide the City with a paper and/or electronic copy at the City's discretion of the requested Customer information and history, including but not limited to Customer names, service and mailing addresses, contact information, service levels, and current account status.

4.3.4 Mandatory Collection Ordinance

The Contractor shall assist the City with enforcing its mandatory collection ordinance through information in Contractor's materials, website, and customer service representatives. The Contractor shall provide a consistent message informing affected Customers of this requirement.

In the event the Contractor is made aware that a premises subject to mandatory collection is not subscribed for collection, the Contractor shall provide that premises the minimum service level for that Customer class and shall continue to provide service (even if not used) and shall have the right to bill and collect from the Customer for such service (even if not used).

The Contractor shall send Customers who are sixty (60) or more days past due a standard notification letter, including notification that an account will be turned over to a third party for collection and that the Customer shall be responsible for the past due amount as well as a thirty-five dollar (\$35.00) collection fee. The Contractor may then make arrangements for third party collection and/or lien the property for the debt. Once an account is turned over to third party collection, the Contractor may reduce the service level to the minimum service level for that Customer class. The Contractor shall be allowed to charge a redelivery fee should the Customer request to reinstate their higher level of service after paying all overdue balances. The redelivery fee in Exhibit B covers the redelivery of all Containers to Customers. Notwithstanding the foregoing or anything else in this Agreement, Contractor may discontinue service to any premises that is required to subscribe to service under the City's mandatory collection ordinance, has not opened an account with the Contractor, and whose bills are three (3) months or more past due.

4.3.5 Reporting

The Contractor shall provide monthly, annual, and ad hoc reports to the City. The Contractor report formats may be modified from time to time at the City's request at no additional charge to the City. In addition, the Contractor shall allow City access to pertinent operations information related to compliance with the obligations of this Contract, including but not limited to vehicle route assignment and maintenance logs, certified weight slips from Garbage, Recyclables, and/or Compostables facility, and Customer charges and payments.

Reports shall be focused on providing data in an easy-to-read fashion and must include sufficient information to determine that the terms of the Contract are being met, not general company promotion. Data shall be provided directly in the relevant report, preferably in Microsoft Excel form. Links to websites or company database functions do not fulfill the requirements of this section.

4.3.5.1 Monthly Reports

The Contractor shall provide a monthly report containing the following information for the previous month by the twenty-first (21st) Day of the following month. Reports shall be submitted in an electronic format approved by the City and shall be certified as accurate by the Contractor. At minimum, reports shall include a report for each of the following topics that is clearly labeled and identified by topic:

1. A log of all Customer complaints including Customer name, property name and address, date of contact, complaint, and resolution.
2. A tabulation of the number of Single-Family, Multifamily, and Commercial accounts by service level/Container size, and service frequency.
3. A list of Customer-initiated service stops logged the previous month that will include the Customer name, address, service level, phone number and the date of the service stop.
4. Report from the Contractor's Customer Service phone system showing total call volume, total calls answered, and average speed of answer.
5. Website utilization report showing total number of Customers managing their services on-line, total number of messages received via website, data on site usage, and other data or information as the City may require for internal reporting purposes.
6. A summary of total Garbage, Recyclables, and Compostables quantities collected (in tons) for each collection sector by month and year-to-date. Drop-box tonnage shall be separated out and shall include total number of hauls. The summary shall include program participation statistics

including: a summary of Multifamily and Commercial participation in recycling programs and set-out statistics for Residential Garbage, Compostables, and Recyclables collection Services. Where item counts are more appropriate for certain Recyclables or Bulky Wastes (e.g. appliances, etc.), reporting item counts are sufficient. The summary shall include the names of facilities used for all materials and tonnage delivered to each facility.

7. A summary of Recyclables quantities by commodity including contamination levels and processing residues disposed as Garbage, and notice of any significant changes in market value, if any.
8. A summary of the contamination reduction program including metrics for the tagging program.
9. A list of Commercial Customers with Recyclables collection, including monthly Garbage Container capacity and monthly Recyclables Container capacity.
10. Total billed revenue, aggregate Fixed Annual Charge component collected with Administrative Fee and excise tax on Administrative free removed, and the Fixed Annual Charge payments made to the County;
11. A description of any vehicle accidents, infractions, and reported leaks.
12. A description of any changes to collection routes, Containers, vehicles (including the identification of back-up vehicles not meeting contract standards with the truck number and date of use), Customer Service or other related activities affecting the provision of services.
13. A description of any promotion, education, and outreach efforts, including where possible, samples of materials, and summary of any feedback or response received from Customers.
14. A description of Contractor activities and tonnages for City services and events.

If collection vehicles are used to service more than one Customer sector, the Contractor shall develop an apportioning methodology that allows the accurate calculation and reporting of collection volumes and quantities from the different sectors. The apportioning methodology shall be subject to the prior review and written approval of the City, and shall be periodically verified through field-testing by the Contractor.

4.3.5.2 Annual Reports

On an annual basis, by the first working day of March, the Contractor shall provide a report containing the following information for the previous year:

1. A consolidated summary and tabulation of the monthly reports, described above.
2. A summary and discussion of the average per ton costs to sort and prepare commodities for sale (processing costs), not including consideration of revenues generated from commodity sales, and notice of any significant changes in processing costs, if any.
3. A discussion of highlights and other noteworthy experiences, along with measures taken to resolve problems, increase efficiency, and increase participation in, and volume of, Recyclables and Compostables collection programs.
4. A discussion of opportunities and challenges expected during the current year, including steps being taken to take advantage of opportunities and resolve the challenges.
5. A discussion of promotion, education, and outreach efforts, and accomplishments for each sector.
6. An inventory of current collection vehicles and other major equipment, including model, year, make, serial or VIN number, assigned vehicle number, mileage (if vehicle), collection sector assigned to or used in, and maintenance history, including vehicle painting.
7. A list of Multifamily and Commercial Customers eligible for Recycling and Compostables collection service but not receiving one or both services.

8. A summary of the monthly logs of Customer requests, complaints, inquiries, site visits, and resolutions or results, as required in Section 4.3.5.1. The summary shall organize Customer requests, complaints, inquiries, and site visits by category (e.g., missed pickups, improper set-ups).
9. A sustainability report.

The annual report shall be specific to the City's operations, written in a format appropriate for contract management and shall not be a generalized listing of Contractor activities in the region or elsewhere.

4.3.5.3 Ad Hoc Reports

The City may request and receive from the Contractor up to six (6) ad hoc reports each year, at no additional charge to the City. These reports may include Customer Service database tabulations to identify specific service level or participation patterns or other similar information. Reports shall be provided in a City-defined format and with Microsoft software (or other City-approved software) compatibility within thirty (30) days of the request. These reports shall not require the Contractor to expend more than one hundred (100) staff hours per year to complete.

4.3.5.4 Other Reports

If requested by the City, the Contractor shall provide daily route information for all service sectors and collection streams for the purpose of evaluating potential collection system changes during the Contract Term.

4.3.6 Promotion and Education

The Contractor, at its own cost and at the direction of the City, shall have primary responsibility for developing, designing, executing, and distributing public promotion, education, and outreach programs. The Contractor shall also have primary responsibility for Customer recruitment, providing annual service-oriented information and outreach to Customers, distributing City-developed promotional and educational pieces at the City's direction, and implementing ongoing recycling promotions, education, and outreach programs at the direction of the City.

Each year, the Contractor shall deliver an annual comprehensive service guide to all Single-Family Residential, Multifamily, and Commercial Customers which shall include, at a minimum, information on the proper preparation and disposal of Garbage, Recyclables, and Compostables; City rates information; disposal options for difficult-to-recycle items and Hazardous Wastes; collection guidelines; contact information; applicable services from this Contract; translation resources; assistance available from the Contractor; and any other pertinent information. The default distribution shall be a paper copy delivered to the Customer, with a Customer option to receive the service guide electronically instead of a paper copy.

New Customers shall receive a welcome packet comprised of materials from the comprehensive service guide for their sector. Customers may choose electronic or mailed copy. Hard copy mailed welcome packets must be mailed within seven (7) days.

Each September, the City and Contractor shall jointly plan the Contractor's specific promotion and education program for the following year, including adjustments in materials and/or targeted audiences and revisions to the Contractor's contamination reduction program (Section 4.1.11.1). Promotion and education materials may include inserts in Garbage bills, newsletters, e-newsletters, email blasts, social media posts, website content, cart hangers/tags, door hangers, postcards, interior posters, exterior signs, and other avenues directed by the City. The City may elect to assist the Contractor with development of promotional material layout and text, as staff time allows, however the Contractor shall be responsible for all design and development work, subject to City approval.

The Contractor shall provide translations of the proper preparation and disposal of Garbage, Recyclables, and Compostables into up to three additional languages designated by the City.

Promotion, education and outreach materials shall be clear, accurate, reflective of the Contract and industry, contain professional visual graphics, be free of misleading information or typographical errors, and include translation information. All promotion and education materials provided to Customers by the Contractor shall be approved in advance by the City. The Contractor shall provide the City with a minimum of a one (1) week advance review period for City specific social media posts, email blasts, and electronic promotion, and minimum of a two (2) week advance review period for all printed materials. All edits and design changes shall be completed at Contractor's expense.

All printed materials shall be printed on minimum thirty percent (30%) post-consumer recycled paper and have sufficient copies to fulfill requests from Customers and the City. Electronic copies of materials shall be provided to the City and posted on the Contractor's website with file size not to exceed 2 MB each.

The Contractor shall attend a minimum of two community events per year in the Service Area to provide an educational booth for event attendees. Events shall be selected in coordination with the City and may include City-sponsored events/festivals, farmers markets, block parties, or other community gatherings.

The Contractor shall maintain a complete list of all Multifamily sites within the City Service Area, and the status of each site's participation in Contractor-provided services. The Contractor shall contact the manager or owner of all Multifamily sites within the Service Area by phone and/or in-person visits to encourage Recycling and Composting participation, address concerns, space or contamination problems, provide outreach to residents, and inform the manager or owner of all available Recycling and Composting services and ways to decrease Garbage generation. The Contractor shall provide copies of educational materials, including translated versions, and reusable tote bags for each resident upon request of the City or the Multifamily manager or owner. The Contractor shall coordinate and work cooperatively with City staff and/or consultants hired to conduct outreach and education, and provide technical assistance.

4.3.7 Field Monitoring

The City may periodically monitor collection system parameters such as participation, Container condition, Container weights, waste composition and Customer satisfaction. The Contractor shall assist the City by coordinating the Contractor's operations with the City's field monitoring to minimize inconvenience to Customers, the City and the Contractor.

4.3.8 Transition to Next Contractor

The Contractor shall work with the City and any successive contractor in good faith to ensure minimal Customer disruption during the transition period from the City's previous contractor to the City's new Contractor.

In the event that the City does not elect to retain the Contractor's Containers pursuant to Section 4.1.14.3, the Contractor shall remove any Containers for all services or any portion of services provided under this Contract upon sixty (60) Days written notice from the City. Container removal and replacement shall be coordinated between the Contractor and a successive contractor to occur simultaneously to minimize Customer inconvenience.

Upon written request of the City at any time during the term of this Contract, the Contractor shall provide either the City or a successive contractor a detailed customer list, including customer name, contact information, service address, billing address, and collection and Container rental service levels to the City in Microsoft Excel format (or other City-approved format) within seven (7) Days of the City's request.

Failure to fully comply with this Section 4.3.6 shall result in the forfeiture of the Contractor's performance bond, at the City's discretion.

4.3.9 Customer Service Center and Store

The Contractor shall provide Customers with access to the Issaquah Customer Service center as long as the store is operated pursuant to the City of Issaquah's collection contract with the Contractor. The hours of operation and services to be provided to Customers at the Issaquah Customer Service shall be those that are set forth in the collection contract between the City of Issaquah and the Contractor.

5. COMPENSATION

5.1 Compensation to the Contractor

5.1.1 Rates

The Contractor shall be responsible for billing and collecting funds from Single-family Residence, Multifamily, and Commercial Customers in accordance with the charges for services listed in Exhibit B. The Contractor may reduce or waive at its option, but shall not exceed, the charges listed in Exhibit B. The payment of charges for services listed in Exhibit B by Customers shall comprise the entire compensation due to the Contractor.

The Contractor shall offer a low-income household/low-income senior citizen discount based on the qualification criteria and discounts consistent with other City utilities, and may be revised from time to time. The payment of charges for services listed in Exhibit B by Customers shall comprise the entire compensation due to the Contractor.

In the event that a Customer places Excluded Materials or Unacceptable Materials in a Container, and the Contractor collects those materials inadvertently and incurs extraordinary expenses dealing with those materials, the Contractor may charge the Customer the actual costs of managing those materials, as approved by the City, such approval to not be unreasonably withheld. Actual costs shall include additional

transportation, handling, and disposal costs incurred by the Contractor for handling only those specific materials traceable to that Customer.

The City is not required under this Contract to make any payments to the Contractor for the Services performed, or for any other reason, except as specifically described in this Contract, or for services the City obtains as a Customer.

In the event that Contractor or a Customer desires services not specifically addressed in this Contract, the Contractor shall propose service parameters and a rate to the City in writing, based on an adjacent Contractor WUTC tariff if the Contractor operates in such an area or an average of surrounding WUTC tariffs within the Puget Sound region if the Contractor does not operate in an adjacent WUTC tariff area. Upon the City's written approval, the Contractor may provide the requested services. In no case shall the Contractor provide unauthorized services or charge unauthorized rates.

5.1.2 Itemization on Invoices

All applicable City, County, and State solid waste or Hazardous Waste taxes or fees, utility taxes, the Fixed Annual Charge, and certain sales taxes shall be itemized separately on Customer invoices and added to the charges listed in Exhibit B. The City Administrative Fee shall be included in Exhibit B rates and shall not be itemized separately on Customer invoices.

The Contractor shall not charge separately for the collection of Source-separated Recycling collection.

Charges for excess Garbage or Compostables, Single-family, Multifamily and Commercial Compostables collection, Drop-box Container On-call collection services, On-call Bulky Waste collection services, Container rentals, or temporary Container services shall be itemized on the Customer invoices separately by the Contractor, and may at no time exceed the charges set forth in Exhibit B.

The County disposal fee as it exists on the date of execution or as thereafter modified shall be itemized separately on Customer invoices with charges for Drop-box Container service. The Contractor shall charge Drop-box Customers the actual disposal cost plus ten percent (10%) and the current state excise tax on the disposal component.

The Contractor shall not separately charge sales tax for services that include any Container as part of the overall service package. Only Services that separate and itemize optional Container rental (specifically Drop-box Container rental) shall have sales tax charged and listed on Customer invoices. The Contractor shall pay appropriate sales tax upon purchase of all equipment and Containers, and those costs are included in the rates provided in Exhibit B. In no case shall Customers be separately charged sales taxes paid by the Contractor on its equipment and Containers.

Except as otherwise expressly provided for by the Contract, the Contractor shall not adjust or modify rates due to employee wage increases, changes in Compostables processing fees (except as provided for in Section 5.3.2), Garbage collection service level shifts, or other changes affecting the collection system.

5.1.3 Discontinuing Service for Nonpayment

The Contractor may use any legal means, including appropriate lien rights, to enforce Customer payment obligations and may discontinue service and recover Containers from non-paying Customers provided that such Customers are provided with ten (10) days prior written notice that service will be discontinued for non-payment. Non-paying Customers shall continue to be billed for the minimum level of service for their Customer type pursuant to the City's mandatory collection ordinance.

The Contractor may charge a one-time cart redelivery fee listed in Exhibit B to Customers who want to restart service who have previously had their service terminated for nonpayment and had carts removed. The cart redelivery fee shall be applied as a flat charge, regardless of the number of carts delivered (e.g. Garbage, Recyclables and Compostables).

5.2 Compensation to the City

The Contractor shall pay to the City a one-time fee of thirty-six thousand dollars (\$36,000) upon Contract execution to cover City costs for procuring this Contract.

The Contractor shall also pay to the City an Administrative Fee of on or before the fifteenth (15th) day of each month during the term of this Contract, starting the month following the initiation of the fee. The Administrative Fee shall be seven and one half percent (7.5%) of the gross receipts received by the Contractor from all Customers under this Agreement, excluding Drop-box Container disposal fees. The Contractor's obligations to pay the Administrative Fee shall survive the termination date of this Contract until the Contractor is no longer receiving payments from Customers for services provided under this Contract.

The Contractor shall fully participate with any City billing audit to confirm the Contractor's Customer receipts during any accounting period during the term of the Contract. The audit shall be confined to confirming Customer billing rates, Contractor receipts for services provided under this Contract and bad debt recovery.

The City may implement or change the Administrative Fee level in any year, provided that the change is synchronized with the annual Contractor rate modification described in Section 5.3.1. The City shall notify the Contractor of the new Administrative Fee for the following year by September 1st, and the Contractor shall itemize and include the appropriate adjustment in its Rate Adjustment Statement provided October 1st of each year. If the Administrative Fee is adjusted, either up or down, the Contractor shall add or subtract an amount equivalent to the State excise tax (1.75% in 2023), as may be adjusted from time to time by the State.

In addition, the Contractor shall be responsible for payment of all applicable permits, licenses, fees, and taxes as described in Section 8.10, Permits and Licenses.

5.3 Compensation Adjustments

5.3.1 Annual CPI Service Component Modification

The collection fee component of the Contractor's service fees contained in Exhibit B, and the miscellaneous fees and charges contained in Exhibit B that do not have separate disposal fee components, for each level of service shall increase each year by one hundred percent (100%) of the annual percentage

change in the Consumer Price Index (CPI) for Seattle-Tacoma-Bellevue, Urban Wage Earners and Clerical Workers, All items, Series ID: CWURS49DSA0 (1982-84=100) prepared by the United States Department of Labor, Bureau of Labor Statistics, or a replacement index. Adjustments shall be based on the twelve (12) month period ending June 30th of the previous year that the request for increase is made. For example, an adjustment to the Contractor's collection service charge effective January 1, 2025, will be based on the CPI for the twelve (12) month period ending June 30, 2024.

An initial inflation adjustment of the Exhibit B rates shall be performed, based on the twelve (12) month period ending June 30, 2023. The adjusted rates shall be in effect from the Date of Commencement of Service through December 31, 2024. The rate modification notification to Customers shall be provided in informational materials provided as part of the new Contract roll-out.

Beginning January 1, 2025, the Contractor's collection fee component shall be adjusted annually pursuant to this section. The Contractor shall submit in writing and electronic form to the City for review and verification a Rate Adjustment Statement, calculating the new rates for the next year, on or by October 1st of each year, starting October 1, 2024.

If the CPI index series decreases year-to-year, the collection fee component and miscellaneous fees and charges shall remain unchanged. In the event that the CPI index series increases over five percent (5%) year-to-year, the actual adjustment used shall be capped at five percent (5%). Whether a cap or a floor is applied in a given year under this paragraph shall have no effect on the following year's CPI adjustment.

Adjustments under this Section 5.3.1 shall be made in units of one cent (\$0.01). Fractions less than one cent (\$0.01) shall be truncated and not be considered when making adjustments.

If the Contractor does not submit a Rate Adjustment Statement by October 1st, the City shall calculate and unilaterally implement a rate adjustment based on the best available information as of October 1st of that year for the applicable period and the Contractor may not appeal this action. On the City's review and verification, absent any City exception to the Contractor's calculations, the new rates shall take effect on January 1st of the following year. An example of rate adjustments due to Consumer Price Index changes is provided in Exhibit D.

5.3.2 Changes in Disposal Fees and Fixed Annual Charge

Adjustments shall be made to the Tipping Fee component and Fixed Annual Charge component of Customer charges contained in Exhibit B to reflect increases or decreases in the Tipping Fee or Fixed Annual Charge charged by County to the Contractor.

In the event of a change in the Tipping Fees, the Tipping Fee component of each Customer charge shall be adjusted by the percentage increase or decrease in the County Tipping Fee.

The amount of each year's Fixed Annual Charge is anticipated to be adjusted by the County on an annual basis and to be provided by the County to the City and Contractor no later than September 1st of the year preceding in which the Fixed Annual Charge is to take effect. As of the Date of Execution, the Fixed Annual Charge has not yet been provided by the County. Upon receipt of the Fixed Annual Charge amount from the County, Exhibit B shall be amended to reflect the applicable Fixed Annual Charge applicable to each level of service and such amendment shall not require any further approval by City, however City may

review the Contractor's calculation for accuracy. The City's Administrative Fee plus excise tax on the Administrative Fee shall be added to the Fixed Annual Charge component of the rate annually. The aggregate value of the Fixed Annual Charge component to be included in Customer rates each year shall be calculated to be the forecasted amount equal to the Fixed Annual Charge assessed on the Contractor by County modified by any overpayment or underpayment calculated, plus the applicable Administrative Fee and excise tax on Administrative Fee. The overpayment or underpayment shall be calculated from the differential between the aggregate Fixed Annual Charge component collected in the previous year that is available to Contractor to pay the Fixed Annual Charge to the County (amount received by the Contractor from Customer receipts with the Administrative Fee plus excise tax on the Administrative Fee deducted from that amount) and the County Fixed Annual Charge paid by Contractor to the County during that same time period.

The Fixed Annual Charge component of the Customer charges shall be applied to all regular Garbage services and Garbage Drop-Box services, but shall not apply to Bulky Waste, Extra Units, temporary Detachable Container, Recyclables, or Compostables services. This component shall be calculated annually as a proportion of monthly Container volume for the current Container counts.

In the final year of the Contract, the Fixed Annual Charge component included in Customer charges shall be increased by a percentage to be mutually determined by the Contractor and the City over and above what is required to be collected by Contractor to satisfy payment of the County's Fixed Annual Charge in order to avoid underpayment by Customers of an amount equal to at least the Fixed Annual Charge assessed on Contractor plus the applicable Administrative Fee and excise tax on the Administrative Fee. Any overpayment by Customers to Contractor of the Fixed Annual Charge component that exceeds amounts required to be paid by Contractor to satisfy its payment obligations of the Fixed Annual Charge, Administrative Fee, and excise tax on Administrative Fee at the end of the Contract shall be paid to the City.

The Contractor's obligation to pay the Fixed Annual Charge components collected from Customers shall extend past the termination date of this Contract until the Contractor is no longer receiving payments from Customers for services provided under this Contract.

In the event that Compostable processing fees that the Contractor pays a third party increase substantially more than the escalation factor described in Section 5.3.1 due to changes in law or regulation, the Contractor may submit to the City a request to consider a compensating rate adjustment for the amount of the impact above the normal inflationary adjustment. Any request shall be made in conjunction with the annual rate process. The City shall review the request promptly and may, at its sole discretion, allow the Contractor to increase rates by an amount specified by the City to compensate for increased Compostables processing costs.

5.3.3 Changes in Disposal or Compostables Processing Sites

If the Contractor is required by the City or other governmental authority to use Garbage disposal or Compostables processing sites other than those being used at the initiation of this Contract, the Contractor shall submit a detailed proposal for the adjustment of the rates to reflect any additional cost or savings to the Contractor. It is intended that the Contractor's rates pursuant to this Contract in such a case will be adjusted so as to pass through any resulting additional costs incurred by the Contractor to the Contractor or any additional savings to the Contractor to the City. The City and Contractor agree to

negotiate in good faith to make any changes to the rates to accomplish a pass-through of any such costs or savings.

If the Contractor is no longer be able to find a processing site for all collected Compostables, after a good faith effort to locate a processing facility acceptable to the City, the City reserves the right to drop the collection of affected components of Compostables, such as Food Scraps, from the Contract and the City and the Contractor shall negotiate rate reduction in good faith to reflect the reduction in service. If the Contractor is subsequently able to find a processing site for Compostables or the site that was originally used for processing Compostables is able to resume taking the dropped materials, the City reserves the right to reinstate the collection of those affected materials and to reverse the previously agreed rate reduction for the reduction in service. The City may consider the Contractor's request for an adjustment to the original rates with the reinstatement of affected materials if using a different processing facility provided the Contractor submit a detailed proposal for the adjustment rates to reflect any additional cost or savings to the Contractor.

5.3.4 Recycling Commodity Value

The City and Contractor agree that the Contractor rates in Exhibit B include all Recyclables processing and marketing costs, including processing residual disposal. The Contractor shall retain revenues gained from the sale of Recyclables. Likewise, a tipping or acceptance fee charged for Recyclables shall be the financial responsibility of the Contractor.

5.3.5 New or Changes in Existing Taxes

If new municipal, county, regional, or State taxes or fees are imposed, the rates of existing taxes (other than federal taxes) or fees are changed, or new road or bridge tolls necessarily affecting the Contractor's operations under this Contract imposed after the Date of Execution of this Contract, and the impact of these changes results in increased or decreased Contractor costs in excess of five thousand dollars (\$5,000) in the aggregate annually, the Contractor shall submit a detailed proposal for the adjustment of the rates to reflect any additional costs or savings to the Contractor. It is intended that the Contractor's rates pursuant to this Contract in such a case be adjusted so as to pass through any resulting additional costs incurred by the Contractor to the Contractor or any savings realized to the Contractor to the City. The Contractor and City shall enter into good faith negotiations to determine whether compensation adjustments are appropriate for the amount exceeding the five thousand dollar (\$5,000) aggregated threshold (in cases in which the threshold applies) and if so, to determine the amount and the method of adjustment.

5.3.6 Changes in Service Provision

In the event that the Contractor initiates any changes in how Contract services are provided that reduce Contractor costs and cause adverse Customer impacts in the opinion of the City, the Contractor shall promptly notify the City in writing of such reduced costs, and rates shall be reduced within thirty (30) Days of the subject change so that the City and the Contractor's Customers shall receive the benefit of fifty percent (50%) of the cost savings. Contractor changes in how Contract services are provided that do not adversely affect Customers shall not affect Customer rates.

5.4 Change in Law

The City may consider an adjustment to rates as a result of changes in federal, state, or local laws or regulations not addressed otherwise in this Contract that affect the Contractor's cost in excess of five thousand dollars (\$5,000) in the aggregate annually. The Contractor shall submit a detailed proposal for the adjustment of the rates to reflect any additional costs or savings to the Contractor. It is intended that the Contractor's rates pursuant to this Contract in such a case be adjusted so as to pass through any resulting additional costs incurred by the Contractor to the Contractor or any savings realized to the Contractor to the Customers or City. The Contractor and City shall enter into good faith negotiations to determine whether compensation adjustments are appropriate for the amount exceeding the five thousand dollar (\$5,000) aggregated threshold (in cases in which the threshold applies) and if so, to determine the amount and the method of adjustment.

6. FAILURE TO PERFORM, REMEDIES, TERMINATION

The City expects high levels of Customer Service and collection service provision. Performance failures shall be discouraged, to the extent possible, through specific performance fees for certain infractions and through Contract default for more serious lapses in service provision. Section 6.1 details infractions subject to performance fees and Section 6.2 details default provisions and procedures.

6.1 Performance Fees

The City reserves the right to make periodic, unscheduled inspection visits to determine the Contractor's compliance with the provisions and requirements of this Contract. In the event that the City's inspection reveals that the Contractor has failed to satisfactorily perform any duties of this Contract, the City shall present an incident report to the Contractor detailing such unsatisfactory performance. The Contractor and the City agree that upon receiving such report, the Contractor shall pay the following dollar amounts, not as a penalty, but as performance fees for failure to satisfactorily perform its duties under this Contract. The City and the Contractor agree that the City's damages would be difficult to calculate in any litigation and that these dollar amounts are a reasonable estimate of the damages sustained by the City as a result of the Contractor's failure to satisfactorily perform its duties under this Contract. The performance fees in this Section 6.1 shall not apply to the service impacts of Labor Disruptions, as separate performance fees shall apply under those circumstances, as described in Section 4.2.18.

Performance fees shall include:

	Action or Omission	Performance Fees
1	Collection before or after the times specified in Section 4.1.3, except as expressly permitted in writing.	Five hundred dollars (\$500) per incident (each vehicle on each route is a separate incident).
2	Repetition of complaints on a route after notification, including, but not limited to, failure to replace Containers in designated locations, spilling, not closing gates, not replacing lids, crossing planted areas, or similar violations.	One hundred dollars (\$100) per incident (per Customer site), not to exceed five hundred dollars (\$500) per vehicle per Day.
3	Failure to initiate clean-up or collect leaked or spilled materials and/or failure to notify the City within three (3) hours of Contractor knowledge of such release.	The cost of cleanup to the City, plus five hundred dollars (\$500) per incident.

Action or Omission		Performance Fees
4	City observed leakage or spillage from Contractor vehicles or of vehicle contents.	Five hundred dollars (\$500) per vehicle, per inspection, plus clean-up costs (and potential code fines/penalties).
5	Failure to replace a leaking Container within one (1) collection day of notification.	One hundred dollars (\$100) per incident, and then one hundred dollars (\$100) per Day that the Container is not replaced.
6	Failure to collect missed materials within one (1) collection day of notification.	One hundred dollars (\$100) per incident to a maximum of five hundred dollars (\$500) per vehicle per Day.
7	Missed collection of a block segment of Single-Family Residences (excluding collections prevented by Inclement Weather, but not excluding collections prevented by inoperable vehicles). A block segment is defined as one side of a street, between cross-streets, not to exceed fifty (50) houses.	Two hundred fifty dollars (\$250) per block segment if collection is performed the following day; one thousand dollars (\$1,000) if not collected by the following Day.
8	Collection as Garbage of non-contaminated Source-separated Recyclables, Yard Debris, or Compostables in clearly identified Containers, Carts, bags, or boxes.	One thousand dollars (\$1,000) per incident.
9	Rejection of Garbage, Recyclables, or Compostables without providing documentation to the Customer of the reason for rejection.	One hundred dollars (\$100) per incident.
10	Failure to deliver or remove Containers within three (3) business days of request to Multifamily or Commercial Customers requesting service after the Date of Commencement of Service.	One hundred dollars (\$100) per incident.
11	Failure to deliver or remove Garbage, Recyclables, or Compostables Containers within seven (7) Days of request to Single-Family Residence Customers requesting service after the Date of Commencement of Service.	One hundred dollars (\$100) per incident.
12	Misrepresentation by Contractors in records or reporting.	Five thousand dollars (\$5,000) per incident.
13	Failure to provide the required annual or monthly reports on time.	Five hundred dollars (\$500) per Day past deadline.
14	Failure to maintain clean, sanitary, properly painted, and properly labeled Containers.	Fifty dollars (\$50) per incident, up to maximum of one thousand dollars (\$1,000) per inspection.

Action or Omission		Performance Fees
15	Failure to maintain Contract-compliant vehicles.	Two Hundred and fifty dollars (\$250) per incident, up to maximum of two thousand five hundred dollars (\$2,500) per inspection.
16	Failure to meet Customer Service answer and on-hold time performance requirements.	Two hundred and fifty hundred dollars (\$250) per Day.
17	Failure to meet the service and performance standards listed in Section 4.3.2 of this Contract, outside of the Customer service answer and on-hold time, for a period of two (2) consecutive months.	Five hundred dollars (\$500) per Day until the service standards listed in Section 4.3.2 are met for eight (8) consecutive collection days.
18	Failure to ensure that all Customers have Contract-compliant Garbage, Recyclables, and Compostables Containers on or before the Date of Commencement of Service.	Five thousand dollars (\$5,000) per day, plus twenty-five dollars (\$25) per Container for each incident occurring after the Date of Commencement of Service.
19	Failure to include City-authorized instructional/promotional materials when Garbage, Recycling, and/or Compostables Containers are delivered to Single-Family Residences, or failure to affix required City-authorized labels on Containers.	One hundred dollars (\$100) per incident.
20	Failure to separate collection of Recyclables materials from Service Area Customers from non-Service Area customers.	Five thousand dollars (\$5,000) per route per day.
21	Failure to properly use an authorized switchable placard or nameplates as described in Section 4.1.13.	One hundred dollars (\$100) per placard per vehicle per Day.
22	Inability to reach the Contractor's staff via the emergency phone number.	Two hundred-fifty dollars (\$250) per incident.
23	The use of outdated, or unauthorized labels, or lack of required labels on Contractor-provided Containers.	One hundred dollars (\$100) per Container.
24	Failure to have correct rates for all Customer sectors and service levels listed on the Contractor's website.	Two hundred-fifty dollars (\$250) per Day.

Nothing in this Section shall be construed as providing an exclusive list of the acts or omissions of the Contractor that shall be considered violations or breaches of the Contract, and the City reserves the right to exercise any and all remedies it may have with respect to these and other violations and breaches. The performance fees schedule set forth here shall not affect the City's ability to terminate this Contract as described in Section 6.2.

Performance fees, if assessed during a given month, shall be invoiced in writing by the City to the Contractor. The Contractor shall be required to pay the City the invoiced amount within thirty (30) Days of billing. Failure to pay performance fees shall be considered a breach of this Contract and shall accrue penalty charges of eight percent (8%) per month of the amount of any delinquent payments.

Any performance fees assessed against the Contractor may be appealed by the Contractor in writing to the City within ten (10) Days of being invoiced for assessed performance fees. The Contractor shall be

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allowed to present evidence as to why the amount of the assessed performance fees should be lessened or eliminated, including the provision of incorrect information provided by a previous contractor for contract failures during the initial transition period. The City's decision shall be final and not subject to appeal.

6.2 Contract Default

The Contractor shall be in default of this Contract if it violates any material provision of this Contract. In addition, the Contractor shall be in default of the Contract should any of the following occur, including, but not limited to:

1. The Contractor fails to commence the collection of Garbage, Recyclables, or Compostables, or fails to provide any portion of service under the Contract on the Date of Commencement of Service, or for a period of more than five (5) consecutive Days at any time during the term of this Contract, except as provided pursuant to Section 4.1.18 or Section 8.15;
2. The Contractor fails to obtain and maintain any permit, certification, authorization, or license required by the City, County, or any federal, state, or other regulatory body in order to collect materials under this Contract, or comply with any environmental standards and regulations;
3. The Contractor's noncompliance creates a hazard to public health or safety or the environment;
4. The Contractor disposes of uncontaminated Source-separated Recyclables or Compostables collected from clearly identified Containers, bags, or boxes in a landfill or incinerated at an incinerator or energy recovery facility, without the prior written permission of the City;
5. The Contractor fails to make any required payment to the City, as specified in this Contract;
6. The Contractor is assessed performance fees pursuant to Section 6.1 in excess of fifteen thousand dollars (\$15,000) during any consecutive six (6) month period; or
7. The Contractor fails to resume full service to Customers within twenty-one (21) Days following the initiation of a labor disruption pursuant to Section 4.1.18.

The City reserves the right to pursue any remedy available at law or in equity for any default by the Contractor. In the event of default, the City shall give the Contractor ten (10) Days prior written notice of its intent to exercise its rights, stating the reasons for such action. However, if an emergency shall arise (including but not limited to a hazard to public health or safety or the environment) that does not allow ten (10) Days prior written notice, the City shall promptly notify the Contractor of its intent to exercise its rights. If the Contractor cures the stated reason within the stated period, or initiates efforts satisfactory to the City to remedy the stated reason and the efforts continue in good faith, the City may opt to not exercise its rights for the particular incident. If the Contractor fails to cure the stated reason within the stated period, or does not undertake efforts satisfactory to the City to remedy the stated reason, then the City may at its option terminate this Contract effective immediately.

If Contractor abandons or violates any material provision of this Contract, fails to fully and promptly comply with all its obligations, or fails to give any reason satisfactory to the City for noncompliance, and

fails to correct the same, the City, after the initial ten (10) Days' notice, may then declare the Contractor to be in default of this Contract and notify the Contractor of the termination of this Contract. A copy of said notice shall be sent to the Contractor and surety on the Contractor's performance bond. Upon receipt of such notice, the Contractor agrees that it shall promptly discontinue the services provided under this Contract. The surety of the Contractor's performance bond may, at its option, within ten (10) Days from such written notice, assume the services provided under this Contract that the City has ordered discontinued and proceed to perform same, at its sole cost and expense, in compliance with the terms and conditions of the Contract, and all documents incorporated herein.

In the event that the surety on the Contractor's performance bond fails to exercise its option within the ten (10) day period, the City may complete the Services provided under this Contract or any part thereof, either through contract with another party or any other means.

The City shall be entitled to recover from Contractor and the surety on Contractor's performance bond as damages all expenses incurred, including reasonable attorneys' fees, together with all such additional sums as may be necessary to complete the services provided under this Contract, together with any further damages sustained or to be sustained by the City. A surety performing under this Contract shall be entitled to payment in accordance with this Contract for Contract services provided by the surety, and shall otherwise be subject to the same rights and obligations with respect to the Contract services furnished by the surety as would be applicable if the Contract services were to be performed by the Contractor. The City's obligation to pay for such Contract services shall be subject to satisfactory performance by the surety as well as to setoffs or recoupments for sums, if any, owed by Contractor to City on account of Contractor's abandonment or default.

If the City employees provide Garbage, Recyclables or Compostables collection, the actual incremental costs of City labor, overhead, and administration shall serve as the basis for a charge to the Contractor and the surety on the Contractor's performance bond.

7. NOTICES

Routine communications between the Contractor and the City's contract manager shall be conducted via e-mail unless otherwise required under this Contract. All notices referencing change of ownership, penalties, rate requests, performance fees, or Contract default shall be e-mailed and provided in writing, personally served, or mailed (postage-prepaid and return receipt requested), addressed to the Parties as follows, or as amended by either Party, in writing, from time to time. The Contractor shall provide e-mail addresses for use by the City when sending notices of penalties, performance fees, or Contract default:

To City: City of North Bend Public Works Director
920 SE Cedar Falls Way
North Bend, WA 98045
(425) 888-7650

To Contractor: Recology King County
801 S Fidalgo St, Suite 100
Seattle, WA 98108

8. GENERAL TERMS

8.1 Collection Right

Throughout the Contract Term, the Contractor shall be the exclusive provider with which the City shall contract to collect Garbage, Compostables and Recyclables placed in designated Containers and set out in the regular collection locations within the City Service Area subject to this Contract. When asked by the Contractor, the City shall make a good faith effort to protect the exclusive rights of the Contractor under this Contract; however, the City shall not be obligated to instigate, join in or contribute to the expense of litigation to protect the exclusive rights of the Contractor unless the City's institution of or joinder in such litigation is necessary for the protection of such rights. The Contractor may independently enforce its rights under this Contract against third party violators, including, but not limited to, seeking injunctive relief, and the City shall use good faith efforts to cooperate in such enforcement actions brought by the Contractor (without obligating the City to join any such litigation, except for as provided in this paragraph). Such efforts may include but not be limited to cease and desist letters, assistance with documenting violations, and other activities as City staff time reasonably allows.

This Contract provision shall not apply to Garbage, Recyclables, or Compostables self-hauled by the generator; to Source-separated materials hauled by common or private carriers (including drop-off recycling sites); or to construction/demolition waste hauled by self-haulers or construction or demolition contractors in the normal course of their business.

The Contractor shall retain the right and cover all costs to dispose of or process and market the Garbage, Recyclables, and Compostables once these materials are placed in Contractor-provided or the City-owned Containers.

8.2 Access to Records

The Contractor shall maintain in its local office full and complete operations, Customer, financial, and Service records that at any reasonable time shall be open for inspection and copying for any reasonable purpose by the City. In addition, the Contractor shall, during the Contract term, and at least seven (7) years thereafter, maintain in an office within forty (40) miles of the Service Area for storing records pertaining to the Contract that are prepared in accordance with Generally Accepted Accounting Principles, reflecting the Contractor's Services provided under this Contract. Those Contractor's accounts shall include, but shall not be limited to, all records, invoices, and payments under the Contract, as adjusted for additional and deleted Services provided under this Contract. The City shall be allowed access to these records for audit and review purposes, subject to the same protections of the Contractor's financial or other proprietary information set forth in Section 5.3.

The Contractor shall make available copies of certified weight slips for Garbage, Recyclables, and Compostables on request within two (2) business days of the request. The weight slips may be requested for any period during the Term of this Contract.

8.3 Insurance

The Contractor shall procure and maintain, for the Term of the Contract, insurance that meets or exceeds the coverage set forth below, as determined in the sole reasonable discretion of the City. The cost of such insurance shall be paid by the Contractor.

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

8.3.1 Minimum Scope of Insurance

The Contractor shall obtain insurance that meets or exceeds the following of the types described below:

1. Automobile Liability insurance 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. If necessary, the policy shall be endorsed to provide contractual liability coverage. The policy shall include the ISO CA 9948 Form (or its equivalent) for transportation of cargo and a MCS 90 Form in the amount specified in the Motor Carrier Act. The policy shall include a waiver of subrogation in favor of the City. The City shall be named as an additional insured under the Contractor's Automobile Liability insurance policy.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01, or a substitute form providing equivalent liability coverage and shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal injury and advertising injury, and liability assumed under an insured contract. There shall be no endorsement or modification of the Commercial General Liability insurance for liability arising from explosion, collapse, or underground property damage. The City shall be named as an additional insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City, using ISO additional insured endorsements CG 2010 0704 and CG 2037 0704.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State.
4. Contractor's Pollution Liability insurance coverage covering any occurrence of bodily injury, personal injury, property damage, cleanup costs, and legal defense expenses applying to all work performed under the contract, including that related to transported cargo. The City shall be named as an additional insured under the Contractor's Pollution Liability insurance policy.

8.3.2 Minimum Amounts of Insurance

Contractor shall maintain at a minimum the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of five million dollars (\$5,000,000) for each accident. Limits may be achieved by a combination of primary and umbrella policies.
2. Commercial General Liability insurance shall be written with limits no less than five million dollars (\$5,000,000) for each occurrence, five million dollars (\$5,000,000) general aggregate, and a two

million dollar (\$2,000,000) products-completed operations aggregate limit. Limits may be achieved by a combination of primary and umbrella policies.

3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State.
4. Contractor's Pollution Liability insurance shall be written with limits no less than three million dollars (\$3,000,000) combined single limit for each pollution condition for bodily injury, personal injury, property damage, cleanup costs, and legal defense expense.

8.3.3 Other Insurance Provisions

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

1. The Contractor's insurance coverage shall be the primary insurance with respect to the operations being performed as a part of this contract, City, its officials, employees, and volunteers. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the Contractor's insurance and shall not contribute with it. The City, its officials, officers, employees, agents, and volunteers shall be named as additional insureds on the Contractor's Automobile Liability, Commercial General Liability, and Pollution Liability insurance policies, via blanket-form endorsement.
2. Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
3. Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be canceled except after Contractor endeavors to provide thirty (30) Days prior written notice has been given to the City. Such notice shall be sent directly to the City. If any insurance company refuses to provide the required notice, the Contractor or its insurance broker shall notify the City of any cancellation of any insurance immediately on receipt of insurers' notification to that effect.

8.3.4 Acceptability of Insurers

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

8.3.5 Verification of Coverage

The Contractor shall furnish the City Administrator and City Attorney with original certificates and a copy of the blanket-form amendatory endorsements as required herein, including, but not necessarily limited to, the additional insured endorsement, evidencing the insurance requirements of the Contractor at least thirty (30) Days before the Date of Commencement of Service of this Contract.

8.3.6 Subcontractors

Contractor will request all subcontractors performing work in connection with this Agreement to maintain the following minimum insurance: Workers' Compensation in accordance with applicable law or

regulation, Employer's Liability with limits of \$1,000,000, Commercial General Liability with limits of \$1,000,000 per occurrence and \$2,000,000 in the annual aggregate, and Automobile Liability insurance with limits of \$1,000,000.

8.4 Performance Bond

The Contractor shall provide and maintain at all times a valid Contractor's Performance and Payment Bond(s) in a form acceptable and approved by the City in the amount of seven hundred and fifty thousand dollars (\$750,000). The bond(s) shall be issued for a period of not less than one (1) year, and the Contractor shall provide new bond(s) to the City no less than sixty (60) Days prior to the expiration of the bond(s) then in effect. The City shall have the right to call the bond(s) in full in the event its renewal is not confirmed prior to five (5) Days before its expiration.

8.5 Indemnification

8.5.1 Indemnify and Hold Harmless

The Contractor shall indemnify, defend, protect, and hold harmless the City, its elected and appointed officials, officers, employees, representatives and agents, from any and all third party claims or suits, and any damages, costs, judgments, awards or liability resulting from such claims or suits, (a) for injury or death of any person or damage to property to the extent the same is caused by the actual or alleged negligent acts or omissions, or willful misconduct, of Contractor, its agents, servants, representatives, officers, or employees in the performance of this Contract and any rights granted hereunder, or b) to the extent such claim or demand is caused by Contractor's unlawful release of Hazardous Waste in violation of any Environmental Law in its performance of Services and exercise of any rights granted hereunder. This indemnity under subsection 8.5.1(b) includes each of the following to the extent the same is caused by Contractor's unlawful release of Hazardous Substances in violation of applicable Environmental Laws: (i) liability for a governmental agency's costs of removal or remedial action for such release by Contractor of Hazardous Waste; (ii) damages to natural resources caused by Contractor's release of Hazardous Waste, including reasonable costs of assessing such damages; (iii) liability for any other person's costs of responding to such release by Contractor of Hazardous Waste; and (iv) liability for any costs of investigation, abatement, correction, cleanup, fines, penalties, or other damages arising under any Environmental Laws that are caused by Contractor's release of Hazardous Waste. Provided, however, such indemnification shall not extend to any portion of any claims, demands, liability, loss, cost, damage or expense of any nature whatsoever including all costs and attorneys' fees caused by the willfully tortious, or negligent acts or omissions of the City, its agents, employees, official, officers, contractors or subcontractors.

8.5.2 Process

In the event any claim for such damages be presented to or filed with the City, the City shall promptly notify Contractor thereof, and Contractor shall have the right, at its election and at its sole cost and expense, to settle and compromise such claim. In the event any suit or action is filed against the City based upon any such claim or demand, the City shall likewise promptly notify Contractor thereof, and Contractor shall defend such claim at its sole cost and expense and with legal counsel agreed to by the City; provided, Contractor shall not settle any such suit or action without the express written agreement by the City. The indemnification obligations set forth herein shall extend to claims which are not reduced to a suit and any

claims which may be compromised, with Contractor's written consent, prior to the culmination of any litigation or the institution of any litigation. The City also has the right to defend or participate in the defense of any such claim at its own cost and expense, provided that Contractor shall not be liable for such settlement of other compromise unless it has consented thereto in writing.

The provisions contained herein have been mutually negotiated by the Parties. Solely to the extent required to enforce the indemnification provisions of this Section 8.5.1, Contractor waives its immunity under Title 51 RCW, Industrial Insurance; provided, however, the foregoing waiver shall not in any way preclude Contractor from raising such immunity as a defense against any claim brought against Contractor by any of its employees.

Inspection or acceptance by the City of any Services performed under this Contract shall not be grounds for avoidance of any of these covenants of indemnification. Said indemnification obligations shall extend to claims which are not reduced to a suit and any claims which may be compromised, with Contractor's prior written consent, prior to the culmination of any litigation or the institution of any litigation.

The provisions of this Section 8.5 shall survive the termination or expiration of this Contract.

8.6 Confidentiality of Information

Pursuant to the Washington Public Records Act ("PRA"), chapter 42.56 RCW, public records, as defined by the PRA may be subject to disclosure upon request by any person, unless the documents are exempt from public disclosure by a specific provision of law.

If the City receives a request for inspection or copying of any documents Contractor-provided documents that have been identified as confidential and proprietary, it shall promptly notify the Contractor in writing regarding the public records request. The City will give the Contractor ten (10) business days after such notification within which to obtain a court order prohibiting the release of the documents. The City assumes no contractual obligation to enforce any exemption under the PRA.

8.7 Assignment of Contract

8.7.1 Assignment or Pledge of Money by the Contractor

The Contractor shall not assign or pledge any of the money due under this Contract without securing the prior written approval of the surety of the Contractor's performance bond and providing at least thirty (30) day's prior written notice to the City of such assignment or pledge together with a copy of the surety's approval thereof. Such assignment or pledge, however, shall not release the Contractor or its sureties from any obligations or liabilities arising under or because of this Contract. The requirements of this section shall not apply to the grant of a general security interest in the Contractor's assets to secure the Contractor's obligations under any loan or credit facility entered into by the Contractor or the Contractor's parent.

8.7.2 Assignment, Subcontracting, and Delegation of Duties

The Contractor shall not assign or subcontract any of the services provided under this Contract or delegate any of its duties under this Contract without the prior written approval of the City, which may be granted

or withheld in the City's sole discretion.

In the event of an assignment, subcontracting, or delegation of duties, the Contractor shall remain responsible for the full and faithful performance of this Contract and the assignee, subcontractor, or other obligor shall also become responsible to the City for the satisfactory performance of the services to be provided under this Contract. The City may impose conditions of approval on any such assignment, subcontracting, or Change of Control, including but not limited to requiring the delivery by the assignee, subcontractor, or other obligor of its covenant to the City to fully and faithfully complete the services to be provided under this Contract or responsibilities undertaken. In addition, the assignee, subcontractor, or obligor shall sign a separate statement agreeing to abide by all terms and conditions of this Contract. The City may terminate this Contract if the assignee, subcontractor, or obligor does not comply with this clause.

For the purposes of this Contract, any Change of Control of the Contractor shall be considered an assignment subject to the requirements of this section. Nothing herein shall preclude the City from executing a novation, allowing the new ownership to assume the rights and duties of the Contract and releasing the previous ownership of all obligations and liability.

8.7.3 Change of Trade Name

In the event the Contractor wishes to change the trade name under which it does business under this Contract, the Contractor shall provide the name, logo, and colors under which it will be doing business in writing to the City at least thirty (30) Days prior to the effective date of its change of trade name. Within a reasonable period following a change of trade name by the Contractor, all items, logos, articles, and implements seen by the public shall be changed, including but not limited to letterhead, signs, promotional materials, website pages, billing statements, envelopes, Container decals, and other items. Vehicles are the only exception; vehicles must be repainted with new trade name, and any new logo or colors, within two (2) years of the effective date of the change of trade name. Failure to comply with the terms of this section shall result in performance fees assessed against the Contractor in accordance with Section 6.1.

8.8 Laws to Govern/Venue

This Contract shall be governed by the laws of the State both as to interpretation and performance. Venue shall be the County Superior Court.

8.9 Compliance with Applicable Laws and Regulations

The Contractor shall comply with all federal, State, and local regulations and ordinances applicable to the work to be done under this Contract. Any violation of the provisions of this section shall be considered a violation of a material provision of this Contract and shall be grounds for cancellation, termination, or suspension of the Contract by the City, and may result in ineligibility for further work for the City.

The Contractor agrees not to discriminate against any employee or applicant for employment or any other persons in the performance of this Contract because of race, religion, creed, color, national origin, marital status, gender, age, disability, sexual orientation, gender identity, or other circumstances as may be defined by federal, State, or local law or ordinance, except for a bona fide occupational qualification.

Without limiting the foregoing, Contractor agrees to comply with the provisions of the Affidavit of Equal Opportunity & Title VI Compliance requirements incorporated herein by this reference. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contractor setting forth the provisions of this nondiscrimination clause.

Conditions of the Federal Occupational Safety and Health Act of 1970 (OSHA), the Washington Industrial Safety and Health Act of 1973 (WISHA), and standards and regulations issued under these Acts from time-to-time must be complied with, including ergonomic and repetitive motion requirements. The Contractor must indemnify and hold harmless the City from all damages, injuries or losses assessed for the Contractor's failure to comply with the Acts and Standards issued therein. The Contractor is also responsible for meeting all federal, State, and local health and environmental regulations and standards applying to the operation of the collection and processing systems used in the performance of this Contract.

The Contractor is specifically directed to observe all weight-related laws and regulations in the performance of these services, including axle bridging and loading requirements.

8.10 Permits and Licenses

The Contractor and subcontractors shall secure a City business license and pay all fees and taxes levied by the City. The Contractor shall obtain all permits, certifications, authorizations, and licenses necessary to provide the services required herein prior to the Date of Execution of this Contract at its sole expense.

The Contractor shall be solely responsible for all taxes, fees, and charges incurred, including, but not limited to, license fees and all federal, State, regional, county, and local taxes and fees, including income taxes, property taxes, permit fees, operating fees, surcharges of any kind that apply to any and all persons, facilities, property, income, equipment, materials, supplies, or activities related to the Contractor's activities under the Contract, business and occupation taxes, workers' compensation, and unemployment benefits.

8.11 Relationship of Parties

The City and Contractor intend that an independent contractor relationship shall be created by this Contract. The implementation of services shall lie solely with the Contractor. No agent, employee, servant, or representative of the Contractor shall be deemed to be an employee, agent, servant, or representative of the City.

8.12 Contractor's Relationship with Customers

The Contractor shall not separately contract with Customers for any services covered under this Contract; however, the Contractor may negotiate separate agreements with Customers for the sole purpose of compactor leasing, payment for recyclables, or other related services only when not included in this Contract, provided that Customers are provided separate invoices for those services and that the Contractor makes it clear to Customers that those services are not provided under this Contract. These separate agreements must be in writing and shall in no way expressly or by application supersede this Contract. The Contractor agrees these separate agreements shall not contain durations any longer than the final date of this Contract's Term. The Contractor shall provide to the City a detailed list of all such

separate agreements with Customers upon the City's request. The City may, at its sole option, regulate similar or identical services in the successor to this contract.

8.13 Bankruptcy

It is agreed that if an order for relief with respect to the Contractor is entered in any bankruptcy case, either voluntarily or involuntarily, in which the Contractor is a debtor, then this Contract, at the option of the City, may be terminated effective on or after the day and time the order for relief is entered.

8.14 Right to Renegotiate/Amend

The City shall retain the right to renegotiate this Contract or negotiate contract amendments at its discretion or based on policy changes, State statutory changes, or County rule changes, State or federal regulations regarding issues that materially modify the terms and conditions of the Contract, including but not limited to any modifications to contracting terms or policies as they relate to County disposal services. The City may also renegotiate this Contract should any State, County, or City rate or fee associated with the Contract be held illegal or any increase thereof be rejected by voters. In addition, the Contractor agrees to renegotiate in good faith with the City in the event the City wishes to change disposal locations or add additional services or developments, such as those identified through a pilot program under Section 4.1.16, to the Contract and to provide full disclosure of existing and proposed costs and operational impacts of any proposed changes.

This Contract may be amended, altered, or modified only by a written amendment or addendum executed by authorized representatives of the City and the Contractor.

8.15 Force Majeure

Provided that the requirements of this section are met, Contractor shall not be deemed to be in default and shall not be liable for failure to perform under this Contract if Contractor's performance is prevented or delayed by Acts of Nature, including but not limited to landslides, lightning, forest fires, storms, floods, freezing and earthquakes, terrorism, civil disturbances, acts of the public enemy, wars, blockades, public riots, explosions, pandemics, governmental restraint or other causes, whether of the kind enumerated or otherwise, that are not reasonably within the control of the Contractor, and are not the result of the willful or negligent act, error or omission of the Contractor; and that could not have been prevented by the Contractor through the exercise of reasonable diligence ("Force Majeure"). The Contractor's obligations under this Contract shall be suspended, but only with respect to the particular component of obligations affected by the Force Majeure and only for the period during which the Force Majeure exists.

The following events do not constitute Force Majeure: strikes, other than nationwide strikes or strikes that by virtue of their extent or completeness make the particular goods or services effectively unavailable to the Contractor; work stoppages or other labor disputes or disturbances occurring with respect to any activity performed or to be performed by the Contractor; accidents to machinery, equipment or materials; unavailability of required materials or disposal restrictions; or general economic conditions.

If as a result of a Force Majeure event, Contractor is unable wholly or partially to meet its obligations under this Contract, the Contractor shall notify the City by phone and e-mail, on or promptly after the Force Majeure is first known, followed within seven (7) Days by a written description of the event and

cause thereof to the extent known; the date the event began, its estimated duration, the estimated time during which the performance of the Contractor's obligations will be delayed; the likely financial impact of the event; and whatever additional information is available concerning the event and its impact on the City and its Customers. The Contractor shall provide prompt written notice of the cessation of the Force Majeure. Whenever such event shall occur, the Contractor, as promptly and as reasonably possible, shall use its best efforts to eliminate the cause, reduce the cost, and resume performance under the Contract. In addition, if as a result of a Force Majeure event, Contractor is unable wholly or partially to meet its obligations under this Contract, the Contractor shall notify all Customers regarding the disruption in collection service in a manner similar to the notification required in the case of Inclement Weather under Section 4.1.7.

8.16 Severability

If any provision of this Contract shall be declared illegal, void, or unenforceable, the other provisions of the Contract shall remain in full force and effect.

8.17 Waiver

No waiver of any right or obligation of either party hereto shall be effective unless in writing, specifying such waiver, and executed by the party against whom such waiver is sought to be enforced. A waiver by either party of any of its rights under this Contract on any occasion shall not be a bar to the exercise of the same right on any subsequent occasion or of any other right at any time.

8.18 Non-Discrimination

The Contractor will not discriminate against any employee or applicant for employment because of age, race, religion, creed, color, sex, marital status, sexual orientation, political ideology, ancestry, national origin, or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. The Contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their creed, religion, race, color, sex, national origin, or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to the following: employment upgrading; demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and, selection for training, including apprenticeship. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, any required notices setting forth the provisions of this non-discrimination clause.

The Contractor understands and agrees that if it violates this non-discrimination provision, this Contract may be terminated by the City and further that the Contractor shall be barred from performing any services for the City now or in the future, unless a showing is made satisfactorily to the City that discriminatory practices have terminated and that recurrence of such action is unlikely.

8.19 Dispute Resolution

The Parties shall attempt to resolve any and all disputes to the mutual satisfaction of both Parties by good faith discussions. Throughout the duration of a dispute, the Contractor shall continue providing all Services included in this Contract. Disputes not resolved in accordance with other provisions of this Contract or

through good faith discussions shall be submitted to non-binding mediation before a mediator acceptable to both the City and the Contractor. The City and the Contractor shall evenly split all costs of mediation, including the City's attorneys' fees and expert witness fees. Neither party may initiate or commence legal proceedings prior to completion of the non-binding mediation. In the event of litigation, the prevailing party in the suit shall be entitled to attorney fees.

8.20 Entirety

This Contract and the exhibits affixed hereto and herein incorporated by reference represent the entire agreement between the City and the Contractor with respect to the services to be provided under this Contract. No prior written or oral statement or proposal shall alter any term or provision of this Contract.

WITNESS THE EXECUTION HEREOF on the day and year first herein above written.

RECOLOGY KING COUNTY

CITY OF NORTH BEND

By _____

By _____
Mayor

Approved as to Form:

By _____
City Attorney

EXHIBITS

EXHIBIT A: Service Area

EXHIBIT B: Contractor Rates

EXHIBIT C: Recyclables List

EXHIBIT D: Rate Modification Examples

EXHIBIT E: City of North Bend Identity Theft Prevention Program

EXHIBIT A
Service Area

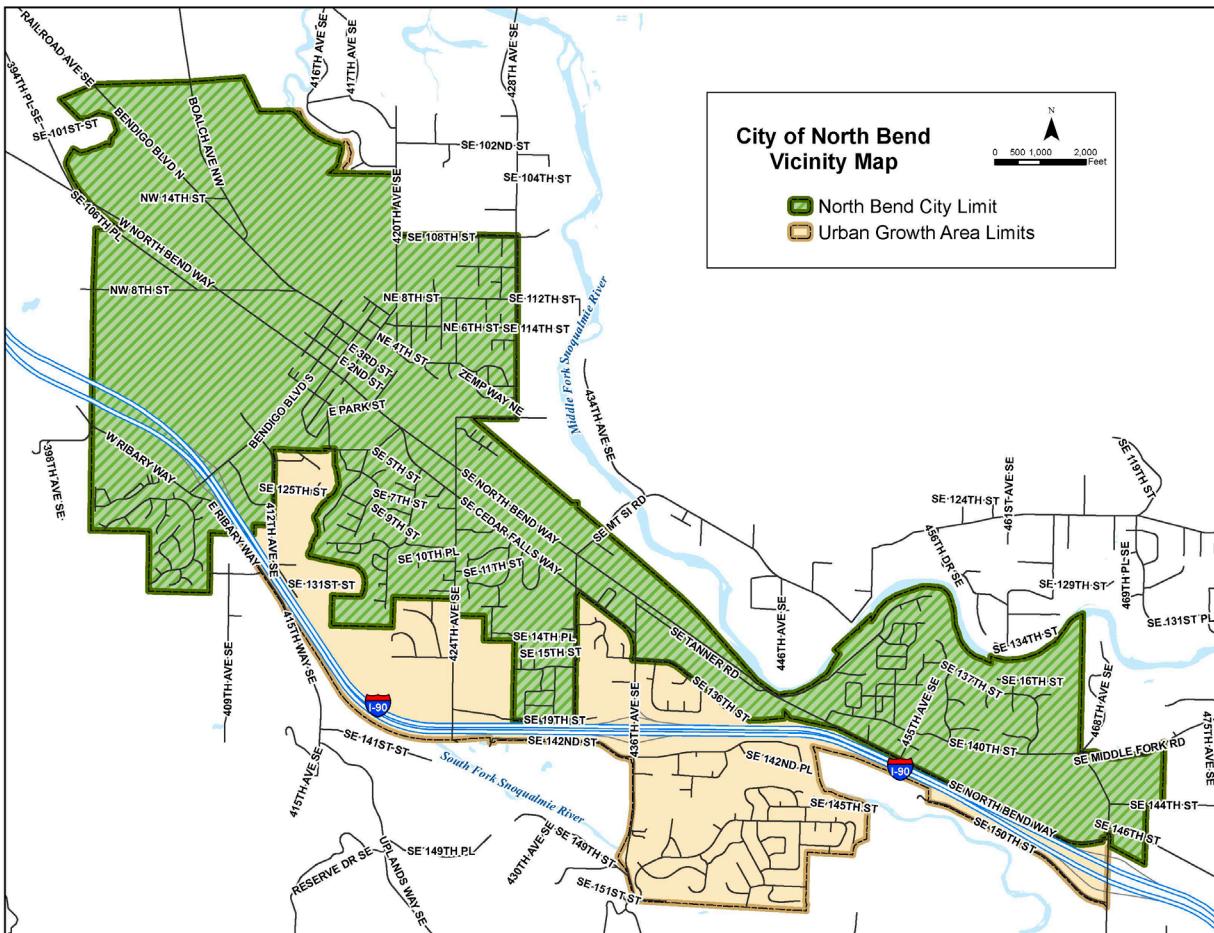


EXHIBIT B
Contractor Rates

	SERVICE LEVEL	DISPOSAL FEE	SERVICE COMPONENT	CUSTOMER RATE
Residential Curbside Services				
Monthly Service:				
32 Gallon Monthly Garbage Cart	\$10.54	\$20.36	\$30.90	
20 Gallon Garbage Cart	\$5.44	\$36.82	\$42.27	
32 Gallon Garbage Cart	\$9.30	\$42.28	\$51.57	
45 Gallon Garbage Cart	\$12.52	\$49.55	\$62.08	
64 Gallon Garbage Cart	\$16.33	\$58.19	\$74.52	
96 Gallon Garbage Cart	\$24.50	\$69.52	\$94.02	
Additional 32 Gallon Garbage Cans	\$9.30	\$10.25	\$19.54	
Extra Garbage Cans/Bags, 32 Gallon Equivalent (Each)	\$2.15	\$6.15	\$8.29	
Compostables Service:				
32 Gallon EOW Compostables Cart	\$0.00	\$0.00	\$0.00	
64 Gallon EOW Compostables Cart	\$0.00	\$0.00	\$0.00	
96 Gallon EOW Compostables Cart	\$0.00	\$0.00	\$0.00	
Extra Compostables Cans/Bags, 32 Gallon Equivalent (Each)			\$4.10	
Extra Compostables Cart Rental			\$2.04	
Extra EOW Compostables Cart & Service			\$6.15	
Miscellaneous Fees:				
Recycling Cart (Any Size, First 2 Included with Garbage Service)			\$2.04	
Wildlife Resistant Cart Surcharge (Per Month)			\$3.08	
Return Trip (Per Pickup)			\$7.18	
Carry-out Charge, Per 25 ft, Per Month			\$4.10	
Drive-in Charge, Per Month			\$6.15	
Standby Fee, Per Month			\$5.12	
Redelivery of All Carts After Service Cancellation			\$20.50	
On-Call Bulky Waste Collection	SERVICE LEVEL			CUSTOMER RATE
White Goods, Except Refrigerators				\$23.81
Refrigerators & Freezers				\$47.62
Mattresses, Sofas & Chairs				\$38.10
Tires				\$9.52
Miscellaneous Garbage, Per Cubic Yard				\$28.57
MF & Commercial Carts	SERVICE LEVEL	DISPOSAL FEE	SERVICE COMPONENT	CUSTOMER RATE
Weekly Service:				
20 Gallon Garbage Cart	\$5.44	\$31.99	\$37.43	
32 Gallon Garbage Cart	\$9.30	\$38.78	\$48.08	
45 Gallon Garbage Cart	\$12.52	\$45.35	\$57.87	
64 Gallon Garbage Cart	\$16.33	\$50.49	\$66.82	
96 Gallon Garbage Cart	\$24.50	\$61.13	\$85.64	
Extra Garbage Cans/Bags, 32 Gallon Equivalent (Each)	\$2.15	\$6.16	\$8.30	
Compostables Service:				
32 Gallon Weekly Compostables Cart		\$16.72	\$16.72	
64 Gallon Weekly Compostables Cart		\$19.07	\$19.07	
96 Gallon Weekly Compostables Cart		\$22.47	\$22.47	
Extra Compostables Cans/Bags, 32 Gallon Equivalent (Each)			\$3.81	
Miscellaneous Fees:				
Wildlife Resistant Cart Surcharge (All Sizes)			\$2.86	
Return Trip (Per Pickup)			\$6.67	
Carry-out Charge, Per 25 ft, Per Month			\$3.81	
Drive-in Charge, Per Month			\$5.71	
Redelivery of Carts After Service Cancellation (Up to 3 Carts)			\$19.05	

MF & Commercial Detachable Containers (Compacted)	SERVICE LEVEL	DISPOSAL FEE	SERVICE COMPONENT	CUSTOMER RATE
Compacted Containers:				
1 Cubic Yard Compacted Container	\$141.61	\$317.44	\$459.05	
1.5 Cubic Yard Compacted Container	\$212.42	\$350.72	\$563.13	
2 Cubic Yard Compacted Container	\$283.22	\$406.26	\$689.49	
3 Cubic Yard Compacted Container	\$424.83	\$513.33	\$938.16	
4 Cubic Yard Compacted Container	\$566.44	\$757.06	\$1,323.50	
6 Cubic Yard Compacted Container	\$849.67	\$1,051.90	\$1,901.57	
MF & Commercial Detachable Containers (Loose)	SERVICE LEVEL	DISPOSAL FEE	SERVICE COMPONENT	CUSTOMER RATE
1 Cubic Yard Uncompacted Container:				
1 Pickup/Week/Container	\$47.20	\$147.49	\$194.69	
2 Pickups/Week/Container	\$188.81	\$295.04	\$483.85	
3 Pickups/Week/Container	\$424.83	\$442.56	\$867.39	
4 Pickups/Week/Container	\$755.26	\$590.10	\$1,345.36	
5 Pickups/Week/Container	\$1,180.09	\$737.59	\$1,917.68	
1.5 Cubic Yard Uncompacted Container:				
1 Pickup/Week/Container	\$70.81	\$228.50	\$299.31	
2 Pickups/Week/Container	\$283.22	\$456.97	\$740.19	
3 Pickups/Week/Container	\$637.25	\$685.44	\$1,322.69	
4 Pickups/Week/Container	\$1,132.89	\$913.93	\$2,046.82	
5 Pickups/Week/Container	\$1,770.14	\$1,142.43	\$2,912.57	
2 Cubic Yard Uncompacted Container:				
1 Pickup/Week/Container	\$94.41	\$253.04	\$347.45	
2 Pickups/Week/Container	\$377.63	\$506.13	\$883.75	
3 Pickups/Week/Container	\$849.67	\$759.13	\$1,608.80	
4 Pickups/Week/Container	\$1,510.52	\$1,012.19	\$2,522.70	
5 Pickups/Week/Container	\$2,360.18	\$1,265.26	\$3,625.44	
3 Cubic Yard Uncompacted Container:				
1 Pickup/Week/Container	\$141.61	\$361.63	\$503.24	
2 Pickups/Week/Container	\$566.44	\$723.25	\$1,289.69	
3 Pickups/Week/Container	\$1,274.50	\$1,084.93	\$2,359.43	
4 Pickups/Week/Container	\$2,265.77	\$1,446.51	\$3,712.28	
5 Pickups/Week/Container	\$3,540.27	\$1,808.16	\$5,348.43	
4 Cubic Yard Uncompacted Container:				
1 Pickup/Week/Container	\$188.81	\$434.23	\$623.04	
2 Pickups/Week/Container	\$755.26	\$868.49	\$1,623.75	
3 Pickups/Week/Container	\$1,699.33	\$1,302.69	\$3,002.02	
4 Pickups/Week/Container	\$3,021.03	\$1,736.95	\$4,757.98	
5 Pickups/Week/Container	\$4,720.36	\$2,171.21	\$6,891.58	
6 Cubic Yard Uncompacted Container:				
1 Pickup/Week/Container	\$283.22	\$595.51	\$878.73	
2 Pickups/Week/Container	\$1,132.89	\$1,190.98	\$2,323.87	
3 Pickups/Week/Container	\$2,549.00	\$1,786.55	\$4,335.55	
4 Pickups/Week/Container	\$4,531.55	\$2,382.00	\$6,913.55	
5 Pickups/Week/Container	\$7,080.54	\$2,977.52	\$10,058.06	
8 Cubic Yard Uncompacted Container:				
1 Pickup/Week/Container	\$377.63	\$733.39	\$1,111.02	
2 Pickups/Week/Container	\$1,510.52	\$1,466.78	\$2,977.29	
3 Pickups/Week/Container	\$3,398.66	\$2,200.18	\$5,598.84	
4 Pickups/Week/Container	\$6,042.06	\$2,933.62	\$8,975.68	
5 Pickups/Week/Container	\$9,440.72	\$3,666.99	\$13,107.71	
Extra Garbage:				
Extra Garbage, 32 Gallon Equivalent (Each)	\$2.15	\$6.35	\$8.50	
Miscellaneous Fees:				
Return Trip (Per Pickup)			\$9.52	
Container Roll-out, Over 25 Feet (Per 25 Feet, Per Pickup)			\$4.76	

	Service Level	DISPOSAL FEE	SERVICE COMPONENT	CUSTOMER RATE	
Temporary Detachable Containers	Temporary Container Hauling:				
	2 Cubic Yard Detachable Container	\$21.80	\$169.50	\$191.30	
	4 Cubic Yard Detachable Container	\$43.61	\$169.50	\$213.10	
	6 Cubic Yard Detachable Container	\$65.41	\$169.50	\$234.91	
	Temporary Container Delivery:		MONTHLY RENT	DELIVERY CHARGE	
	2 Cubic Yard Detachable Container	\$5.49	\$87.69	\$175.34	
	4 Cubic Yard Detachable Container	\$5.49	\$87.69	\$175.34	
	6 Cubic Yard Detachable Container	\$5.49	\$87.69	\$175.34	
	MF & Commercial Drop-box Collection	SERVICE LEVEL			HAUL CHARGE
	Drop-box Hauling:				PER EVENT
Temporary Non-compact 10 - 40 Cubic Yard Drop-box				\$383.62	
Non-compact 10 - 40 Cubic Yard Drop-box				\$296.38	
Compacted 10 - 40 Cubic Yard Drop-box				\$421.13	
Non-compact Drop-box Delivery:		DAILY RENT	MONTHLY RENT	DELIVERY CHARGE	
Non-compact 10 - 40 Cubic Yard Drop-box	\$8.78	\$153.54		\$197.29	
Miscellaneous Fees:				PER EVENT	
Additional Mileage Charge for Hauls to Other Sites (Per One Way Mile)				\$3.08	
Return Trip (Per Pickup)				\$15.38	
Stand-by Time (Per Minute)				\$1.54	
Drop-box Turn Around Charge				\$15.38	
Solid Drop-box Lid Charge (Per Month)				\$25.63	
Misc. Services	SERVICE LEVEL			CONTRACT RATE	
	Truck & Driver:			PER HOUR	
	Rear/Side-load Packer & Driver			\$274.00	
	Front-load Packer & Driver			\$274.00	
	Drop-box Truck & Driver			\$274.00	
	Additional Labor (Per Person)			\$120.57	
	Event Services:				PER EVENT
	Delivery, Provision, Collection of a Set of 3 Carts (G, R, & C)				\$30.75
	Miscellaneous Fees:				PER EVENT
	Container Cleaning - Carts				\$10.25
Container Cleaning - Detachable Containers				\$30.75	
Re-line with Compostable Cart Liner				\$5.12	

Rates are in 2023 dollars and include the City's administrative fee.

EXHIBIT C
Recyclable Materials to be Collected

Recyclable Item	Customer Preparation Instructions	Limitations
Aluminum & Tin – All food and beverage cans, trays, pie tins, and food containers.	Empty, clean, secure lids and place in Recycling Container.	Food and beverage containers must be empty and clean.
Coated Paper – All clean paper cups, milk cartons, other coated food packaging, and Tetra Paks/aseptic containers.	Empty, clean, remove lids, and place in Recycling Container.	Food and beverage containers must be empty and clean.
Corrugated Cardboard – All corrugated cardboard boxes.	Flatten corrugated cardboard boxes and placed in or next to Recycling Container.	No larger than 3' x 3' in size, larger boxes shall be cut down to size.
Fats, Oils, and Grease (FOG) – Liquid cooking oil of all types (vegetable, canola, etc.) and kitchen grease.	Seal uncontaminated FOG (no large solids) in clean, clear, screw-top plastic jugs. Label jugs with name and address and place next to Recycling Container.	Limit three (3) gallons per pick-up.
Glass Containers – All colored or clear glass jars and bottles.	Empty, clean, remove lids, and place in Recycling Container.	Food and beverage containers must be empty and clean. Fluorescent and incandescent light bulbs, ceramics, and window glass are excluded.
Paper – All mixed paper, colored paper, magazines, phone books, catalogues, newspapers, and advertising supplements.	Place clean, dry paper in Recycling Container.	All paper must be clean.
Plastic Containers – All colors of plastic bottles, jugs, and tubs.	Empty, clean, and place in Recycling Container.	Food and beverage containers must be empty and clean. Plastic bottles, jugs, tubs or containers that have hazardous or toxic products, such as motor oil or pesticides are excluded.
Scrap Metal – All ferrous and non-ferrous scrap metal. Free of wood, rubber, and other contaminants.	Small items: Place in Recycling Container or secure (e.g. bundle or box) next to Recycling Container. Large items: Call to request pickup at least twenty-four (24) hours before regular service day.	Small items: Less than two feet (2') by two feet (2') and thirty-five (35) lbs. Less than five percent (5%) non-metal parts. Large items: Larger than two feet (2') by two feet (2'). Call to request pick-up. Residential only.
Used Motor Oil – Pure motor oil.	Seal uncontaminated motor oil (no large solids) in clean, clear, screw-top plastic jugs. Label jugs with name and address and place next to Recycling Container.	Limit three (3) gallons per pick-up.

EXHIBIT D
Rate Modification Examples

The Customer charges in Exhibit B shall be adjusted annually and are comprised of three separate components: Tipping Fee component, service component, and Fixed Annual Charge component. The Tipping Fee component and service component shall produce the Customer rate and the Fixed Annual Charge shall be listed separately. The Customer charges shall be adjusted proportionally if there is a change to the City's Administrative Fee, Washington State excise tax, or other adjustment to compensation made pursuant to Article 5 of the Contract.

Tipping Fee component. The Tipping Fee component of the Customer charges shall be adjusted by the percentage increase or decrease in the County Tipping Fee. Any increase or decrease shall not become effective until the new Tipping Fee becomes effective and are actually charged to the Contractor. The City's Administrative Fee plus excise tax on the Administrative Fee is embedded in the Tipping Fee component of the rate.

Service component. The service component of the Customer charges shall be adjusted annually to reflect the CPI change as described below. The City's Administrative Fee is embedded in the service component of the rate.

Fixed Annual Charge component. The Fixed Annual Charge component of the Customer charges shall be applied to all regular Garbage services and Garbage Drop-Box services. The amount of each year's Fixed Annual Charge is to be provided by the County to the City and Contractor no later than September 1st of the year preceding in which the Fixed Annual Charge is to take effect. This new Fixed Annual Charge shall be adjusted by adding or subtracting, as appropriate, any underpayment or overpayment collected from Customers from the prior year. This component shall be calculated annually as a proportion of monthly Container volume for the current Container counts. The City's Administrative Fee plus excise tax on the Administrative Fee is embedded in the Fixed Annual Charge component of the rate annually.

Formulas for adjustments of the Tipping fee component, service component, and Fixed Annual Charge component are provided below. Numbers and percentages shall be truncated to two decimal places (\$1.23 or 1.23%) in all calculations. Adjustments to the Contractor's disposal fees and charges on rates shall be made in units of one cent (\$0.01).

For example, as of April 1, 2024, a 32/35-gallon Cart has a Customer rate of \$40.00 per month where \$10.00 is the Tipping Fee component and \$30.00 is the Service component. \$1.50 is the Fixed Annual Charge component including the Administrative Fee and excise tax on the Administrative Fee. The current Tipping Fee is \$150.83 and increases to \$165.31 per ton starting on January 1, 2025. The previous CPI is 100.0 and the new CPI is 105.0. The new County Fixed Annual Charge is \$145,500 with \$1,000 previously overpaid by Customers to the Contractor. Currently there are 75,000 cubic yards of garbage calculated from current Customer counts. The current City Administrative Fee is 7.5% and the Washington State excise tax is 1.75%.

Symbol	Current Customer Rate Description	Example	Calculation
TFC _{OLD}	Current Tipping Fee Component of Customer Rate	\$10.00	-
SC _{OLD}	Current Service Component of Customer Rate	\$30.00	-

CR _{OLD}	Current Customer Rate	\$40.00	= TFC _{OLD} + SC _{OLD}
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Symbol	Tipping Fee Component Description	Example	Calculation
TF _{OLD}	Current King County Garbage Tipping Fee	\$150.83	-
TF _{NEW}	New King County Garbage Tipping Fee	\$165.31	-
TF%	Garbage Tipping Fee Adjustment	9.60%	= (TF _{NEW} - TF _{OLD}) / TF _{OLD}

Symbol	Service Component Description	Value	Calculation
CPI _{OLD}	Previous CPI	100.0	-
CPI _{NEW}	Current CPI	105.0	-
CPI%	CPI Adjustment	5.0%	= (CPI _{NEW} - CPI _{OLD}) / CPI _{OLD}

Symbol	New Customer Rate Description	Example	Calculation
TFC _{NEW}	New Tipping Fee Component of Customer Rate	\$10.96	= TFC _{OLD} * (1 + TF%)
SC _{NEW}	New Service Component of Customer Rate	\$31.50	= SC _{OLD} * (1 + CPI%)
CR _{NEW}	New Customer Rate	\$42.46	= TFC _{NEW} + SC _{NEW}

Symbol	Fixed Annual Charge Component Description	Example	Calculation
FAC _{OLD}	Previous Target Fixed Annual Charge (FAC)	\$145,000	Target FAC for Current Year, Adjusted by Any Previous Overpayment or Underpayment
FAC _{AGG}	Previous Aggregate FAC Components	\$146,000	= \sum Previous Years' FAC Components (Without Admin Fee or Excise Tax on Admin Fee)
FAC _{O/U}	FAC Overpayment/Underpayment from Prior Year	\$1,000	= FAC _{AGG} - FAC _{OLD}
FAC _{NEW}	New County FAC	\$145,500	-
FAC _{TRG}	New Target FAC	\$144,500	= FAC _{NEW} - FAC _{O/U}
GV	Annual Garbage Container Volume (Cubic Yards)	75,000	= \sum (Monthly Garbage Container Volume) * 12
FAC _{GV}	Monthly Target FAC per Cubic Yard of Garbage (with Admin Fee and Excise Tax on Admin Fee)	\$2.07	= (FAC _{TRG} / GV) * (1 + AF + (AF * ET))
FACC _{NEW}	New Fixed Annual Charge Component of Customer Rate	\$1.41	= (Monthly Garbage Container Volume) * FAC _{GV}

Symbol	Tax & Fee Elements	Value	Calculation
AF	Current City Administrative Fee	7.5%	-
ET	Current Excise Tax (B&O Tax)	1.75%	-

Based upon the calculations above, the new Customer rate as of January 1, 2025 for one 32/35-gallon Cart is \$42.46 per month where \$10.96 is the Tipping Fee component and \$31.50 is the service component, and \$1.41 is the new Fixed Annual Charge component.

EXHIBIT E
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 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.

Jennifer Bourlin

From: Cory Tadlock <corytad@comcast.net>
Sent: Wednesday, March 29, 2023 9:38 AM
To: Council
Subject: Garbage Contract

Some people who received this message don't often get email from corytad@comcast.net. [Learn why this is important](#)

Greetings,

In my opinion, when negotiating a new garbage service contract, “education” and “vehicle emissions” need to be taken out of the talks.

There is unlimited “education” available, there is no need to pay extra for it.

We are already paying too much for our garbage service.

YOU have been elected to act in the best interest of your constituents wallets, please do so.

Thank you,

Cory Tadlock
North Bend WA
(33 year resident)



Proudly Employee Owned

New North Bend Solid Waste and Recycling
Contract May Nearly Double City Rates
livingsnoqualmie.com



City Council Agenda Bill

SUBJECT:	Agenda Date: April 4, 2023	AB23-044
Ordinance Adopting North Bend Municipal Code Section 9.190.020 Vehicle Trespass	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 Public Works – Mark Rigos Police – Captain Lynch	<input type="checkbox"/> <input checked="" type="checkbox"/> X <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/> <input checked="" type="checkbox"/> X
Cost Impact: N/A		
Fund Source: N/A		
Timeline: Immediate		
Attachments: Ordinance		
SUMMARY STATEMENT:		
Background The purpose of the proposed ordinance is to allow the City of Snoqualmie Police Department while serving the citizens of North Bend, by a misdemeanor level offense, to hold suspects criminally responsible.		
Legislative History The Washington State Revised Code of Washington (RCW) for possession of a stolen vehicle requires only the proof that a suspect was in possession of a stolen vehicle. The King County Prosecutor's filing standards add several other requirements before an affirmative charging decision is made, including the requirement of evidence that showed the suspect had knowledge that the vehicle was stolen before possessing it. This addition to city code would allow those suspects found in possession of a stolen vehicle to still be held accountable when the additional requirements listed in the King County Prosecutors Office (KCPO) filing standards cannot be met.		
The ordinance would also allow a suspect who is found to have been attempting to gain access to vehicles not belonging to them, to be criminally charged with a misdemeanor level crime. Currently, those suspects would be set free without any repercussions for their actions.		
APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services.		
COMMITTEE REVIEW AND RECOMMENDATION: The Public Health & Safety Committee reviewed this item at their February 7, 2023 and March 7, 2023 meetings and recommended approval and placement on the Main Agenda for discussion.		
RECOMMENDED ACTION: MOTION to approve AB23-043, an ordinance adopting North Bend Municipal Code Section 9.190.020 Vehicle Trespass, as a first and final reading.		
RECORD OF COUNCIL ACTION		
Meeting Date	Action	Vote
April 4, 2023		

ORDINANCE

**AN ORDINANCE OF THE CITY OF NORTH BEND,
WASHINGTON, ADOPTING A NEW NORTH BEND
MUNICIPAL CODE SECTION 9.190.020 RELATING TO
VEHICLE TRESPASS; PROVIDING FOR
SEVERABILITY; AND ESTABLISHING AN EFFECTIVE
DATE**

WHEREAS, according to the annual Crime in Washington report issued by the Washington Association of Sheriffs and Police Chiefs (“WASPC”) in July 2022, motor vehicle theft in Washington State increased by 27.3 percent in 2021; and

WHEREAS, due to limited resources, not all motor vehicle theft cases can be prosecuted as felonies; and

WHEREAS, many cities criminalize vehicle trespass to allow their prosecutors to file criminal charges against an individual who knowingly enters, attempts to enter, or remains unlawfully in a vehicle that belongs to another in circumstances that do not rise to the level of, or are not pursued as, felony motor vehicle theft charges; and

WHEREAS, to combat rising motor vehicle theft, the City Council desires to adopt a new section to Chapter 9.190 of the North Bend Municipal Code to criminalize vehicle trespass;

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

Section 1. New NBMC Section 9.190.020, Vehicle Trespass, Adopted: A new North Bend Municipal Section 9.190.020, to be entitled “Vehicle trespass,” is adopted to read as follows:

9.190.020 Vehicle trespass.

- A. A person is guilty of vehicle trespass if the person knowingly enters, attempts to enter, or remains unlawfully in a vehicle that belongs to another.
- B. As used in this section:
 1. The word “enter” shall include the entrance of the person, or the insertion of any part of the person’s body or any instrument or weapon held in the person’s hand.

2. A person enters or remains unlawfully in a vehicle when the person is not licensed, invited, or otherwise privileged to so enter or remain.
- C. Vehicle trespass under this section is a misdemeanor, punishable by up to 90 days in jail or up to a \$1,000 fine, or by both such fine and imprisonment.

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 preempted by state or federal law or regulation, such decision or preemption 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 4TH DAY OF
APRIL, 2023.**

CITY OF NORTH BEND:

Rob McFarland, Mayor

APPROVED AS TO FORM:

Lisa Marshall, City Attorney

ATTEST/AUTHENTICATED:

Published:

Effective:

Susie Oppedal, City Clerk