



CITY COUNCIL MEETING*

April 16, 2024 – Agenda

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

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

CONSENT AGENDA:

		Pg.#
1) Minutes	City Council Workstudy of March 26, 2024 & City Council Meeting of April 2, 2024	1
2) Payroll	April 5, 2024 – 28793 through 28798 , in the amount of \$483,510.34	
3) Checks	April 16, 2024 – 75443 through 75490 , in the amount of \$765,469.16	
4) AB24-039	Motion – Approving 2025-2026 Budget Calendar	Mr. Chaw 7

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

ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:

5) Proclamation	Small Business Week	Mayor Miller	11
6) Presentation	Shop Local	Ms. Coughlin	
7) Presentation	2023 Financial Report	Mr. Chaw	13

COMMISSION AND COMMITTEE REPORTS:

Planning Commission	Community & Economic Development – Councilmember Joselyn
Parks Commission	Finance & Administration – Councilmember Elwood
Economic Development Commission	Public Health & Safety – Councilmember Rustik
Regional Committees	Transportation & Public Works – Councilmember Koellen
	Mayor Pro Tem – Councilmember Gothelf
	Eastside Fire & Rescue Board – Councilmember Gothelf

INTRODUCTIONS:

8) AB24-040	Motion – Authorizing Contract with Republic for Sludge Hauling	Mr. Rigos	27
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MAYOR, COUNCIL & ADMINISTRATOR CONCERNS AND INITIATIVES: (Business and general information presented that may be deliberated upon by the Council. Formal action may be deferred until a subsequent meeting; immediate action may be taken upon a vote of a majority of all members of the Council.)

Executive Session – To Discuss Potential Litigation, pursuant to RCW 42.30.110(1)(i)

ADJOURNMENT:



***PLEASE NOTE:** Members of the public may choose to attend the meeting in person or by teleconference. Members of the public attending the meeting in-person will have an opportunity to provide public comment and if attending the meeting by teleconference may submit written comments via in-person drop off, mail, fax, or e-mail to soppedal@northbendwa.gov. All written comments must be received by 5 p.m. on the day of the scheduled meeting. If an individual requires an accommodation because of a difficulty attending the public meeting, the City requests notice of the need for accommodation by 5 p.m. on the day of the scheduled meeting. Participants can request an accommodation to be able to provide remote public comments by contacting the City Clerk by phone (425) 888-7627 or by e-mail to soppedal@northbendwa.gov. No other remote public comment will be permitted.

Those wishing to access the meeting by teleconference 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

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CITY OF NORTH BEND
CITY COUNCIL WORKSTUDY NOTES
March 26, 2024 – 7:00 p.m.
City Hall, 920 SE Cedar Falls Way, North Bend, WA

Mayor Pro Tem Gothelf called the meeting to order at 7:02 p.m.

Councilmembers Brenden Elwood, Alan Gothelf, Mark Joselyn, Heather Koellen, Christina Rustik, Suzan Torguson (Remote) and Errol Tremolada were present.

Staff Present: Mayor Mary Miller, Deputy City Administrator/Public Works Director Mark Rigos, Community & Economic Development Director Rebecca Deming, Administrative Services Director Lisa Escobar, Finance Director Martin Chaw, Economic Development Manager James Henderson, Communications Manager Bre Keveren, Deputy City Clerk Jennifer Bourlin, and Accounting Operations Manager Heather Pollock.

American Rescue Plan Act Update

Administrative Services Director Lisa Escobar explained the history of the city receiving ARPA funds in 2022 including the criteria, contract measurables, compliance and reporting requirements.

Finance Director Chaw noted the City has had a 10% reserve policy and mentioned that the Government Finance Officer's Association recommends 16.5%, which many local cities have adopted. It was recommended that ARPA funds could be used to increase the reserves and council was amenable to this idea and Mr. Chaw mentioned that he will be creating a policy relating to reserves.

Decision Cards

Council and staff reviewed decision cards for the 2023-2024 Mid-Biennial Budget Modification. After discussion, Council consensus was to fund the below decision cards:

Purchase of Trash & Recycling Receptacles	\$60,000
Purchase of Variable Message Sign	\$30,520
Startup Kickstarter	\$30,000
Feasibility Study (Public Safety)	\$60,000
Roundabout Holiday Lights	\$10,000
Outdoor Marketing Campaign	\$50,000

Staff and Council then discussed the list of decision cards "recommendation not to fund". Councilmember Elwood reiterated that he has requested a Community Wi-Fi Initiative in the past. He did not have a cost estimate to provide. After further discussion, Mr. Rigos recommended that IT Manager Davenport would research and determine a cost estimate.

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Council consensus was that the remaining 1.2 million dollars will be used to fund the park project at WH Taylor Park and/or a portion of Complete Streets.

Adjournment

The workstudy closed at 9:45 p.m.

ATTEST:

Alan Gothelf, Mayor Pro Tem

Jennifer Bourlin, Deputy City Clerk

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NORTH BEND CITY COUNCIL MINUTES

April 2, 2024

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

CALL TO ORDER, ROLL CALL:

Mayor Miller called the regular meeting to order at 7:00 p.m.

Councilmembers Present: Elwood, Gothelf, Joselyn, Koellen, Rustik, Torguson and Tremolada.

Mayor Miller announced AB24-036 – Motion Authorizing Contract with Republic for Sludge Hauling and AB24-037 – Motion Authorizing 3rd Amendment to G&O Contract would be pulled from tonight’s agenda.

Councilmember Rustik requested AB24-034 – Motion Authorizing Contract with Transpo Group be pulled from the Consent Agenda and placed on the Main Agenda for discussion.

CONSENT AGENDA:

Minutes – City Council Meetings of March 5, 2024 & March 19, 2024

Payroll – March 20, 2024 – 28787 through 28792, in the amount of **\$291,946.98**

Checks – April 2, 2024 – 75379 through 75442, in the amount of **\$566,708.58**

AB24-033 – Resolution 2102 Accepting River Run Infrastructure Improvements

AB24-035 – Resolution 2103 Authorizing DEA with Mike Day Homes LLC

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

CITIZEN’S COMMENTS:

Debra Landers, 14615 438th Ave SE, announced North Bend Art & Industry would be holding the Art off the Rails event on Saturday, June 15th from 11 a.m. to 4 p.m. at William H. Taylor Park.

Michael Thomas, 1231 LaForest Drive SE, thanked Council for moving AB24-034 – Motion Authorizing Contract with Transpo Group to the Main Agenda and commented on remote meeting access, Water Conservation Ordinance, development, wildfires, public pools, tree plantings in rivers/riparian areas, and the proposed National Guard Readiness Center.

DRAFT**ANNOUNCEMENTS, PRESENTATIONS, APPOINTMENTS:****Introduction – Police Captain****Audio: 10:42**

Snoqualmie/North Bend Police Chief Lynch introduced new Police Captain Gary Horejsi.

Proclamation – Sexual Assault Awareness Month**Audio: 16:15**

Mayor Miller read a proclamation declaring the month of April, 2024 as Sexual Assault Awareness Month in the City of North Bend.

Presentation – Snoqualmie Valley Food Bank**Audio: 18:38**

Executive Director Alison Roberts and Operations Manager Dylan Johnson of the Snoqualmie Valley Food Bank provided a presentation on the Snoqualmie Valley Food Bank which included individuals/households served, hours of operation, food assistance to Snoqualmie Valley School District children during breaks, connectivity to additional assistance programs (DSHS, Hopelink, North Bend Library, St. Clare's, KidVantage), pet food bank, need for larger space, and volunteer/donation opportunities.

INTRODUCTIONS:**AB24-038 – Ordinance 1806 Amending NBMC 15.02 & Repealing NBMC 15.19****Audio: 41:57**

Community & Economic Development Director Deming provided the staff report.

The following individual commented on the agenda item:

Michael Thomas, 1231 LaForest Drive SE

Councilmember Joselyn **MOVED**, seconded by Councilmember Rustik to approve AB24-038, an ordinance amending certain sections of NBMC Chapter 15.02, and repealing NBMC Chapter 15.19 in its entirety, as a first and final reading. The motion **PASSED** 7-0.

AB24-034 – Motion Authorizing Contract with Transpo Group**Audio: 50:54**

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

Councilmember Koellen **MOVED**, seconded by Councilmember Joselyn to approve AB24-034, authorizing a contract with Transpo Group for preparation of a City of North Bend ADA Transition Plan for Public Right-of-Way, in a form and content acceptable to the City Attorney, in an amount not to exceed \$89,980. The motion **PASSED** 7-0.

DRAFT**MAYOR, COUNCIL, AND ADMINISTRATOR CONCERNS AND INITIATIVES:**

Councilmember Elwood welcomed Police Captain Horejsi and thanked the Snoqualmie Valley Food Bank for their presentation.

Councilmember Torguson welcomed Police Captain Horejsi and commented on Snoqualmie Valley Food Bank donation options.

Councilmember Koellen noted Recology King County started solid waste and recycling collection services in North Bend on April 1st and spoke regarding the positive customer service experience she recently had with them.

Councilmember Tremolada mentioned the April 19th opening of Tennant Trailhead Park, April 23rd Encompass Inspire Breakfast at 7:30 a.m. at Snoqualmie Casino, and April 26th SnoValley Innovation Center/Empower Youth Network Business Competition for local high school students at Remlinger Farm in Carnation.

Councilmember Rustik commented on follow up from Puget Sound Energy after their power outages presentation at the March 19th City Council meeting and discussion regarding the issue and next steps at today's Public Health & Safety Committee meeting.

Councilmember Joselyn noted proposed improvements to William H. Taylor Park were discussed at the March 26th Council Workstudy.

Councilmember Gothelf commented on the limited impact the Water Conservation Ordinance (WCO) has had on citizens and asked Public Works Director Rigos if anyone had been fined under the WCO. Mr. Rigos stated there had been no fines issued under the WCO. Additionally, Councilmember Gothelf reminded citizens that Eastside Fire & Rescue provides wildfire home assessments for those interested.

Mayor Miller spoke regarding the following items:

- Yard Waste Recycling Program – Saturday, April 6th 8 a.m. to Noon @ Public Works
- April 1st Reopening of Public Works Office located at 1155 E North Bend Way
- “License for the Love of Pets” Pet Licensing Campaign thru June 30th

EXECUTIVE SESSION:

Mayor Miller recessed the regular meeting for an Executive Session at 8:05 p.m. to discuss property acquisition, pursuant to RCW 42.30.110(1)(b). No action was anticipated as a result of the Executive Session, which was expected to last fifteen minutes and videotaping of the meeting ceased.

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At 8:20 p.m. it was announced to audience members outside the adjournment room that the Executive Session was expected to last an additional ten minutes.

The regular meeting reconvened at 8:30 p.m.

ADJOURNMENT:

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

The meeting adjourned at 8:30 p.m.

ATTEST:

Mary Miller, Mayor

Susie Oppedal, City Clerk



City Council Agenda Bill

SUBJECT:		Agenda Date: April 16, 2024		AB24-039	
Motion to Approve 2025-2026 Biennial Budget Calendar and Setting a Public Hearing Date of November 5, 2024 for the Proposed 2025-2026 Biennial Budget		Department/Committee/Individual			
		Mayor Mary Miller			
		City Administrator – David Miller			
		City Attorney – Kendra Rosenberg			
		City Clerk – Susie Oppedal			
		Administrative Services – Lisa Escobar			
		Comm. & Economic Development – Rebecca Deming			
		Finance – Martin Chaw		X	
Cost Impact: N/A		Public Works – Mark Rigos			
Fund Source: N/A					
Timeline: Immediate.					
Attachments: 2025-2026 Budget Calendar					
SUMMARY STATEMENT:					
RCW Chapter 35A.34 mandates the City’s biennial budget process. The attached Budget Calendar captures key internal and regulated budget planning dates and milestones. The schedule presents tasks in a methodical and sequential order, with benchmarks that will assure the final adoption of the 2025-2026 Budget Ordinance prior to the December 31, 2024 deadline.					
Key (tentative) Council workshop and public hearing dates include:					
<div><div>-</div><div>Council budget workshop #1:</div><div>July 23, 2024 (review baseline 2025-2030 six-year revenue and expenditure forecast)</div></div> <div><div>-</div><div>Council budget workshop #2:</div><div>September 24, 2024 (review Mayor’s proposed 2025-2026 preliminary operating budget and proposed 2025-2030 six-year CIP; preliminary Council decision cards)</div></div> <div><div>-</div><div>Council budget workshop #3:</div><div>October 8, 2024 (finalize Council decision cards)</div></div> <div><div>-</div><div>Council budget workshop #4:</div><div>October 22, 2024 (if needed)</div></div> <div><div>-</div><div>Public hearing #1:</div><div>September 3, 2024 (public comment on budget; adopt property tax ordinance)</div></div> <div><div>-</div><div>Public hearing #2:</div><div>October 1, 2024 (public comment on budget)</div></div> <div><div>-</div><div>Public hearing #3:</div><div>November 5, 2024 (public comment on budget)</div></div> <div><div>-</div><div>Adoption of Budget Ordinance:</div><div>November 05, 2024 (adopt appropriations ordinance, utility rates ordinance, fees for 2025)</div></div>					
APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services, Economic viability/balanced budget, Affordability, and Sustainably managed growth.					
COMMITTEE REVIEW AND RECOMMENDATION: The Finance and Administration Committee reviewed this item at its April 9 th meeting and recommended approval on the Consent Agenda.					

City Council Agenda Bill

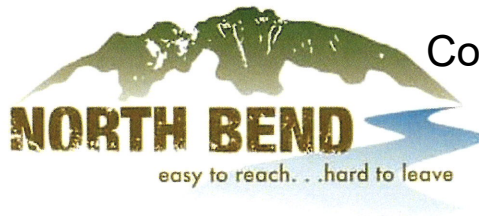
RECOMMENDED ACTION: MOTION to approve AB24-039, approving the 2025-2026 Biennial Budget Calendar and setting a Public Hearing Date of November 5, 2024 for the proposed 2025-2026 Biennial Budget.		
RECORD OF COUNCIL ACTION		
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
April 16, 2024		

CITY OF NORTH BEND

2025-2026 BUDGET DEVELOPMENT SCHEDULE

	March 2024	April	May	June	July	August	September	October	November	December
1. Financial Forecast and Budget Instructions										
2. Prepare 2023-2024 Biennium and financial forecast (citywide revenues and expenses)										
3. Prepare 2025-2026 financial forecast #1		Financial forecast #1								
4. Prepare and Distribute budget instructions		Budget instructions distributed								
5. Meet with all Department managers										
6. Department Budget Preparation										
7. Facilitate development of citywide budget requests from departments (opex and capex)										
8. Meet with all Department managers										
9. Preliminary budget requests due to Finance (draft)				Departmental budget requests due to Finance						
10. 2025-2026 financial forecast update #2				Financial forecast #2						
11. Executive Team review budget requests				Executive Team budget review						
12. Preliminary budget finalized (Pre-Mayor review)										
13. Prepare budget decision cards										
14. Mayor Budget Review										
15. Mayor's review of citywide budget requests					Mayor begins budget review					
16. Meet with all Department managers										
17. Revised budget requests due to Finance (Mayor's draft budget)										
18. 2025-2026 financial forecast update #3						Revisions to budget per Mayor's direction due to Finance				
19. Review preliminary budget request with Mayor						Financial forecast #3				
20. Finalize Mayor's preliminary budget request and transmit to Council						Mayor's preliminary budget prepared				
21. Mayor's Budget Address						Mayor's budget transmitted to Council				
22. Preliminary Budget Presentation to Council by Finance						Mayor's preliminary budget transmitted to Council				
23. Property Tax Ordinance prepared by Finance										
24. Fees Resolution prepared by Finance										
25. Omnibus Appropriations Ordinance prepared by Finance										
26. Council Budget Review										
27. Council F&A Committee review and approves budget calendar			F&A reviews/approves at April 09 meeting							
28. Council review and approves budget calendar			Council reviews/approves at May 07 meeting							
29. Council prepares budget requests (decision cards)										
30. Council reviews Mayor's Preliminary Budget										
31. Workshop #1										
32. Workshop #2										
33. Workshop #3										
34. Workshop #4										
35. Council Public Hearings										
36. Council Public Hearing #1										
37. Council Public Hearing #2										
38. Council Public Hearing #3										
39. Budget Legislative Packages										
40. Property Tax Ordinance Adopted										
41. Fees Resolution Adopted										
42. Appropriations Ordinance Adopted										
43. Final Adopted Budget										
44. Final Adopted Budget Published by Finance										

NB Finance, April 09 2024



Office of Mayor

PROCLAMATION

WHEREAS, small businesses are the foundation of our economy, and the glue that holds our community together – creating jobs, bolstering the local economy, and fostering the character of North Bend; and

WHEREAS, the President of the United States has proclaimed National Small Business Week every year since 1963 to highlight the programs and services available to entrepreneurs through the U.S. Small Business Administration and other government agencies; and

WHEREAS, according to the Small Business Administration, there are currently 30.2 million small businesses in the United States; and

WHEREAS, Washington's small businesses employ more than half of the state's private workforce, 1.3 million workers in Washington, according to the U.S. Small Business Administration and businesses with fewer than 100 employees are the largest share of small business employment; and

WHEREAS, North Bend's local businesses are one of our community's greatest strengths supporting local residents and visitors and fostering innovation, community building, and inspiration for future entrepreneurs; and

WHEREAS, residents of North Bend honor our local small businesses and their invaluable contributions to our local economy and society; and

WHEREAS, the City of North Bend supports and joins this national effort to recognize the contributions of small businesses to the local and American economy and their importance to ensuring that our local communities remain as vibrant tomorrow as they are today.

NOW, THEREFORE, I, Mary Miller, Mayor, do hereby proclaim April 28th through May 4th, 2024, as

SMALL BUSINESS WEEK

in the City of North Bend and urge all people in our City to support small businesses and merchants on Small Business Week and throughout the year.



Signed this 16th day of April, 2024

Mary Miller
Mayor



2023 Year End Financial Status Report

**City of North Bend | Finance Department
Presented to Council Finance and
Administration Committee, April 09, 2024**

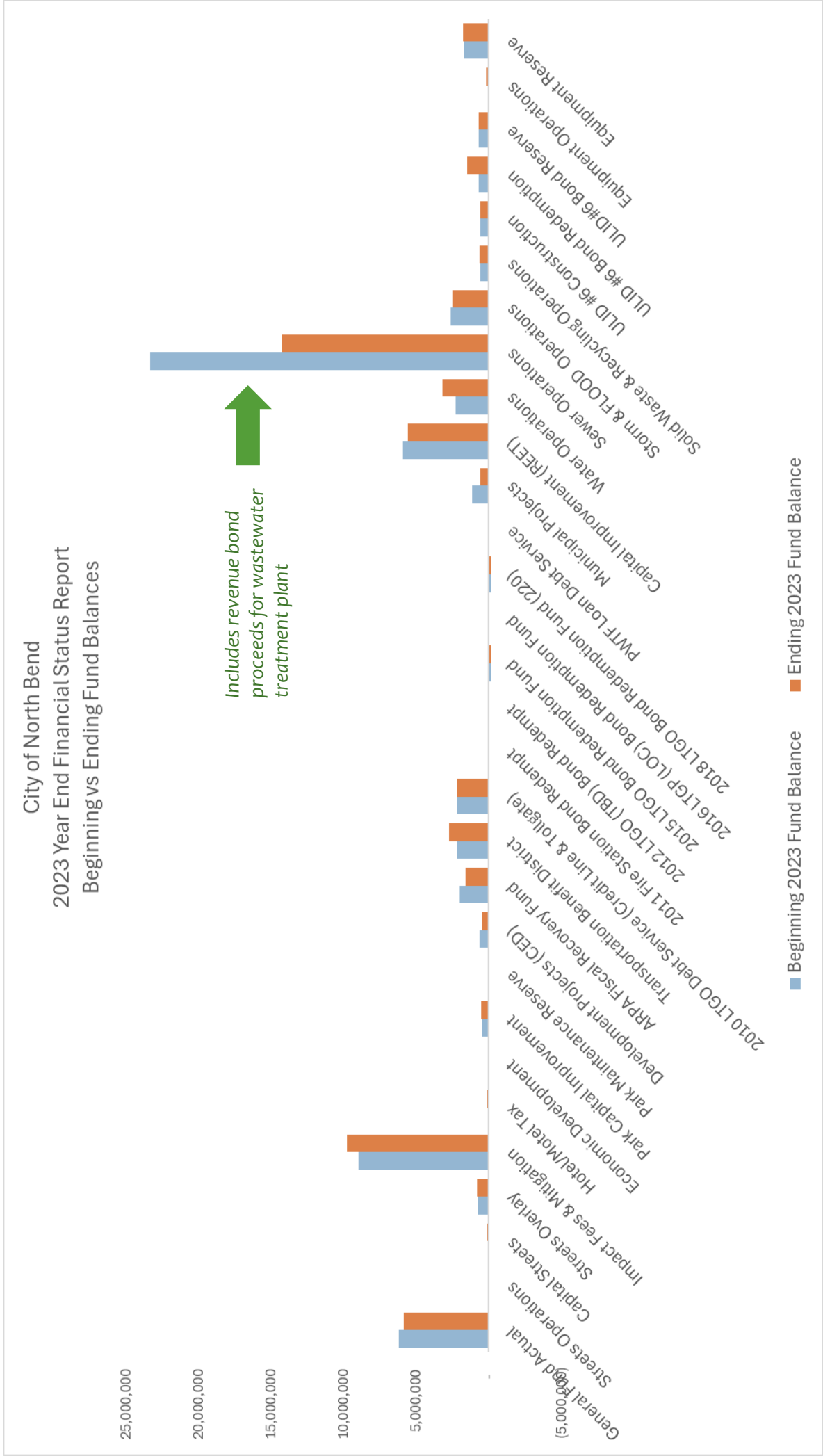


Executive Summary

- All funds ended 2023 with fund balances in positive financial condition
- General Fund (City's single largest fund) ended with \$5.9M fund balance
 - Revenues higher than budget, reflecting stronger than anticipated tax collections
 - Expenditures lower than budget, reflecting timing of expenditures and operational cost savings
- Local economic activity
 - Building activity slowing, reflecting broader trends state-wide and across country
 - Taxable retail sales remain steady, despite slow-down in neighboring communities



All funds ended 2023 within expectations (budget), with fund balances in positive financial condition



General Fund

- General Fund operating revenues totaled \$12.1M vs budget of \$11.0M, primarily due to stronger tax revenue collections.
- General Fund operating expenses totaled \$12.4M vs budget of \$13.4M, primarily due to timing of vehicle purchases and operational cost savings.
- As a result, General Fund ended 2023 with \$5.9M fund balance vs budget of \$4.9M.

Fund	001
General Fund	
Fund Title	Actual
Revenues	
Taxes	9,395,449
Licenses and permits	547,305
Grants/Intergovtl	380,803
Charges for services	924,443
Fines and penalties	75,446
Contributions	485,682
Investment earnings	1,913
Transfers In	299,560
Total Revenues (2023)	12,110,600
Expenses	
Personnel	2,804,854
Supplies	59,732
Contracted Services	5,963,188
Capital Outlay	179,497
Debt Service	8,808
Transfers Out	3,416,276
Total Expenditures (2023)	12,432,356
Beginning 2023 Fund Balance	6,193,174
Change to 2023 Fund Balance	(321,755)
Ending 2023 Fund Balance	5,871,418
Budgeted 2023 Ending Fund Balance	4,846,452



Local Economic Conditions

- Local building permit volume declined, reflecting broader trends regionally and nationally.
- Taxable retail sales remained steady despite declines seen in neighboring communities.



Building Permit Volume				
	North Bend		WA State	US
	2020	491	43,881	1,471,141
	2021	524	56,941	1,736,982
	2022	429	49,033	1,665,088
	2023	400	37,177	1,470,596

Y/Y % Change - Building Permit Volume				
	North Bend		WA State	US
	2021	6.7%	29.8%	18.1%
	2022	-18.1%	-13.9%	-4.1%
	2023	-6.8%	-24.2%	-11.7%

Source: City records and US Census, Building Permit Survey
City records include all types of building permit issued

Taxable Retail Sales (Jan-Sep 2023 vs Jan-Sep 2022)						
	North Bend	Sammamish	Maple Valley	Duvall	Snoqualmie	Issaquah
Jan-Sep 2022	298,481,050	635,533,486	409,215,668	147,793,764	234,353,724	1,581,612,806
Jan-Sep 2023	300,216,927	617,322,934	406,398,790	147,280,940	230,798,856	1,529,140,611
% Change	0.58%	-2.87%	-0.69%	-0.35%	-1.52%	-3.32%

Source: WA State Department of Revenue
Taxable Retail Sales report through Q3 2023 (latest data available)



Special Revenue Funds

- Impact fees fund (largest Special Revenue Fund) ended 2023 with fund balance lower than expectations, reflecting lower building permit volume



Fund	Special Revenue Funds										190
	101	102	103	106	107	108	116	117	125	130	
Fund Title	Streets Operations	Capital Streets	Streets Overlay	Impact Fees & Mitigation	Hotel/Motel Tax	Economic Development	Park Capital Improvement	Park Maintenance Reserve	Development Projects (CED)	ARPA Fiscal Recovery Fund	Transportation Benefit District
Revenues											
Taxes	-	-	-	-	23,159	-	-	-	-	-	814,239
Licenses and permits	14,380	-	-	-	-	-	-	-	-	-	-
Grants/Intergovtl	116,438	42,650	-	-	-	-	133,469	-	-	-	-
Charges for services	-	-	-	3,988,220	-	-	-	-	484,209	-	-
Fines and penalties	-	-	-	-	-	-	-	-	-	-	-
Contributions	605	-	-	-	-	-	-	-	-	-	-
Investment earnings	-	-	-	-	-	-	-	-	-	-	-
Transfers In	926,636	330,000	526,250	-	-	245,000	-	10,500	-	-	-
Total Revenues (2023)	1,058,058	372,650	526,250	3,988,220	23,159	245,000	133,469	10,500	484,209	-	814,239
Expenses											
Personnel	567,399	67,489	-	-	-	109,583	-	-	-	-	-
Supplies	22,286	-	-	537	-	-	-	-	-	-	-
Contracted Services	467,723	127,777	-	1,926,770	-	92,908	-	-	418,762	330,204	-
Capital Outlay	-	-	46,916	-	-	3,920	5,281	-	-	6,921	-
Debt Service	649	-	-	-	-	-	-	-	-	-	-
Transfers Out	-	119,654	405,998	1,283,703	-	-	50,000	-	248,560	51,000	275,000
Total Expenditures (2023)	1,058,058	314,920	452,914	3,211,010	-	206,412	55,281	-	667,322	388,125	275,000
Beginning 2023 Fund Balance	(0)	62,783	721,073	8,973,692	59,111	11,483	433,672	30,575	647,207	1,968,396	2,166,948
Change to 2023 Fund Balance	0	57,730	73,336	777,211	23,159	38,588	78,188	10,500	(183,113)	(388,125)	539,239
Ending 2023 Fund Balance	0	120,513	794,409	9,750,903	82,270	50,071	511,860	41,075	464,094	1,580,271	2,706,186
<i>Budgeted 2023 Ending Fund Balance</i>	<i>7,706</i>	<i>11,568</i>	<i>437,320</i>	<i>12,838,361</i>	<i>70,861</i>	<i>8,829</i>	<i>264,539</i>	<i>50,970</i>	<i>902,635</i>	<i>913,057</i>	<i>2,584,385</i>



Capital Funds

- Capital funds activity significant - \$3.4M spent in 2023
- 2023 projects include
 - South Fork Levee Setback design
 - Bendigo & MT Si Blvd RAB design
 - South Fork Ave Extension design
 - NBW Bridge Repairs design/construction
 - Malone Grove/Cedar Falls Way Sidewalk and RRFB design/construction
 - Stilson Ave Sidewalk design/construction
 - Taylor Park design
 - Tennant Trailhead Park construction

Fund	Capital Funds		
	310	320	
Fund Title	Municipal Projects	Capital Improvement (REET)	
Revenues			
Taxes	-	997,000	
Licenses and permits	-	-	
Grants/Intergovtl	320,850	-	
Charges for services	-	-	
Fines and penalties	-	-	
Contributions	-	-	
Investment earnings	4,745	-	
Transfers In	1,860,621	-	
Total Revenues (2023)	2,186,216	997,000	
Expenses			
Personnel	-	-	
Supplies	-	-	
Contracted Services	-	-	
Capital Outlay	2,690,111	668,931	
Debt Service	-	-	
Transfers Out	42,358	628,102	
Total Expenditures (2023)	2,732,469	1,297,033	
Beginning 2023 Fund Balance	1,114,668	5,885,804	
Change to 2023 Fund Balance	(546,254)	(300,033)	
Ending 2023 Fund Balance	568,414	5,585,770	
<i>Budgeted 2023 Ending Fund Balance</i>	<i>1,837,804</i>	<i>5,529,159</i>	



Enterprise Funds

- Enterprise funds ended 2023 in positive financial condition
- Connection charge revenues bolstered revenue performance (one-time revenue); \$4.3M total
- Utility rate studies to occur in last half of 2024

Fund	Enterprise Funds				
	401	402	404	405	
Fund Title	Water Operations	Sewer Operations	Storm & FLOOD Operations	Solid Waste & Recycling Operations	
Revenues					
Taxes	-	-	-	-	-
Licenses and permits	-	-	2,772	114,960	
Grants/Intergovtl	-	-	-	28,187	
Charges for services	2,797,853	4,322,952	966,996	-	
Fines and penalties	-	-	-	-	
Contributions	1,432,491	2,484,233	359,291	36,000	
Investment earnings	319	2,430	(8,349)	-	
Transfers In	-	-	-	-	
Total Revenues (2023)	4,230,663	6,809,614	1,320,711	179,146	
Expenses					
Personnel	1,446,370	1,469,547	769,715	70,081	
Supplies	353,212	113,740	2,990	-	
Contracted Services	1,148,015	1,832,118	345,444	14,575	
Capital Outlay	9,584	9,447,606	144,961	-	
Debt Service	215,738	2,810,525	5,027	-	
Transfers Out	127,198	200,687	158,159	-	
Total Expenditures (2023)	3,300,117	15,874,224	1,426,297	84,657	
Beginning 2023 Fund Balance	2,263,164	23,332,504	2,592,122	537,625	
Change to 2023 Fund Balance	930,547	(9,064,610)	(105,586)	94,490	
Ending 2023 Fund Balance	3,193,710	14,267,894	2,486,536	632,115	
<i>Budgeted 2023 Ending Fund Balance</i>	<i>2,103,913</i>	<i>15,404,720</i>	<i>2,384,541</i>	<i>541,278</i>	

Internal Service Funds

- Internal Service Funds ended 2023 with revenues exceeding expenses.
- Ending fund balances within expectations.

Internal Service Funds			
Fund	501	502	
Fund Title	Equipment Operations	Equipment Reserve	
Revenues			
Taxes	-	-	
Licenses and permits	-	-	
Grants/Intergovtl	-	-	
Charges for services	804,753	145,533	
Fines and penalties	-	-	
Contributions	20	-	
Investment earnings	-	-	
Transfers In	-	-	
Total Revenues (2023)	804,773	145,533	
Expenses			
Personnel	301,777	-	
Supplies	92,605	-	
Contracted Services	224,550	-	
Capital Outlay	387	113,659	
Debt Service	555	-	
Transfers Out	-	-	
Total Expenditures (2023)	619,874	113,659	
Beginning 2023 Fund Balance	2,211	1,710,365	
Change to 2023 Fund Balance	184,899	31,874	
Ending 2023 Fund Balance	187,110	1,742,239	
Budgeted 2023 Ending Fund Balance	126,244	1,364,287	



Fund Definitions

Fund Types	Description
General Fund	This fund is the primary fund of the City of North Bend. It accounts for all financial resources except those required or elected to be accounted for in another fund. It is used to meet the basic services that your local government provides.
Special Revenue Funds	These funds account for revenues that are legally restricted or designated for a specific purpose.
Capital Funds	These funds account for financial resources which are designated for the acquisition or construction of general government capital projects.
Enterprise Funds	These funds account for operations that provide goods or services to the general public and are supported primarily by user charges.
Internal Service Funds	These funds account for operations that provide goods or services to other departments or funds of the City on a cost-reimbursement basis.



Thank You

Council Packet April 16, 2024

Martin Chaw, Fin. Director

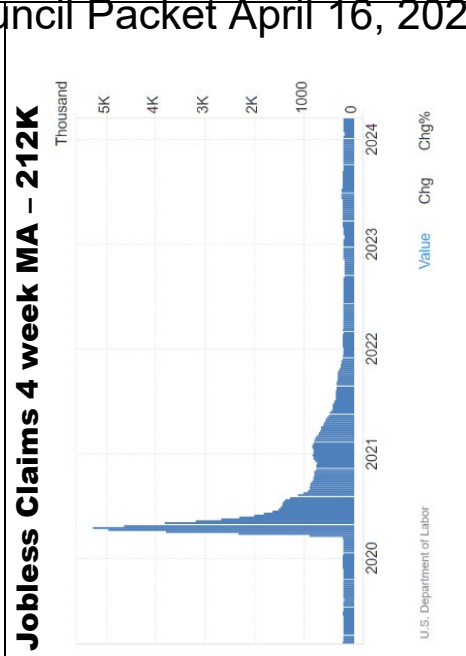
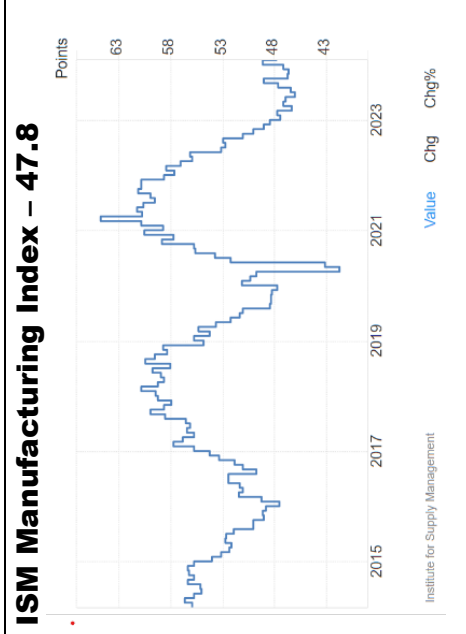
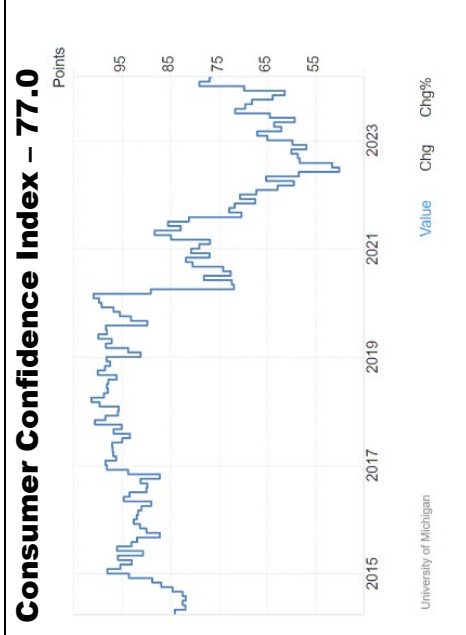
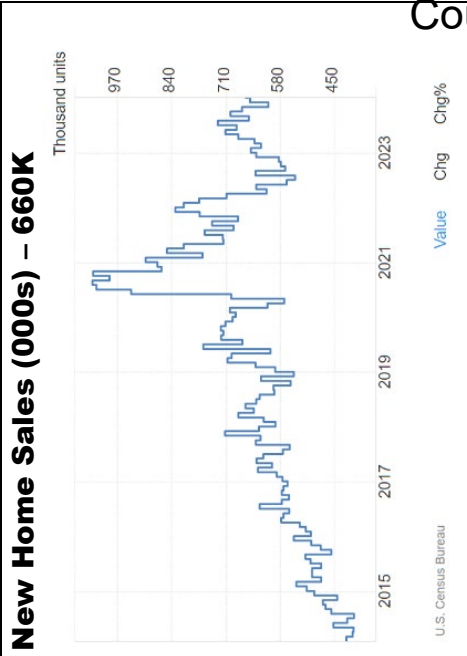
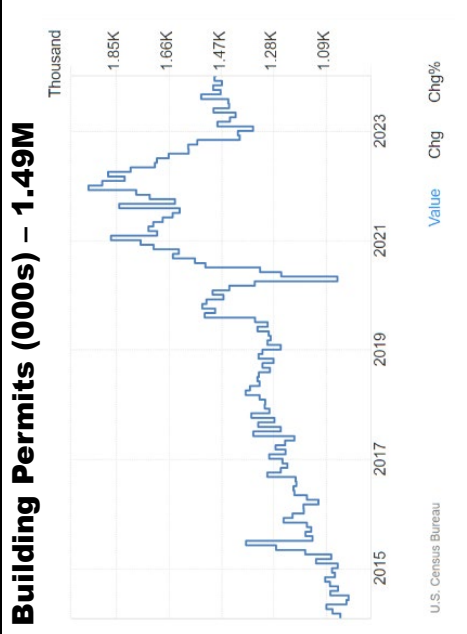
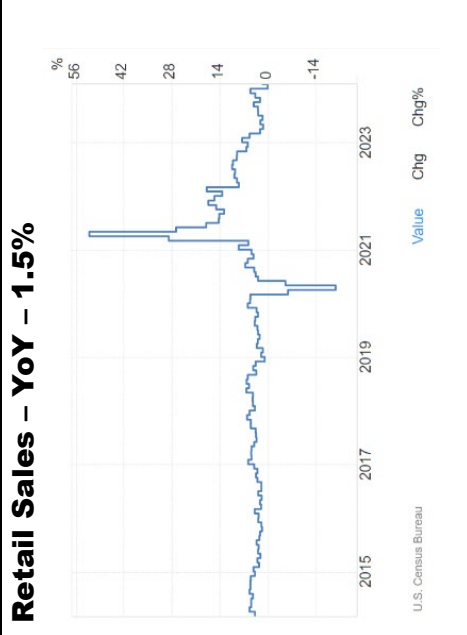
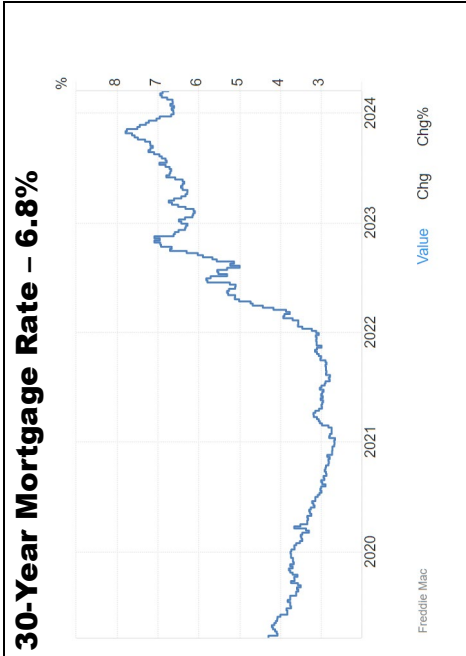
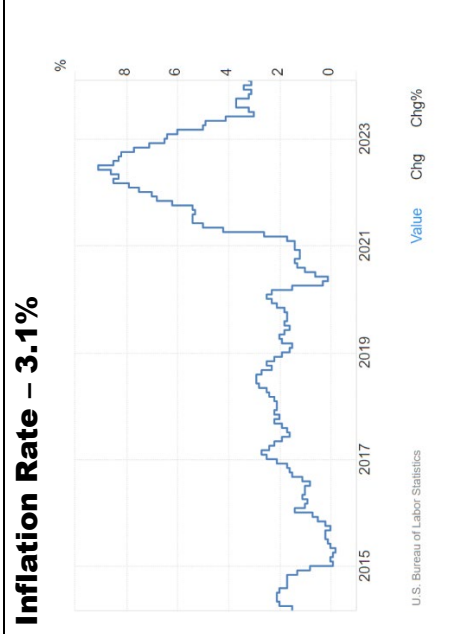
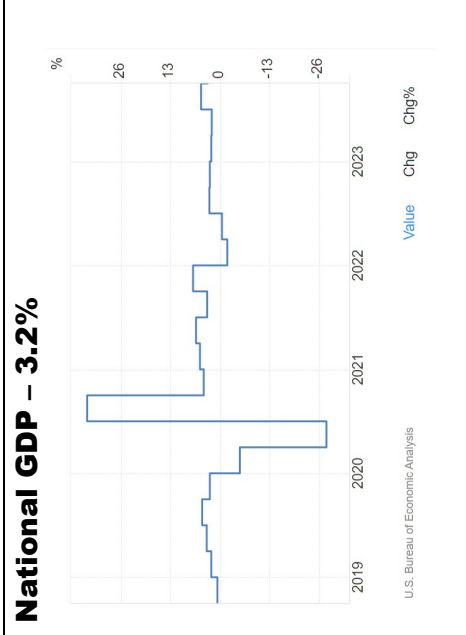
425.888.7632

mchaw@northbendwa.gov

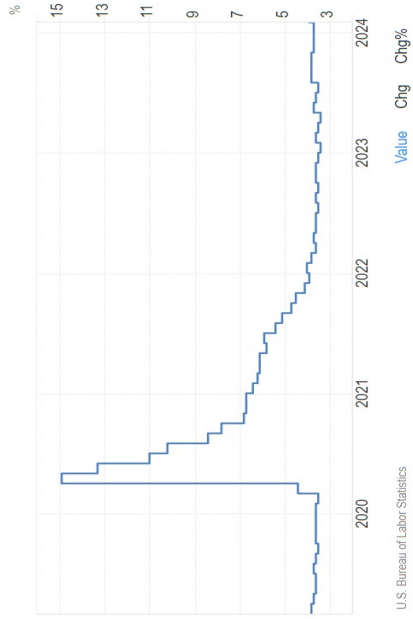
www.northbendwa.gov



Selected US Economic Indices – March 2024



Unemployment Rate – 3.9%



WA State Unemployment Rate

	January 2024 (Preliminary)	December 2023 (Revised)	January 2023 (Revised)	November 2022 (Revised)
United States				
Unemployment rate	3.7%	3.7%	3.4%	3.5%
<i>Seasonally adjusted</i>				
Washington				
Unemployment rate	4.6%	4.2%	4.6%	4.5%
Resident labor force	4,032,808	4,059,627	4,022,870	4,015,286
Unemployed	183,847	170,380	184,387	182,517
Seattle/Bellevue/Everett				
Unemployment rate	3.8%	3.6%	3.2%	3.2%
Resident labor force	1,811,621	1,820,891	1,782,027	1,781,209
Unemployed	68,674	66,198	56,947	57,086



City Council Agenda Bill

SUBJECT:		Agenda Date: April 16, 2024		AB24-040
Motion Authorizing a Contract with Republic Services to Haul and Dispose of WWTP Sewage Sludge		Department/Committee/Individual		
		Mayor Mary Miller		
		City Administrator – David Miller		
		City Attorney – Kendra Rosenberg		
		City Clerk – Susie Oppedal		
		Administrative Services – Lisa Escobar		
		Comm. & Economic Development – Rebecca Deming		
Cost Impact: \$80,000 to \$100,000 Annually		Finance – Martin Chaw		
Fund Source: Sewer Operating (402)		Public Works – Mark Rigos, P.E.		X
Timeline: Immediate				
Attachments: Contract				
<p>SUMMARY STATEMENT:</p> <p>Waste sewage sludge created at the City’s Wastewater Treatment Plant (WWTP) is currently treated by processing through a centrifuge, which dewateres the sludge to approximately 18% solids by weight. After dewatering, the solids are loaded into a semi-truck trailer and hauled by Republic Services to the Roosevelt Landfill in Roosevelt, WA. The City originally entered into a contract with Republic Services to haul and dispose of the solid waste in 2015 and has been disposing of its solids in this manner since 2016.</p> <p>This is a renewal of the existing contract, which is required every three (3) years based on the terms of the contract. Staff have discussed other methods of disposing of the dewatered sludge with engineers at Gray & Osborne, Inc. who have determined that this is the most cost-effective means of accomplishing that goal as the WWTP is currently configured.</p> <p>City staff discussed these services with staff at Recology and Recology is currently unable to perform this service due to lack of equipment. If and when Recology is able to secure the necessary equipment, staff will work with them to enter into a similar contract. Further, staff are investigating alternative means of disposal. With the work that was completed at the WWTP in 2024, it is expected that the waste sludge will meet Class B Biosolids requirements, making it suitable for beneficial re-use. Once we are able to prove that Class B requirements are met, the waste biosolids can be used as fertilizer for crops as opposed to simply being disposed of in a landfill. It is anticipated that this work will be complete in late 2024 or early 2025 at which time we will stop using Republic Services for disposal and begin using a company that will land-apply the biosolids.</p> <p>Payment for services will be on a per-load basis plus an hourly fee for transportation. Estimated annual costs under this contract range from \$80,000 to \$100,000 per year, depending on the amount of solids produced and transportation time for disposal.</p>				
<p>APPLICABLE BRAND GUIDELINES: Consistent delivery of quality basic services including transportation and traffic management.</p>				
<p>COMMITTEE REVIEW AND RECOMMENDATION: The Transportation and Public Works Committee reviewed this item on March 26, 2024 and it was recommended for approval and placement on the Consent Agenda. It was subsequently pulled from the April 2, 2024 City Council Agenda and will be placed on the April 16, 2024 City Council Main Agenda for discussion.</p>				
<p>RECOMMENDED ACTION: MOTION to approve AB24-040, authorizing the Mayor to execute a contract with Republic Services for hauling and disposing of WWTP sewage sludge, in a form approved by the City Attorney.</p>				

City Council Agenda Bill

RECORD OF COUNCIL ACTION		
<i>Meeting Date</i>	<i>Action</i>	<i>Vote</i>
April 2, 2024	Pulled	
April 16, 2024		



SPECIAL WASTE DISPOSAL SERVICES AGREEMENT 2024 NON-HAZARDOUS WASTES

Special Waste Profile No: 4178 15 5434

INVOICE TO (Generator Billing Information)			
GENERATOR NAME (the "Generator") City of North Bend Wastewater Treatment Plant			
ATTN: Jeff Leamon			
ADDRESS 920 SE Cedar Falls Way			
CITY, STATE North Bend WA		ZIP CODE 98045	
TEL. NO. 425-888-7672		FAX NO.	

LANDFILL FACILITY ("Company")	
LEGAL ENTITY NAME 4178 Roosevelt Regional MSW Landfill / Regional Disposal Co.	
ADDRESS 500 Roosevelt Grade Road	
CITY, STATE Roosevelt, WA	ZIP CODE 99356
TEL. NO. 509.384.5641	FAX NO.
AUTHORIZED BY:	TITLE
CONTACT	TITLE

1. **Special Waste Services.** Subject to the terms and conditions contained in this Agreement (as defined in Section 4), Company agrees to accept, at the Facility designated above, Acceptable Waste (as defined in Section 6).

2. **Rates:**

A. Rates for Disposal:

Waste	Disposal Method	Disposal Rate:	Fees / Taxes / Misc.	Transportation
Dewatered sewer Sludge	LANDFILL	*\$1980.00 for 20ft container for first 25 tons. Over 25 will be \$79.20 per ton	Washington State refuse tax of 3.6%	\$175.00 per hour non prevailing

Additional Information: *** The profile will expire on 3/18/2027 **

Cpi adjustment each Jan 1

Cannot Exceed Daily Volume of N/A Without Prior Approval of Company.

B. Incorporation by Reference. In addition to Special Waste Profile(s), the following documents are incorporated by reference into this Agreement as if fully set forth herein.

1) TB-12558

2)

C. Taxes, Fees & Other Charges. Generator shall also be liable for all taxes, fees, or other charges imposed by federal, state, local or provincial laws, ordinances and regulations, and all charges set forth in Section 9, including, without limitation, site specific fees, host fees, fuel recovery fees, environmental recovery fees and administrative fees.

3. **Term of Agreement.** This Agreement is effective for 36 months beginning on March 20, 2024 (the "Initial Term") and shall automatically renew for successive 0-month periods (each, a "Renewal Term"), unless written notice of non-renewal is delivered in accordance with Section 19 by one party to the other party at least 30 days before the expiration of the Initial Term or any Renewal Term.

Except for requests for bids that Generator must send to multiple parties under any Applicable Laws, Generator grants to Company the right to bid and/or compete for any future services sought by Generator, whether by means of competitive bids or otherwise, that are for services comparable to those provided under this Agreement.

COMPANY AND GENERATOR, IN CONSIDERATION OF THE MUTUAL OBLIGATIONS CONTAINED IN THIS AGREEMENT, AGREE THAT THIS IS A LEGALLY BINDING AGREEMENT WHICH IS SUBJECT TO THE TERMS AND CONDITIONS SET FORTH ON THIS PAGE, AND ON THE REVERSE SIDE OF THIS PAGE. IN ADDITION, GENERATOR IS CERTIFYING THE TERMS AND CONDITIONS ON THE REVERSE SIDE OF THIS PAGE HAVE BEEN REVIEWED AND INITIALLED AT THE BOTTOM OF THE PAGE.

GENERATOR

COMPANY

SIGNATURE (AUTHORIZED REPRESENTATIVE)

SIGNATURE (AUTHORIZED REPRESENTATIVE)

NAME AND TITLE (PLEASE PRINT)

NAME AND TITLE (PLEASE PRINT)

DATE:

DATE:

4. **The Agreement.** This agreement of the parties ("Agreement") for the disposal of Acceptable Waste shall consist of this Agreement, riders to the Agreement (if any), any Special Waste Profiles (including any approved changes and re-certifications) and any Application, permit and approval that may be applicable to the disposal of such Acceptable Waste ("Acceptable Waste Documentation").

5. **Waste Accepted at Facility.** Generator represents, warrants and covenants that the waste delivered to Company at its Facility hereunder will be Acceptable Waste and will not contain any unacceptable quantity of hazardous materials or substances, radioactive materials or substances, or toxic waste or substances, as defined by applicable federal, state, local or provincial laws or regulations. Any waste which does not meet these requirements shall hereinafter be referred to as "Unacceptable Waste". The Generator shall in all matters relating to the collection, transportation and disposal of the Acceptable Waste hereunder, comply with all applicable federal, state and local laws, regulations, rules and orders regarding the same (collectively, "Applicable Laws").

6. **Acceptable Waste.** Only waste that satisfies each of the following criteria shall be accepted for disposal at the Facility ("Acceptable Waste"): (a) the waste conforms to the description set forth in the Acceptable Waste Documentation; (b) the waste does not contain any Unacceptable Waste; (c) the waste is accurately reflected on any Special Waste Profile(s) as directed by the Company pursuant to Section 7; (d) the waste is acceptable for disposal at the Facility under all Applicable Laws; and (e) the transportation to and disposal of the waste at the Facility is otherwise in accordance with this Agreement. The parties may incorporate additional Acceptable Waste as part of this Agreement if prior to delivery of such Waste to Company, Generator has provided an Application for such Acceptable Waste and Company has approved disposal of such Acceptable Waste within the limitations and conditions contained in Company's written notice of approval of Special Waste Disposal. Title to and liability for any and all Acceptable Waste handled or disposed of by Company shall at all times remain with Generator and Broker (if a Broker is involved).

7. **Rights of Refusal/Rejection.** The Generator shall inspect all waste at the place(s) of collection and shall remove any and all Unacceptable Waste. Company has the right to refuse, or to reject after acceptance, any load(s) of waste(s) delivered to its Facility including if the Company believes (a) Generator has breached (or is breaching) its representations, warranties, covenants or agreements in this Agreement or any Acceptable Waste Documentation, or any Applicable Laws; or (b) that the waste contains Unacceptable Waste. The Company has the right to refuse, or to reject after acceptance, any load(s) of waste(s) delivered to its Facility if the Company has reason to believe, in its sole discretion, that the waste: (1) emits excessive odors; and/or (2) negatively impacts operations at the Facility. Company shall have the right to inspect all vehicles and containers of waste haulers, including the Generator's vehicles, in order to determine whether the waste is Acceptable Waste pursuant to this Agreement and all Applicable Laws. The Company's exercise, or failure to exercise, its rights hereunder shall not operate to relieve the Generator of its responsibilities or liability under this Agreement.

8. **Limited License to Enter.** This Agreement provides Generator with a license to enter the Facility for the limited purpose of, and only to the extent necessary for, off-loading Acceptable Waste at the Facility in the manner directed by Company. Except in an emergency, Generator's personnel shall not leave the immediate vicinity of their vehicle. After off-loading the Acceptable Waste, Generator's personnel shall promptly leave the Facility. Under no circumstances shall Generator or its personnel engage in any scavenging of waste or other materials at the Facility. The Company reserves the right to make and enforce reasonable rules and regulations concerning the operation of the Facility, the conduct of the drivers and others on the Facility premises, quantities and sources of waste, and any other matters necessary or desirable for the safe, legal and efficient operation of the Facility including, but not limited to, speed limits on haul roads imposed by the Company, and the wearing of hard hats and other personal protection equipment by all individuals allowed on the Facility premises. Generator agrees to conform to such rules and regulations as they may be established and amended from time to time. Company may refuse to accept waste from and shall deny an entrance license to, any of Generator's personnel whom Company believes is under the influence of alcohol or other chemical substances. Generator shall be solely responsible for its employees and subcontractors performing their obligations in a safe manner when at the facility of Company.

9. **Charges and Payment.** Payment shall be made by Generator within twenty (20) days after receipt of invoice from Company. If any amount is overdue, the Company may terminate this Agreement. Generator agrees to pay a finance charge equal to the maximum interest rate permitted by law. Generator shall be liable for all taxes, fees, or other charges imposed upon the disposal of the Acceptable Waste by federal, state, local or provincial laws and regulations. Company, from time to time, may modify its rates upon thirty (30) days written notice to Generator. For the purposes of this section, written notice may be provided via email, certified mail, or overnight courier.

10. **Termination/Suspension.** Company shall have the right to immediately terminate and/or suspend this Agreement upon the occurrence of any of the following events of default: (a) Generator's failure to timely pay any amounts due under this Agreement to Company; (b) Generator's breach of any of its obligations, representations, warrants or covenants under this Agreement or any Acceptable Waste Documentation; or (c) the filing of a voluntary or involuntary petition for reorganization or bankruptcy against Generator. Generator shall be liable for any losses, claims, expenses and damages incurred by Company as a result of suspension or termination hereunder. Generator's obligations, representations, warranties and covenants regarding the Acceptable Waste delivered and all indemnities contained in this Agreement shall survive expiration and termination of this Agreement. Additionally, Company shall have the right to terminate this Agreement for convenience at any time on 30 days notice to Generator.

11. **Personnel Knowledge and Authority.** Generator represents, warrants and covenants that its drivers who deliver Acceptable Waste to Company's Facility have been advised by Generator of the Company's prohibition on deliveries of hazardous materials or substances, radioactive materials or substances, or toxic waste or substances or any other Unacceptable Waste to the Facility of Company's restrictions on deliveries of Special Waste to the Facility, of the definitions of "Hazardous Waste and Hazardous Substances" as provided by applicable federal, state and local law, rules and regulations and "Special Waste" as provided herein, and of the terms of this license to enter Company's Facility.

12. **Indemnification.** Generator agrees to indemnify, defend and hold harmless Company, the legal entity owning and/or operating the Facility, their subsidiaries, affiliates and parent corporations, as applicable, and each of their respective officers, directors, lenders, employees, subcontractors and agents (collectively, the "Company Indemnified Parties") from and against any and all claims, suits, losses, liabilities, assessments, damages, fines, costs and expenses, including reasonable attorneys' fees (collectively, "Losses") arising out of or related to (a) the transportation to and/or disposal of any Unacceptable Waste at the Facility, whether or not Generator or Company was negligent in failing to identify the Unacceptable Waste; (b) the reloading and/or removal of Unacceptable Waste at the Facility; (c) any penalties, fines or remediation activities incurred by or imposed as the result of the transportation and/or disposal of Unacceptable Waste; (d) any increased inspection, testing, study and analysis costs made necessary due to reasonable concerns of Company as to the content of the waste transported and/or disposed of at the Facility following discovery of potentially Unacceptable Waste; and (e) the Company's inability to use the Facility due to the presence of Unacceptable Waste including without limitation any consequential damages. Company may also, in its sole discretion, require Generator to promptly remove the Unacceptable Waste at Generator's sole expense. The indemnification and other obligations stated in this Section 12 shall survive the expiration and termination of this Agreement.

13. **Insurance.** Generator shall maintain in full force and effect throughout the term of this Agreement the following types of insurance in at least the amounts specified below:

Coverages	Minimum Amounts of Insurance
Worker's Compensation	Statutory

Employer's Liability	\$500,000
General Liability	\$1,000,000 combined single limit
Automobile Liability (if Generator hauling)	\$1,000,000 combined single limit

All insurance will be by insurers authorized to do business in the state in which the Facility is located. Generator shall deliver the Certificates of Insurance evidencing the foregoing policies to Company before Generator delivers any waste to the Facility pursuant to this Agreement. In addition, the (i) Commercial General Liability (including the Umbrella/Excess policy) policy must include Contractual Liability coverage specifically covering Generator's indemnification of Company, and (ii) The Commercial General Liability, Automobile Liability and the Umbrella/Excess Liability policies must be written on an "occurrence form". Said policies shall not thereafter be canceled, be permitted to expire or laps, or be changed without 30 days advance written notice has been given to Company. With the exception of workers' compensation, Company shall be shown as additional insureds under all of the insurance policies required by this Section 13. The policies required by this Section 13 shall be primary and non-contributory with respect to Company, and the insurance providers shall agree to waive their rights of subrogation against Company.

14. **Failure to Perform.** Except for Generator's obligation to pay amounts due to Company, neither party shall be liable for its failure to perform due to circumstances that are both not its fault and beyond its reasonable control, including, but not limited to, strikes or other labor disputes, riots, protests, civil disturbances or sabotage, changes in law, fires, floods, compliance with government requests, explosions, accidents, weather, lack of required natural resources, or acts of God affecting either party. If any of the circumstances provided for in the preceding sentence occur, including, without limitation, whether any federal, state or local court or governmental authority takes any action that would (a) close or restrict operations at the Facility; or (b) limit the quantity or prohibit the disposal of Acceptable Waste at the Facility, Company shall have the right to reduce, suspend or terminate Generator's access to the Facility immediately, without prior notice; provided, however, that Generator's payment and indemnification obligations shall survive such reduction, suspension or termination. Neither Party is required to settle any labor dispute against its own best judgment.

15. **Assignment; Performance of Services.** Generator may not assign, transfer, subcontract or otherwise vest in any other company, entity or person, in whole or in part, any of its rights or obligations under this Agreement without the prior written consent of Company, which Company may withhold in its sole discretion. Company may freely assign this Agreement or any of its rights or obligations thereunder, to any other company, entity or person, in its sole discretion. Additionally, Company may freely use any of its affiliates to provide the services and fulfill Company's obligations under this Agreement.

16. **Right of Disposal.** This Agreement does not grant any rights to dispose of waste other than as specifically set forth in this Agreement.

17. **Continuing Compliance.** The Generator has a continuing obligation to inform the Company of any new information, or information not previously provided to the Company by Generator which may affect the acceptability of the waste by the Company. Further, the Generator shall comply with all Company requests for evidence of Generator's continuing compliance with the terms of the Agreement including but not limited to the following: (i) providing new, updated Special Waste profiles on the waste(s) offered for disposal or, (ii) providing appropriate certification that the waste being offered for disposal is accurately reflected by the appropriate Special Waste Profile or, (iii) re-sample the waste at Generator's expense if reasonable cause exists as to its acceptability under the terms of this Agreement or, (iv) allow the Company to re-sample the waste at Generator's expense if reasonable cause exists as to its acceptability under the terms of this Agreement or any Acceptable Waste Documentation.

18. Miscellaneous.

(A) This Agreement shall be governed by the laws of the State in which the Facility is located.

(B) No waiver of a breach of any of the obligations contained in the Agreement shall be construed to be a waiver of any prior or succeeding breach of the same obligation or of any other obligation of this Agreement.

(C) Unless otherwise provided for herein, no modification, release, discharge or waiver of any provision or obligation hereof shall be of any force, or effect, unless in writing signed by all parties to this Agreement.

(D) Generator shall treat as confidential and not disclose to others during or subsequent to the terms of this Agreement, except as is necessary to perform this Agreement, or to comply with any applicable law or regulation any information (including any technical information, experience or date) regarding the Company's plans, programs, plants, processes, products, costs, equipment or operations which may come within the knowledge of the Generator or its employees in the performance of this Agreement, without in each instance securing the prior written consent of the other Company.

(E) If any term, phrase, obligation or provision of this Agreement shall be held to be invalid, illegal or unenforceable in any respect, this Agreement shall remain in effect and be construed without regard to such term, phrase, obligation or provision.

(F) This Agreement constitutes the entire understanding between the parties, replacing and amending any prior agreements between the parties, and shall be binding upon all parties hereto, their successors, heirs, representatives and assigns. Any provision, term or condition in any acknowledgement, purchase order or other response by Generator which is in addition to or different from the provisions of this Agreement shall be deemed objected to by the Company and shall be of no effect.

(G) Generator represents, warrants and covenants that it is and, during the term of this Agreement will remain, in compliance with and will perform its obligations pursuant to all applicable laws and regulations and shall indemnify, defend and hold harmless the Company from any breach thereof.

(H) It is the understanding and agreement of the parties that the Company is an independent contractor, and is not an agent, nor an authorized representative of the Generator.

(I) Company may provide any of the Services covered by this Agreement through any of its affiliates or subcontractors, provided that Company shall remain responsible for the performance of all such services and obligations in accordance with this Agreement

19. **Notices.** All notices required under this Agreement shall be considered as having been given upon being placed in the mail, certified postage prepaid, addressed to Company or Generator at the address herein set forth in this Agreement or to such other address as may be given to the other party in writing.

20. **Liquidated Damages.** If Generator terminates this Agreement before its expiration other than as a result of a breach by Company, Generator shall pay Company an amount equal to the most recent month's monthly charges multiplied by the lesser of (a) six months or (b) the number of months remaining in the term. Generator acknowledges that in the event of such a termination, actual damages to Company would be uncertain and difficult to ascertain, such amount is the best, reasonable and objective estimate of the actual damages to Company, such amount does not constitute a penalty, and such amount is reasonable under the circumstances. Any amount payable under this paragraph shall be in addition to amounts already owing under this Agreement

GENERATOR: _____

COMPANY: _____

June 2021