



PACIFIC CITY COUNCIL MEETING AGENDA
Council Chambers - City Hall. 100 3rd Ave. SE

August 10, 2015
Monday

Regular Meeting
6:30 p.m.

- 1. CALL TO ORDER/PLEDGE OF ALLEGIANCE**
- 2. ROLL CALL OF COUNCIL MEMBERS**
- 3. ADDITIONS TO/APPROVAL OF AGENDA**
- 4. PUBLIC HEARING**

(3) A. Continued Hearing: Solid Waste Contract with Waste Management

5. AUDIENCE COMMENT

(Please limit your comments to 3 minutes for items not on the agenda. When recognized by the Mayor, please state your name and address for the official record. It is asked that you do not speak on the same matter twice.)

6. REPORTS

- A. Mayor**
- B. City Administrator**
- (58) C. Court**
- (60) D. Community/Senior/Youth Services**
- E. Public Works Department**
- F. Community Development Department**
- G. Public Safety Department**
- H. City Council Members**
- I. Boards and Committees**
 - i. Finance Committee**
 - ii. Governance Committee**
 - iii. Human Services Committee**
 - iv. Public Safety Committee**
 - v. Public Works Committee**
 - vi. Technology Committee**
 - vii. Park Board**
 - viii. Planning Commission**
 - ix. Pierce County Regional Council (PCRC)**
 - x. Sound Cities Association (SCA)**
 - xi. South County Area Transportation Board (SCATBd)**
 - xii. Valley Regional Fire Association (VRFA)**

7. OLD BUSINESS

- (61) **A. Resolution No. 2015-270:** Authorizing the execution of an agreement with Waste Management for solid waste services in the City of Pacific.
- (119) **B. Resolution No. 2015-278:** Authorizing the submittal of the Transportation Improvement Board grant application for 3rd Avenue South preservation.
- (128) **C. Resolution No. 2015-279:** Authorizing the submittal of the Transportation Improvement Board grant application for Milwaukee Boulevard Improvements.
- (155) **D. Resolution No. 2015-277:** Authorizing the surplus of equipment that has been or is in need of being replaced.
- (158) **E. Ordinance No. 2015-1903:** Accepting a donation of \$500 from Don Kuzmer, Metals Express, to be used for community events such as the Bike Rodeo and Police Department Open House.

9. NEW BUSINESS

10. CONSENT AGENDA

- (160) **A.** Payroll and Voucher Approval
- (166) **B.** Minutes of the meeting of July 13, 2015.

11. ADJOURN

Finance Committee Garberding, Kave, Walker Meets: 3 rd Tuesdays	August 18, 2015 6:30 p.m.	City Hall
Governance Committee Kave, Oliveira, Putnam Meets 1st Tuesday	September 1, 2015 6:30 p.m.	City Hall
Human Services Committee Garberding, Oliveira, Steiger Meets 4 th Tuesday	September 22, 2015 6:30 p.m.	Senior Center
Park Board Meets 3 rd Tuesday	August 18, 2015 6:30 p.m.	City Hall
Planning Commission Meets 4 th Tuesday	September 22, 2015 6:00 p.m.	City Hall
Public Safety Committee Garberding, Kave, Steiger Meets 2 nd Wednesday	August 12, 2015 6:30 p.m.	City Hall
Public Works Committee Jones, Putnam, Steiger Meets 1 st Wednesday	September 2, 2015 7:00 p.m.	City Hall
Technology Committee Jones, Oliveira, Walker Meets: 3 rd Thursday	August 20, 2015 5:00 p.m.	City Hall

Council may add other items not listed on this agenda unless specific notification period is required.

Please turn off cell phones during meeting and hold your questions for staff until the meeting has been adjourned.

Meeting materials are available on the City's website at: www.cityofpacific.com or by contacting the City Clerk's office at (253) 929-1105.



For ADA accommodations, please contact City Hall at (253) 929-1105 prior to the meeting.



Agenda Bill No. 15-077

TO: Mayor Guier and City Council Members

FROM: Richard Gould, City Administrator

MEETING DATE: August 10, 2015

SUBJECT: Continued Public Hearing for Solid Waste Services Contract

ATTACHMENTS:

- **Solid Waste Collection Contract with Waste Management, Inc. version 20**
- **Waste Management RFP Evaluation Form**
- **Waste Management/DM Disposal Comparison**
- **DM Disposal RFP Evaluation Form**
- **DM Disposal/Waste Management Reconciling Quantity Spreadsheet**
- **DM Disposal Independent Accountant's Report on Agreed-Upon Procedures prepared by McGladrey, LLC 7/6/15**
- **Solid Waste Services Agreement Financial Analysis, 7/27/15**

Previous Council Review Date: June 22, 2015

Background: The City issued an RFP for solid waste services in Pacific. Responses to the RFP were received. The City staff evaluated the qualifications of the vendors, as described in the responses to the RFP. Based on the criteria established by the City Council, the City staff recommended to the Council one vendor that was initially determined to be the best qualified to provide solid waste services in Pacific – Waste Management. The City Council selected Waste Management of Washington, Inc. as the preferred provider of solid waste services in Pacific. Contract negotiations have been completed with Waste Management and the contract is ready for adoption.

Summary: This is a continuation of the second public hearing to receive public input on the proposed contract on Monday, August 10, 2015, at approximately 6:30 p.m.

Recommendation/Action: Receive public input on the proposed solid waste services contract with Waste Management of Washington, Inc.

**CONTRACT FOR SOLID WASTE
SERVICES
BETWEEN THE
CITY OF PACIFIC, WASHINGTON
AND
WASTE MANAGEMENT OF
WASHINGTON, INC.**

October 5, 2015 – October 4, 2025

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**CONTRACT FOR SOLID WASTE SERVICES
BETWEEN
THE CITY OF PACIFIC, WASHINGTON
AND
WASTE MANAGEMENT OF WASHINGTON, INC.**

This CONTRACT FOR SOLID WASTE SERVICES (hereafter, “**Contract**”) is made and entered into this ___ day of _____, 2015, by and between the City of Pacific, a Washington municipal corporation (the “**City**”), and Waste Management of Washington, Inc., a Washington corporation (“**Contractor**”), to provide for Solid Waste Services in the City Service Area. The parties shall be collectively referred to herein as the “**Parties**” and individually as a “**Party**,” unless specifically identified otherwise.

RECITALS

WHEREAS, the City has negotiated with Contractor for collection, disposal, recycling and other services regarding solid waste; and

WHEREAS, solid waste collection service is a fundamental municipal function, with uniform, managed collection necessary for the preservation of public health; and

WHEREAS, Contractor represents that it has the experience, resources, and expertise necessary to perform solid waste collection services; and

WHEREAS, pursuant to RCW 35.21.120, the City enacted ordinances codified in the City’s Municipal Code which created a system for the orderly collection and disposal of Garbage within the City of Pacific; and

WHEREAS, the City agrees to adopt such modifications to its solid waste ordinances as are necessary to enter into this agreement; and

WHEREAS, the City Council finds that by entering into this Contract for Solid Waste Services, the citizens of the City will receive a greater variety of solid waste services at more stable rates.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL BENEFITS AND COVENANTS STATED HEREIN, THE PARTIES AGREE AS FOLLOWS:

DEFINITIONS

For the purposes of this Contract, the following terms shall have the following meanings:

Adjustment Date: The date that occurs annually on October 5th during this Contract.

Bulky Waste/Items: Couches, chairs, mattresses, appliances and other large items that do not fit into the standard Residential or Commercial Garbage Collection truck.

Cart: A Contractor-owned wheeled cart that is a plastic container with 20, 35, 64 or 96 gallons of capacity; designed for and used with a hydraulic lifting mechanism; fitted with a sturdy handle and a cover; is rodent and insect resistant; and is capable of holding collected liquids without spilling when in an upright position. Where appropriate, Carts can be used for Garbage, Recyclables and Compostables Collection.

Carry-Out Service: The servicing of Carts by Contractor which are not placed Curbside by the Residential Customer for collection, but rather require the Contractor to enter onto Residential Customer's property and roll-out or carry-out Carts to Contractor's collection vehicle. Customers may request a carry-out service for an additional fee, as set forth in Exhibit B, and such fees are charged based upon the distance from Contractor's collection vehicle. Carry-out service for Physically Disabled Persons is set forth in Section 2.1.4.

City: The City of Pacific, Washington.

City Solid Waste: All putrescible and nonputrescible solid, semi-solid, and liquid wastes, including Residential, Commercial and municipal garbage, trash, refuse, paper, rubbish, ashes, demolition and construction wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semi-solid wastes, and other discarded solid and semi-solid wastes generated or coming to exist in the Service Area.

Collection: The process by which City Solid Waste is removed from Premises and transported to an appropriate facility for disposal, recycling, composting, or processing.

Commercial: Means of, from or pertaining to non-Residential Premises where business activity is conducted, including, but not limited to, retail sales, services, wholesale operations, manufacturing, and industrial operations, but excluding businesses conducted upon Residential Premises which are permitted under applicable zoning regulations and are not the primary use of the property.

Commercial Recycling Customers: Commercial Customers who voluntarily receive Recyclables Collection services.

Compostables: Food Waste, Yard Debris and other materials mutually agreed upon by the Parties.

- **Food Waste:** All compostable pre- and post-consumer food scraps, such as whole or partial pieces of produce, meats, bones, cheese, bread, cereals, coffee grounds and egg shells, 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 large dead animals, plastics, diapers, cat litter, liquid wastes, pet wastes or other materials prohibited by the selected composting facility.
- **Yard Debris:** Leaves, grass and clippings of woody, as well as fleshy plants. Unflocked whole holiday trees, if cut in half, are acceptable. Materials larger than four (4) inches in diameter or four (4) feet in length are excluded. Bundles of Yard Debris up to two (2) feet by two (2) feet by four (4) feet in dimension shall be allowed and shall be secured by degradable string or twine, not nylon or other synthetic materials. Kraft paper bags and untied reusable bags may be used to contain Yard Debris.

Compostables Cart: A Cart suitable for Residential collection, storage and Curbside placement of Compostables.

Composting: The controlled degradation of organic solid waste, yielding a product for use as a soil conditioner.

Containers: A detachable container or drop-box container suitable for storage and Collection of City Solid Waste. For purposes of this Agreement: (i) “detachable container” means a watertight metal or plastic container 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; and (ii) “drop-box container” means an all-metal container with ten (10) cubic yards or more capacity that is loaded onto a specialized Collection vehicle.

Contractor: Waste Management of Washington, Inc.

County: King County, Washington.

Contract Administrator: The City’s Mayor, or a person designated by the Mayor.

Curb or Curbside: The area within five (5) feet of the Public Street or alley where regular Collection from Residential Premises occurs. If safe access is difficult or 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 Contract Administrator and Contractor.

Customer: A Person receiving Solid Waste Services from Contractor pursuant to the terms of this Contract.

Disposal: The ultimate disposition of City Solid Waste at a landfill.

Effective Date: October 5, 2015

Garbage: City Solid Waste that is placed by Customers in appropriate bags, cans, Carts, Containers, or other receptacles for Collection and Disposal by the Contractor. The term “Garbage” shall not include Hazardous Wastes, Special Wastes, Source-Separated Recyclables or Compostables.

Disposal Fee: The fee charged to the Contractor for the Disposal of any City Solid Waste.

Hazardous Waste: Any substance that is:

- A. Defined as hazardous by 40 C.F.R. Part 261 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.; 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 Chapter 173-303 WAC and regulated as dangerous waste or extremely Hazardous Waste by the Washington State Department of

Ecology under the State Hazardous Waste Management Act, Chapter 70.105 RCW, or any other Washington State statute or regulation governing the treatment, storage, handling or disposal of wastes and imposing special handling requirements similar to those required by Chapter 70.105 RCW.

Inaccessible Area: Any road that does not allow safe access, turn-around, clearance or does not meet the weight requirements for Contractor trucks.

Paper: Office paper, copy paper, construction paper; newspaper and paper inserts; magazines and paper inserts; catalogs, mail and paper inserts; envelopes; paper bags; food boxes (cereal, cookie, cracker, etc.); juice boxes; milk, juice and ice cream cartons; aseptic containers, e.g. soup, broth, soy milk, almond milk; paper towel tubes; toilet paper tubes; tissue boxes; non-foil and non-cello wrapping paper; kraft paper bags or boxes; hot or cold cups.

Multi-Family Premises: A Premises with three (3) or more Residences, irrespective of whether residence therein is transient, temporary or permanent.

Multi-Family Residence: A Residence within a Multi-Family Premises.

Non-Regular Scheduled/Temporary Service: Any non-permanent, temporary service requested by a Customer and available from Contractor, for a fee. These requested services will be provided by the Contractor and billed directly to the Customer by Contractor.

Person: An individual, firm, association, organization, partnership, corporation, business trust, joint venture, the United States, the State of Washington, King County, cities, and special purpose districts.

Physically Challenged Persons: Disabled persons or any other Residential Customer who is not physically able to move Carts out to the Curbside, as determined based upon criteria reasonably established by the Contractor, with input from the City. Requests must be made to the Contractor in writing for such designation, and the Customer household cannot have another able-bodied person living in the home who is capable of rolling Carts out to the Curbside.

Premises: Any land or building in the Service Area where City Solid Waste is generated, deposited, accumulated or otherwise coming to exist.

Public Street: A public right of way used for public travel and owned by the City.

Recycling: The processing of City Solid Waste for the purpose of returning it to the economy in the form of raw materials for new, reused, or reconstituted products, or other uses resulting in diversion from Disposal.

Recyclables: Glass: food or beverage containers; Paper; Cardboard: boxes, packaging and beverage 'flats' or nursery 'flats'; Metal: tin, aluminum and steel food or beverage containers (labels okay); empty aerosol cans; scrap metal (limit: 2'x2'x2', 35 lbs.); metal appliances (cords removed); Plastic: food and beverage containers; PET/PETE bottles; HDPE bottles and jugs; dairy tubs, e.g. butter, yogurt, cottage cheese; cups; rigid plant pots; 5-gallon buckets. All

recyclables must be clean and free of liquids, food or any other debris. The City and the Contractor can negotiate deletions or additions to the Recyclables list.

Residence: A living space with a kitchen, individually rented, leased or owned, and located in the Service Area.

Residential: Means of, from, or pertaining to Single-Family Premises and Multi-Family Premises, including single-family homes, apartments, condominiums, townhouse complexes, mobile home parks, and cooperative apartments.

Recycling Carts: A Contractor-provided 20-, 35-, 64- or 96-gallon (default size) Cart suitable for Residential storage, Curbside placement and Collection of Recyclables.

Service Area: The municipal boundaries of the City, both now and as they may be expanded by annexation during the life of the Contract, subject to the provisions of RCW 35.13.280.

Single-Family Premises: A Premises with one (1) Residence, irrespective of whether residence therein is transient, temporary or permanent.

Single Stream Recycling: A system in which various types of Recyclables are separated from Garbage by the generator and placed together in a Cart or Container for Collection.

Solid Waste Services: Any and all Collection, Disposal, Recycling and Composting services regarding City Solid Waste.

Special Waste: Polychlorinated biphenyl (“PCB”) wastes, industrial process wastes, asbestos containing materials, petroleum contaminated soils, treated/de-characterized wastes, incinerator ash, medical wastes, demolition debris and other materials requiring special handling in accordance with applicable federal, state, county or local laws or regulations.

White Goods: Large household appliances such as washers, dryers, stoves, refrigerators (not containing CFCs), dishwashers, and other similar appliances.

WUTC: The Washington Utilities and Transportation Commission, which regulates solid waste collection in the unincorporated areas of the County.

ARTICLE I - AGREEMENT, TERM

1.1 Agreement

The City hereby agrees that Contractor shall have the exclusive right to perform all of the Solid Waste Services, to the extent allowed by State and Federal law, upon the terms and conditions set forth below.

1.2 Term

The initial term of this Contract is ten (10) years, starting on the Effective Date, and expiring at 11:59 p.m. on August 31, 2025. The Parties may, by mutual written agreement signed by the duly authorized representatives of the Parties, extend the Contract for two (2) successive periods of two (2) years each. Any such extension shall be

under the terms and conditions of this Contract. To exercise the option to extend this Contract, the Parties shall agree in writing not less than 180 days prior to the then expiring Contract term.

1.1 Exclusive Right; Franchise Enforcement

The City does hereby grant to Contractor the exclusive duty, right and privilege to perform the Solid Waste Services, except regarding Collection of Recyclables and Compostables, from Commercial Premises. When asked by the Contractor, the City shall use reasonable efforts to protect this right of the Contractor; however, the City shall not be obligated to join or instigate litigation to protect the right of the Contractor. The Contractor may independently enforce the exclusive 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 with Contractor in Contractor's actions to enforce such rights (without obligating the City to join any litigation initiated by Contractor).

1.2 Mandatory Services

Pursuant to Section 14.02.070 of the City's Municipal Code, Garbage Collection services are mandatory for all Residential and Commercial Premises. Commercial Recycling and Compostables Collection services are optional for Commercial Premises, and will be provided by Contractor on a subscription basis.

ARTICLE II - GENERAL OPERATIONS

2.1 Collection

2.1.1 General

Contractor shall perform the Solid Waste Services as provided in this Contract. Contractor shall have sixty (60) days from the Effective date to perform any new services. The collection of Hazardous Waste is not included within the scope of this Contract, and Contractor shall be under no obligation to collect any Hazardous Waste. Customers shall remain responsible for any Hazardous Waste or other unacceptable materials placed in collection containers, even if such materials are inadvertently collected by Contractor, and to the extent such Customers can be identified, Contractor may seek to impose upon such Customers any and all costs and expenses associated with managing such Hazardous Waste or unacceptable materials. However, nothing herein is intended to prevent Contractor from collecting, transporting and/or disposing of any Hazardous Waste in accordance with applicable federal and state requirements and regulations, so long as such actions are performed separate and apart from any action taken in the performance of this Contract.

2.1.2 Collection Schedule and Hours of Operations

Collection from Residential Customers shall be between the hours of 6:00 AM and 6:00 PM, Monday through Friday. Collection from Commercial Customers may be made without restriction as to collection time or day or week, provided that Commercial Customers adjacent to Residences shall be collected during the Residential times. Recyclables and Compostables will be collected at least every other week, whereas Garbage will be collected at least weekly.

2.1.3 Collection Locations

Contractor shall collect Garbage, Recyclables and Compostables at Curbside from all Single-Family and Multi-Family Premises Customers with Cart-based services. Contractor shall collect Garbage, Recyclables and Compostables from Customers with Container-based services at locations determined by Contractor and the Customer. Contractor may refuse to pick up materials at locations identified by Contractor and approved by the City, acting reasonably, where, because of the conditions of the streets, alleys or roads, it is impractical to operate vehicles, and may refuse to drive into private property where driveways or roads are without adequate turnarounds or have other unsafe conditions.

2.1.4 Collection from Physically Challenged Persons

The Contractor shall offer Carry-Out Service for Garbage, Recyclables and Compostables Carts up to fifty (50) feet from Contractor's vehicle to qualifying Physically Challenged Persons lacking the ability to place Carts at the Curb, at no additional charge. The Contractor shall use qualification criteria that comply with all local, state and federal regulations, and shall be subject to City review and approval prior to program implementation.

2.1.5 Dangerous Animals

Contractor will not be required to enter into private property to pick up materials while an animal considered or feared to be vicious is loose.

2.1.6 Employees to Use Walks if Carry-Out Service Directed

Contractor employees, in performing collections, shall follow the regular walks for pedestrians (if available) while on Customer property, returning to the street or alley after replacing empty containers. They shall also close all gates opened by them. All employees shall wear clean clothing or uniforms.

2.1.7 Employees Not to Trespass

Contractor Employees shall not trespass or loiter, cross property to an adjoining premises, or meddle with property which does not concern them.

2.1.8 Annual Spring Clean-Up Day

Each year, on a date mutually agreed upon by the City and Contractor, the Contractor shall provide one Residential Customer curbside collection of extra household garbage in bags or cans, limited to five (5) – 32 gallon cans and/or household items measuring no more than one (1) square foot. The curbside clean up will exclude large bulky items; white goods; tires; building materials; rocks; cement; bricks; sod or dirt; recyclable materials; wood pallets, fencing, decking, planter boxes and any hazardous waste.

In conjunction with the annual Spring clean-up day, the Contractor shall collect one (1) select item, such as polystyrene blocks, used cooking oil, or electronic waste from each residential customer who chooses to participate in the clean-up. Materials to be collected, location and date/time of collection shall be mutually agreed on by the City and Contractor. The Contractor shall notify Residents of details for both the curbside collection and select item collection.

2.2 Contractor to Make Examination

Contractor shall make its own examination and investigation regarding the proper method of doing the work and all conditions affecting the work to be done, and the labor, equipment and materials needed therefore and the quantity of work to be performed. Contractor agrees that it is satisfied with its own investigation and research,

and will make no claim against City because of any of the estimates, statements, or interpretations made by any officer or agent of the City. This Contract is for the benefit of the Parties thereto, and is not intended to inure to the benefit of any third party.

2.3 Employees

All workers employed by Contractor shall be competent and skilled in the performance of the work to which they may be assigned. All drivers must have a C.D.L. "B" or "A" license and a current medical card.

2.3.1 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 on 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, marital status, sexual orientation, political ideology, ancestry, 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 nondiscrimination clause. Contractor understands and agrees that a violation of this nondiscrimination provision shall constitute a breach of this Contract, and that such breach, if uncured, shall cause the Contractor to 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.

2.3.2 OSHA/WISHA

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. The Contractor shall indemnify and hold harmless the City from all damages assessed for the Contractor's failure to comply with the acts and standards issued there under. The Contractor is also responsible for meeting all pertinent local, state and federal health and environmental regulations and standards applying to the Solid Waste Services.

2.3.3 Compliance with Laws

Contractor agrees to comply, at its own expense, with all applicable City, state, federal and local laws, rules and regulations, including, but not limited to, all applicable laws regarding wages. Contractor shall comply with all applicable local, state and federal regulations and laws regarding the collection, transfer and disposal of Garbage, Recyclables, and Compostables pursuant to this Contract.

2.3.4 Employees to be Courteous, Etc.

Employees of Contractor shall be courteous at all times and not use loud or profane language and shall do their work as quietly as reasonable.

2.4 Company Name

Contractor shall not use a firm name containing any words implying municipal ownership or including the name of the City.

2.5 Contractor's Offices

Contractor shall be required to maintain a local access telephone number or a toll-free number, and such attendants as may be necessary to take care of complaints, as well as orders for special service or to receive instruction. The attendant shall be on duty between the hours of 8:00 a.m. and 5:00 p.m. PST, Monday through Friday, except holidays.

2.6 Permits

Contractor shall take out and pay for any business license or other fee required by the City or any other governmental authority which may be required to provide the services under this Contract.

2.7 Public Utilities

Contractor shall be obligated to protect all public and private utilities whether occupying street, public or private property. If such utilities are damaged by reason of Contractor's operations under this Contract, it shall repair or replace same, or failing to do so promptly as determined by the City, the City shall cause repairs or replacement to be made and the cost of doing so shall be billed to the Contractor. The City shall not be liable for any damage to property or injuries to any person(s) caused by Contractor, as provided in Section 4.3.1.

2.8 Loading

Extra care shall be taken in the loading and transporting of Garbage, Recyclables, Compostables and other wastes so that the material to be collected is not left either on private property or on the streets or alleys. Any Garbage, Recyclables, Compostables or other wastes left on private property or on streets or alleys spilled by Contractor shall be cleaned up within 24 hours of received complaint.

2.9 Cleanup of Spills

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 operated so as to prevent blowing or spillage of materials. Any blowing or spillage of materials either caused by Contractor or that occurs during collection shall be immediately cleaned up by the Contractor at its expense. Prior to any collection vehicle leaving a collection route and/or operating on any roads with a speed limit higher than 25 miles per hour, Contractor shall completely close any collection vehicle openings where materials may blow out, and thoroughly inspect for and remove any collected materials inadvertently spilled on top of the collection vehicle to prevent release or littering of this material.

All vehicles used in the performance of this Contract shall be required to carry and regularly maintain spill kits. At a minimum, spill kits shall include absorbent pads or granules, containment booms, storm drain covers, sweepers and other similar materials sufficient to contain, control and, for minor events, appropriately clean-up, blowing materials, litter, leaks and spillage of Contractor vehicle fluids and leachate. Spill kits shall also include employee spill containment instructions and procedures as well as a regularly updated list of emergency contacts. The Contractor shall develop spill response procedures for review and approval (if requested) by the City before initiating any work under this Contract. All Contractor vehicle drivers shall be provided with annual hands-on training on the location, maintenance, and use of spill kits and associated containment and notification procedures.

All drop-box Container loads (both open and compactor) shall be properly and thoroughly covered or tarped to prevent any spillage of material prior to Contractor vehicle entering any Private Road or Public Street.

2.10 Disruption of Collection

2.10.1 Disruption of Collection Due to Weather and/or Road Conditions

When weather conditions are such that continued operation would result in danger to the Contractor's staff, area residents, or property, or when road conditions such as flooding or weight restrictions affect road use, the Contractor shall collect only in areas that do not pose a danger or are not subject to road use restrictions. The Contractor shall notify the City, on the same business day, of the areas not served. Following notification to the City, the Contractor will be provided temporary authorization to perform collection services after 6:00pm and/or on Saturdays following disruptions due to weather in order to finish collection routes.

The Contractor shall collect Garbage, Recyclables and Compostables from Customers with interrupted service on their next scheduled service day. Extras will not be charged for as long as it does not exceed double their normal service.

2.10.2 Holiday Schedules

The Contractor shall observe the same holiday schedule as do King County Transfer Stations (New Year's Day, Thanksgiving Day, and Christmas Day). When the day of regular collection is a legal holiday, the Contractor may reschedule the service to the next day, example: Monday to Tuesday, Tuesday to Wednesday, Wednesday to Thursday, Thursday to Friday and Friday to Saturday. The Contractor may not collect Residential Garbage, Recyclables or Compostables earlier than the regular collection day due to a holiday. Commercial collections may be made one day early only with the consent of the Commercial Customer.

2.10.3 Missed and Makeup Collections

If the Contractor fails to collect a Customer's Garbage, Recyclables or Compostables which have been properly and timely set out for collection during a regularly scheduled collection, other than as provided in Section 2.10.1 or 2.10.2, the Contractor shall make a special make up collection within 24 hours (or one business day) of notification by the City or Customer. This section applies to omitted collections of a single residence, a row of residences, or an entire route. If Contractor fails to provide a special pickup for a missed collection within twenty-four (24) hours (or one business day) after notification by the Contract Administrator or Customer, the Contract Administrator may cause the work to be done and the Contractor shall fully reimburse the City for its collection expenses.

2.11 Collection Equipment

All collection vehicles regularly used by the Contractor during the term of this Contract shall be Compressed Natural Gas (CNG) vehicles, less than ten (10) years old and shall have been used for fewer than two hundred thousand (200,000) miles. Should any such vehicles exceed these limits and yet, in the Contractor's opinion, still be in safe working order, the Contractor must receive prior written approval from the City to continue operating the subject vehicle. Back-up vehicles used less than thirty (30) days per year shall not be subject to the age and mileage limits that apply to regularly-used vehicles, but shall be presentable, in safe working order and shall be subject to all other conditions of this section.

Contractor shall maintain all trucks and equipment used within the City and the same shall be clean, numbered and uniformly painted. All truck bodies used by Contractor shall be constructed of metal and shall be watertight and leak proof. In addition to spill cleanup materials referenced above, each vehicle used by Contractor shall carry at all times a broom and shovel or other item appropriate for use in the prompt removal of any spilled material. All vehicles used by Contractor shall have adequate coverage at all times to prevent the spillage of City Solid Waste.

2.12 Reserve Equipment

The number and type of collection vehicles furnished by Contract, including back up or reserve equipment in the event of equipment failure, shall be sufficient for the collection of all Customer Garbage, Recyclables and Compostables. Contractor shall make available for rental Containers which meet all applicable safety requirements.

2.12.1 Painting and Cleaning of Vehicles

Collection vehicles shall be painted and numbered and shall have the Contractor's name and number of the vehicles painted in letters of a contrasting color, at least four (4) inches high on each side of each vehicle. No advertising shall be permitted other than the name of the Contractor. All vehicles shall be kept in a clean and sanitary condition.

2.13 Method of Processing and Disposal

Contractor shall deliver all Garbage collected under the Contract to the King County Disposal System, unless otherwise negotiated with the City. If the King County Disposal System is not available, then Contractor shall dispose of all Garbage at any permitted and licensed site or facility where such disposal is lawful, as selected by Contractor in its sole discretion. Contractor shall deliver all Recyclables and Compostables collected under the Contract to permitted facilities of its choosing for the processing or disposal of such materials.

2.14 Service to City Facilities

As partial consideration for this Contract, Contractor shall provide free collection of Garbage, Recyclables and Compostables to those City-owned facilities listed in Exhibit A (“**City Facilities**”). Such free collection shall not apply to material which (i) is other than Garbage, Recyclables and Compostables generated at such City Facility through its normal operations and regular weekly service at the facilities listed in Exhibit A (e.g., construction and demolition waste), (ii) is not generated by the City, or (iii) is collected by third parties and delivered to a City Facility.

If the City requests collection services for additional City Facilities, or the volume of a category of material generated by City Facilities increases by 10% or more, then the Parties shall meet and confer in good faith to negotiate an appropriate adjustment to Contractor’s rates set forth herein.

2.15 Carts and Containers

The Contractor shall provide each Single-Family Premises and Residents in appropriate Multi-Family Premises (e.g., duplexes and tri-plexes) with one (1) Cart for Garbage, one (1) Cart for Recyclables, and one (1) Cart for Compostables. Cart sizes available are 20, 35, 64, and 96 gallons (96-gallons is the default size for Recycling and Compostables), at the election of the Customer. Contractor may require a Customer to utilize larger or additional Carts if the Customer’s volume of materials exceeds the Cart capacity. Contractor shall retain ownership of any Carts or other containers provided by Contractor in performing the services under this Contract. Cart deliveries (for new, replacement, and/or re-delivered Carts) shall be subject to the service rate schedule in Exhibit B. Contractor shall deliver Carts necessary to meet the service requirements set forth under this Contract upon a delivery schedule to be mutually agreed upon by the Contractor and the City.

Contractor shall provide each Commercial Premises, City Facility and Multi-Family Premises without Cart-based services with suitable detachable and/or drop-box Containers for Garbage, Recyclables (if desired with respect to Commercial Customers) and Compostables (if desired), as determined by Contractor. Available Container sizes and types are described in Exhibit B.

ARTICLE III - REPORTING REQUIREMENTS

3.1 Reporting Requirements

Contractor shall make available to the City for review monthly and annual reports regarding the number of customers for each class and level of service. The City shall have the right, during normal business hours and upon reasonable (at least three (3) business days') advance notice given to Contractor by the City, to inspect the books of Contractor. Contractor shall maintain billing records, customer lists, compliance records and customer complaints for a period of three (3) years or as required by law, whichever is the greater.

3.2 Contractor's Records; Access Inspection

The City shall have the right to inspect and copy all books, records and documents, and to interview any person, and to review any evidence in Contractor's possession and control that may assist the City in determining whether the Contractor is in compliance with the Contract. However, all financial, commercial, personnel, trade secret and technical information relating to the business of Contractor ("**Confidential Information**") acquired directly or indirectly by the City, including pursuant to any rate review or performance review hereunder, shall be kept by the City in strict confidence. The City shall not use Confidential Information for any reason or in any manner other than as expressly provided in this Article III. The Contractor acknowledges that the City is subject to chapter 42.56, the Public Records Act, and is required to disclose certain public records in the City's possession. If the City receives a third party request for any public record that the City has obtained from the Contractor under this Section, the City shall notify the Contractor of the receipt of such request, and the Contractor may, consistent with RCW 42.56.540, request court protection of such record(s).

ARTICLE IV - INSURANCE AND SAFEGUARDS

4.1 Insurance

Contractor shall procure and maintain for the duration of the Contract insurance for claims for injuries to persons or damage to property that may arise from or in connection with the performance of the services provided under this Contract by Contractor, its agents, representatives, employees or subcontractors. The cost of such insurance shall be paid by the Contractor. Failure to make insurance payments and to keep policies current shall be cause for Contract termination under Section 10.1.

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 to limit the City's recourse to any remedy available at law or in equity.

4.1.1 Minimum Scope of Insurance

Contractor shall obtain insurance that meets or exceeds the following:

- (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. The policy shall be endorsed to provide contractual liability coverage. The City shall be named as an additional

insured under the Contractor's Automobile Liability policy with respect to the work performed for the City, using ISO additional insured endorsement CG 20 48 02 99 or a substitute endorsement providing equivalent coverage.

(2) Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 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 by endorsement 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 endorsement CG 20 10 11 85 or a substitute endorsement providing equivalent coverage.

(3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

(4) Pollution Legal Liability insurance covering losses caused by pollution conditions that arise from the operations of the Contractor.

(5) Hazardous Waste Hauling. To the Automobile Liability Minimum Scope of Insurance, add Pollution Liability coverage at least as broad as that provided under ISO Pollution Liability – Broadened Coverage for Covered Autos Endorsement CA 99 48 and the Motor Carrier Act Endorsement (MCS 90) shall be attached.

4.1.2 **Minimum Amounts of Insurance**

Contractor shall maintain the following insurance limits:

(1) Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$5,000,000 per accident.

(2) Commercial General Liability insurance shall be written with limits no less than \$5,000,000 each occurrence, \$5,000,000 general aggregate and a \$2,000,000 products-completed operations aggregate limit. The general aggregate shall apply per project or per location.

(3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

(4) Pollution Legal Liability. The Pollution Legal Liability shall be written in an amount of at least \$3,000,000 per loss, with an annual aggregate of at least \$3,000,000. Coverage may be written on a claims made basis.

(5) Employer's Liability each accident \$1,000,000. Employer's Liability Disease each employee \$1,000,000 and Employer's Liability Disease – Policy Limit \$1,000,000.

4.1.3 **Deductibles and Self-Insured Retention**

Any deductibles or self-insured retentions shall be for the account of Contractor and payment of such shall be made by Contractor without contribution from the City.

4.1.4 **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 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.

(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) The Contractor's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice has been given to the City.

(4) The City will not waive its right to subrogation against the Contractor. . The Contractor's insurance shall be endorsed to waive the right of subrogation against the City, or any self-insurance or insurance pool coverage maintained by the City.

4.1.5 **Acceptability of Insurers**

Insurance to be placed with insurers with a current A.M. Best rating of not less than A: VII.

4.1.6 **Verification of Coverage**

The Contractor shall furnish the City with original certificates including but not necessarily limited to, the additional insured endorsement, evidencing the insurance requirements of the Contractor within ten (10) days of the date of execution of this Agreement by both parties.

4.1.7 **Subcontractors**

The Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor before commencement of work. All coverages for subcontractors shall be subject to all of the same insurance requirements as stated herein for the Contractor.

4.1.8 **Contractor's Insurance Primary**

The Contractor's insurance coverage shall be primary insurance as respects the City, but only as respect the liabilities assumed by Contractor under this Contract. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

4.2 Performance Bond

Contractor shall furnish to the City a proper performance bond to be approved by the City Attorney, conditioned that Contractor shall faithfully perform all the provisions and terms of the contract and related documents and pay all laborers, mechanics and subcontractors and material persons, and all persons who shall provide such Contractor with provisions and supplies for the carrying on of such work; which bond shall be signed by Contractor and two or more good and sufficient sureties or with Surety Company as Surety, and shall be in the amount of Fifty-Six Thousand Dollars (\$56,000.00). Said bond shall at all times be kept in full force and effect during the term of this Agreement. Contractor agrees to pay all costs, including attorney's fees, associated with the enforcement of said bond.

4.3 Indemnification and Hold Harmless Agreement

4.3.1 Indemnification

The Contractor shall defend, indemnify and hold the City and its volunteers, agents, employees, officials and/or officers, harmless from any and all claims, injuries, damages, losses or suits including attorneys' fees arising out of or resulting from or in connection with the performance of this Agreement, except for injuries or 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 Contractor and the City, its officers, officials, employees and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. The provisions of this section shall survive the expiration or termination of this Agreement.

4.3.2 Waiver of RCW Title 51

It is further and specifically and expressly understood that the indemnification provided herein constitutes the Contractor'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.

ARTICLE V - GARBAGE COLLECTION

5.1 Garbage Collection

For Residential Premises with Cart-based Solid Waste Services, Garbage shall be collected by the Contractor on a weekly basis, at the service levels and rates set forth in Exhibit B. Commercial and Multi-Family Premises not receiving Cart-based Solid Waste Services shall

have its Garbage collected by Contractor in accordance with the frequency, service levels and rates set forth in Exhibit B.

5.1.1 Carts; Containers

For Residential Premises with Cart-based Solid Waste Services, Garbage will be collected in Contractor provided Carts. Extra materials which do not fit neatly within the Customer's primary Cart/can shall be collected for an additional fee as set forth in Exhibit B and may be placed adjacent to the primary Cart in customer provided plastic bags which can be safely collected by Contractor's personnel and equipment. All Garbage from Commercial Premises, City Facilities and Multi-Family Premises with Container-based services will be collected in Contractor provided Containers, and extra materials which do not fit neatly within the Customer's primary Container shall be collected for an additional fee as set forth in Exhibit B and may be placed adjacent to the primary Container in Customer provided plastic bags which can be safely collected by Contractor's personnel and equipment.

ARTICLE VI - RECYCLABLES COLLECTION

6.1 General Recycling Provisions

For Residential Premises with Cart-based Solid Waste Services, Recyclables shall be collected on a Single Stream basis every other week, on the same days as Garbage collection. The cost of such Residential Recyclables collection shall be included in the rates for Residential Garbage collection set forth in Exhibit B.

For Multi-Family Premises with Cart/Container-based Solid Waste Service, Recyclables shall only be offered as Cart-based service and shall be collected on a Single Stream basis every other week. The cost of such Multi-Family Recyclables collection shall be included in the rates for Multi-Family Garbage collection set forth in Exhibit B.

Recyclables Collection services will be provided to Commercial Customers pursuant to separate agreements.

Contractor becomes the owner of Recyclables when they are placed in the Contractor's collection vehicle and, thereafter, the Contractor may market or manage them in any manner the Contractor deems to be economically feasible. The Contractor shall be responsible for all marketing and sale of Recyclables collected hereunder and shall be entitled to all proceeds therefrom.

6.2 Recycling Carts/Containers

Contractor will provide a 35, 64 or 96 gallon Cart to all Residential Customers with Cart-based Solid Waste Service. The default Cart size shall be 96 gallons, unless a Customer requests a different size.

Upon customer request, the Contractor will provide a 96 gallon Cart to Multi-Family Premises Customers with Cart/Container-based Solid Waste Service.

For each City Facility, Contractor will provide an appropriate sized Cart(s)/Container(s) to store Recyclables generated between collections by Contractor. Alternatively, the City may provide its own Container(s), so long as they are compatible with Contractor's collection vehicles.

ARTICLE VII - COMPOSTABLES COLLECTION

7.1 General Compostables Provisions

For Residential Premises with Cart-based Solid Waste Services, Compostables shall be collected every other week, on the same days as Garbage collection. The cost of such Residential Compostables collection shall be included in the rates for Residential Garbage collection set forth in Exhibit B.

Yard Waste and Food Waste may be commingled by such Residential Customers in the Compostables Cart. Small Commercial and Multi-Family Premises Customers with Cart/Container-based Solid Waste Services may participate in the Compostables collection program for the fees set forth in Exhibit B. Such Customers shall be provided a 96 gallon Cart(s).

Contractor becomes the owner of Compostables when they are placed in the Contractor's collection vehicle and, thereafter, the Contractor may market or manage them in any manner the Contractor deems to be economically feasible. Contractor shall be responsible for all marketing and sale of Compostables collected hereunder and shall be entitled to all proceeds therefrom.

7.2 Holiday Tree Collection

At no additional cost to the customer, the Contractor shall collect unflocked, undecorated, natural holiday trees (Christmas trees) during the first full week of regularly scheduled Compostable materials collection in January of each calendar year from all Single Family and Multi-Family Residences within the city limits. The Contractor shall not be obligated to collect holiday trees that are not properly placed at the curb, next to the compostables cart.

ARTICLE VIII - COMPENSATION

8.1 Contractor Rates

The Contractor shall charge the rates set forth in Exhibit B, as adjusted over time under this Contract, for all services performed (excluding those for which this Contract allows direct negotiation with Customers). The Contractor shall be responsible for billing and collecting funds from Residential and Commercial Customers in accordance with the rates listed in Exhibit B. There shall be a 15% low income senior citizens and/or low income disabled customer discount on residential rates afforded to qualifying customers in accordance with Pacific Ordinance No. 12-1831 and Pacific Municipal Code section 14.02.120. The City shall provide notification to the Contractor of qualifying customers and shall annually review the application process to ensure the integrity of those accounts receiving the discount.

The Contractor may occasionally provide services outside the scope of this Contract which are related to solid waste collection in the City. If pricing for such services are set forth in the otherwise applicable WUTC tariff, such WUTC rates shall apply. Otherwise, the Contractor shall propose to the City a customer rate for the service. Upon approval of the City, the Contractor may proceed to offer that service.

The Contractor shall notify customers of any rate changes via a billing/invoice note

8.1.1 CPI Adjustments to Collection Component

Commencing on October 5th, 2016 and on the same date annually thereafter (the “**Adjustment Date**”), the collection component of Contractor’s rates set forth in Exhibit B (as adjusted hereunder) shall be automatically increased by 100% of the annual percent increase in the Consumer Price Index (“**CPI**”) - for Seattle, Tacoma, Bremerton (1982-84 = 100) for Water and Sewer and Trash Collection that is seasonally adjusted (Series ID: CUSR0000SEHG) or successor indices as published by the Bureau of Labor Statistics, for the twelve month period ending in February. At least sixty (60) days prior to the Adjustment Date, Contractor shall notify the City of the CPI adjustment to take effect on the Adjustment Date and shall provide the City with its computations therefor. Adjustments to the Contractor’s rates shall be made in units of one cent (\$0.01). Fractions less than one cent (\$0.01) shall not be considered when making adjustments. Annual CPI adjustments shall neither be negative nor greater than 4.75% percent. In the event the CPI index series increases year-on-year more than 4.75% percent, that portion of the CPI adjustment exceeding 4.75% percent shall carry forward to the next year, so long as the current year CPI adjustment does not exceed a total of 4.75% percent after application of the carry forward amount. Contractor shall notify customers of any rate increases via a billing/invoice note.

8.1.2 Pass Through Adjustment to Disposal Component

The disposal fee component of Contractor’s rates set forth in Exhibit B (as adjusted hereunder) shall be automatically adjusted to reflect increases in King County disposal fees for solid waste and increases in tip fees for compostables. Such adjustments shall be effective the date on which the modified fees go into effect, and based on Cart/Container content weights specified in Exhibit B of this Contract. The business and occupation tax shall be applied to these fees.

8.1.3 Periodic Adjustment Due to Extraordinary Circumstances:

The Contractor’s rates set by this Contract are calculated to pay certain expenses and costs that are of a contingent and uncertain nature. Therefore, in addition to the adjustments set forth in Section 8.1.1, 8.1.2 and 8.1.3, the Contractor’s rates under this Contract shall, upon written request of Contractor or City, be further adjusted for increased expenses associated with performance of the services hereunder due to any one or more of the following causes:

- (a) material changes in Contractor’s costs resulting from a Force Majeure event;
- (b) changes in the scope or method of services provided by Contractor or other changes or fees required, initiated, or approved by the City;

- (c) any change in law, statute, rule, regulation, ordinance, order or requirement of any federal, state, regional or local government that is effective after the Effective Date of this Contract;
- (d) any increase in surcharges, fees, assessments or taxes levied by federal, state or local regulatory authorities or other governmental entities upon the collection or disposal of City Solid Waste (excluding increases in King County disposal fees, for which Contractor receives an adjustment under Section 8.1.3);
- (e) a material fluctuation in the markets or market price for Recyclables, unforeseen increases in the cost of collection, handling, storing, transporting, marketing, or sale or other disposition of Recyclables, the need for increased promotional or educational activities pertaining to recycling or any changes to the definition of “Recyclables” set forth herein;
- (f) any other extraordinary circumstances or causes or reasons that are not within the reasonable control of Contractor.

If Contractor requests an adjustment due to the extraordinary circumstances set forth above, Contractor shall prepare a rate adjustment request setting forth its calculation of the increase costs and accompanying rate adjustment necessary to offset such increased costs. The City may request any and all documentation and data reasonably necessary to evaluate such request by Contractor, and may retain, at its own expense, an independent third party to audit and review such documentation and such request. If such third party is retained, the City shall take reasonable steps, consistent with state law, to protect the confidential or proprietary nature of any data or information supplied by Contractor. The City shall act within ninety (90) days of receipt of the request from Contractor, and shall either approve or disapprove the request, provided that approval shall not be unreasonably withheld. The Contractor shall notify customers of any rate changes via a billing/invoice note.

8.2 City Administrative Fee

Contractor shall pay City 3% of gross revenues collected each complete calendar quarter during the term of this Contract (“**Quarterly Fee**”). Such payments shall be made by Contractor on or before the twentieth (20th) day of the month following the applicable quarter. The term “gross revenues” means any and all revenue or compensation actually collected by Contractor from Customers under this Agreement for the exclusive collection, transportation, processing, recycling and disposal of City Solid Waste, in accordance with Generally Accepted Accounting Principals (GAAP), net of Quarterly Fees. The term gross revenues, for purposes of this Agreement, shall not include any: a) City, or other federal, state, or local taxes or surcharges; b) any Customer late fees, NSF charges, interest, or reactivation charges; or c) any revenues generated from the sale of Recyclables or any recycling rebates received from the State.

The City Administrative Fee amount may be changed by the City in any year, provided that the change is synchronized with the annual Contractor rate modification described in Section 8.1.1 and that the Contractor’s rates are adjusted accordingly to pass through any changes in the City Administrative Fee such that the Contractor remains whole. The City shall notify the

Contractor of the new City Administrative Fee for the following year by March 1st, and the Contractor shall itemize and include the appropriate adjustment in its rate modification notice to the City each year. In the event that the City Administrative Fee is adjusted, either up or down, the Contractor shall add or subtract an amount equivalent to the state business and occupations tax, as may be adjusted from time to time by the State of Washington, to the rate adjustment calculation to keep the Contractor whole.

ARTICLE IX - BILLING SERVICES AND CUSTOMER EDUCATION

9.1 Contractor Billing

Contractor shall be responsible for billing and collection of all charges, fees and taxes for the collection of City Solid Waste pursuant to this Contract. Contractor shall also perform all customer service functions related to billing and responding to any Customer inquiries. If City ever levies a utility tax or other gross receipts tax, Contractor agrees to collect and remit such taxes to the City without any additional charge for the administrative expense incurred in collection and remitting such taxes.

9.2 Collection for Non-Payment

The Contractor may bill to Customers a late payment fee, interest, NSF check charges, as well as all costs associated with bad debt collection. Interest shall accrue on delinquent charges at the rate set forth by the Contractor until paid in full, but shall not exceed usury rates established in Chapter 19.52 RCW. If a Customer becomes sixty (60) days delinquent on a Contractor invoice, Contractor shall reduce their service to the minimum service level within their class of service. The Contractor may make arrangements for third party collection and/or lien the property for the debt and may petition the City to discontinue service to any delinquent customer. The City shall not unreasonably withhold approval. In the event of discontinued service, the Contractor may charge a redelivery fee of \$25.00 should the Customer request to reinstate their service after paying all overdue balances. The redelivery fee in Exhibit B includes all three carts for Single-family Customers.

The Contractor shall provide the City with a listing of all delinquent customers on a monthly basis, by the thirtieth (30th) day of each month for the month preceding. The listing shall include customer name, address, regular subscription level, amount due on the account and number of days delinquent.

9.3 Suspending Collection from Problem Customers

The City and Contractor acknowledge that, from time to time, some Customers may cause disruptions or conflicts that make continued service to that Customer unreasonable. Those disruptions or conflicts may include, but not be limited to, repeated damage to Contractor-owned Carts/Containers, repeated refusal to position Garbage, Recyclables and Compostables containers properly for automated collection, repeated suspect claims of timely set-out followed by demands for return collection at no charge, repeated claims of Contractor damage to a Customer's property, or other such problems.

The Contractor shall make reasonable efforts to provide service to those problem Customers. However, the Contractor may deny or discontinue service to a problem Customer if reasonable efforts to accommodate the Customer and to provide services fail and the City has provided approval. The City may not unreasonably withhold approval. The City may also require the denial or discontinuance of service to any Customer who is abusing the service or is determined to be ineligible.

9.4 Promotion, Education, and Outreach

The Contractor shall have primary responsibility for developing, designing and executing general waste reduction/recycling public education and outreach programs, with the assistance and cooperation of the City. The Contractor shall have primary responsibility for providing service-oriented information and outreach to Customers and implementing ongoing recycling promotion, at the direction of the City.

The Contractor shall keep the public informed of programs and encourage participation through an Annual Service Update. The Contractor shall provide an Annual Service Update for the Residential and Multi-Family sector, the format, content and timeframe of which shall be subject to prior review and approval by the City. The Annual Service Update shall be mailed to all Residential Customers and Multi-Family Property Managers and, at a minimum, shall include an informational brochure indicating all services available, preparation and other service requirements, contact information, inclement weather and other policies, a collection calendar, resources for customer education on hazardous waste and stating that hazardous waste is not accepted and that additional fees may be incurred, and other useful Customer information.

The Contractor shall develop, print, periodically update and maintain sufficient quantities of new Customer information materials, the format and content of which shall be subject to prior review and approval by the City. Upon approval, materials shall be delivered in a manner agreeable to the City to every new Residential Customer prior to the Customer's first billing and shall, at a minimum, include a statement of applicable rules and service policies, rates, services and preparation requirements, collection days in calendar format, Contractor customer service information and City contact information.

The Contractor shall annually contact all Commercial Customers to promote recycling services and conduct, as necessary, onsite audits, education, and options to reduce garbage service levels through various recycling programs.

ARTICLE X - DEFAULTS

10.1 Termination

Except for the occurrence or existence of Force Majeure, in the event of any material failure or refusal of Contractor to comply with any obligation or duty under this Contract, the City and Contractor shall meet and confer in good faith in an effort to agree on a resolution of the breach. If the Parties are unable to agree on the informal resolution the breach, and the Contractor has violated a material provision of this Contract, the City may provide Contractor with written notice of the default, stating the specific reasons for default and the provisions of the Contract which have been violated. The Contractor shall then have thirty (30) days to cure such default, or commence to cure such default if it is of a nature that cannot be cured within the prescribed timeframe. If the Contractor fails to cure the default within the stated period, or fails

to commence such cure in a manner reasonably satisfactory to remedy the stated reason, then the City may at its option terminate all or a portion of this Contract. The City reserves the right to pursue any remedy available at law for any default of the Contractor, including enforcement of the Bond.

The City shall be in default of this Contract if it violates any material provision of this Contract. The Contractor reserves the right to pursue any remedy available at law for any default by the City. In the event of default, the Contractor shall give the City written notice of the default, stating the specific reasons for default and the provisions of the Contract which have been violated. The City shall then have thirty (30) days to cure such default, or commence to cure such default if it is of a nature that cannot be cured within the prescribed timeframe. If the City fails to cure the default within the stated period, or fails to commence such cure in a manner reasonably satisfactory to the Contractor to remedy the stated reason, then the Contractor may at its option terminate this Contract.

10.2 Liquidated Damages

As a breach of the mandatory Collection service provided by this Contract would cause serious and substantial damage to City and its residents, and the nature of this Contract would render it impracticable or extremely difficult to fix the actual damage sustained by City by such breach, it is agreed that in case of breach of service, City may elect to collect liquidated damages for each such breach and Contractor shall pay City as liquidated damages and not as penalty, the amounts set forth in Exhibit C, such sums being the amount which City will be damaged by the breach of such services. An election to seek such remedy shall not be construed as a waiver of any remedies City may have as to any subsequent breach of services under this Contract. Liquidated damages shall not apply if the breach caused by a force majeure event.

Fines may be levied only with respect to Residential Collections and Commercial Garbage Collections. Fines may be levied if documented in an incident report presented by the City to the Contractor. The City reserves the right to make periodic, unscheduled inspection visits to determine the Contractor's compliance with the Contract terms. For multiple or continuous violations not falling within the previous sections, the City may assess a cumulative maximum fine of up to one thousand dollars (\$1,000.00). Any fine may be appealed by the Contractor to the City Council whose decision in the matter will be final.

Liquidated damages will be reasonably applied and may be levied only if documented in an incident report presented by the City to the Contractor. The Contractor shall be notified and provided a copy of an incident report and shall be given 24 hours to cure the problem (if applicable) before liquidated damages are invoiced to the Contractor, except in the case of incidents for which, due to the nature of the event, a "cure" is not possible. Such liquidated damages as City shall elect to collect shall be billed to Contractor and be paid within twenty (20) days. Application of these damages may be appealed within ten (10) days by Contractor to the Contract Administrator, whose decision shall be final.

ARTICLE XI - ANNEXATION

11.1 Franchise Rights/Annexations

If the City annexes any property during the term of this franchise, then the provisions of RCW 35A.14.900 shall apply.

ARTICLE XII - MISCELLANEOUS

12.1 Non-Waiver

The failure of any Party to enforce any Contract provision is not and shall not be construed as a waiver of that provision. The payment or acceptance of compensation subsequent to any breach is not and shall not be construed as an acceptance of that breach. All waivers must be in writing.

12.2 Notices

Any notices to be sent to the City shall be sent to the Contract Administrator at the following address:

Attn: City Administrator
City of Pacific
100 3rd Avenue SE
Pacific, WA 98047

Any notices sent to Waste Management of Washington, Inc. shall be sent to:

Mary S. Evans, Area Director of Public Sector Services
Waste Management of Washington, Inc.
720 4th Avenue, Suite 400
Kirkland, WA 98033

12.3 Severability

If any provision of this Contract is held to be void, invalid or unenforceable under any applicable law by a court of competent jurisdiction, the remaining provisions of the Contract shall remain in effect and bind the parties.

12.4 Entire Agreement

This Contract and all Exhibits hereto constitute the entire agreement between City and Contractor, and there are no promises, conditions, terms, obligations, statements, or guarantees other than those contained herein. No modifications or amendments shall be valid unless in writing and fully executed by both parties.

12.5 Attorneys' Fees

In the event of any action or proceeding to enforce, interpret, construe, or otherwise resolve a dispute between the parties arising from any term, condition or provision of this

Contract, the substantially prevailing party in such action or proceeding shall be entitled to recover, in addition to all other relief, from the other party, reasonable attorneys' fees incurred by the substantially prevailing party in connection with such action or proceeding, including but not limited to any appeal thereof.

12.6 Change in Service

Contractor shall give sixty (60) days written notice to the Contract Administrator of any change which affects the date of collection, provided that no change in the terms of this Contract may be made unless agreed to in writing by the Contract Administrator.

12.7 Assignment

This Contract may not be assigned or transferred by Contractor, without the prior written consent of the City Council, as evidenced by a City Resolution and the signature of the Mayor. The City may withhold its consent to assignment or transfer of this Contract, in its sole discretion. In the event of an unauthorized assignment or transfer, the City reserves the right to cancel or terminate the Contract.

12.8 Force Majeure

Provided that the requirements of this section are met, Contractor shall be excused from performance and shall not be liable for failure to perform under this Contract if Contractor's performance is prevented or delayed by acts of terrorism, acts of God, landslides, lightning, forest fires, storms, floods, typhoons, hurricanes, severe weather, freezing, earthquakes, volcanic eruptions, other natural disasters or the imminent threat of such natural disasters, pandemics, quarantines, civil disturbances, acts of the public enemy, wars, blockades, public riots, strikes, lockouts, or other labor disturbances, acts of government or governmental restraint or other causes, whether of the kind enumerated or otherwise, and whether foreseeable or unforeseeable, that are not reasonably within the control of the Contractor ("**Force Majeure**"). If as a result of a Force Majeure event, Contractor is unable wholly or partially to meet its obligations under this Contract, it shall give the City promptly written notice of the Force Majeure event, describing it in reasonable detail. 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 City and Contractor will engage in disaster preparedness planning to address service response in the event of an emergency or Force Majeure in an effort to minimize interruptions in performance under this Agreement.

12.9 Applicable Law / Venue

This Contract shall be governed by the laws of the State of Washington. Venue for any action hereunder shall be in King County Superior Court.

12.10 Independent Contractor

The Parties agree and acknowledge that Contractor is an independent Contractor and not an agent or employee of the City, and that no liability (except as provided herein) shall attach to the City as a result of the acts or omissions of Contractor, its employees, agents, or assigns. Contractor shall have no authority to execute agreements or to make commitments on behalf of

the City, and nothing contained in this Contract shall be deemed to create the relationship of employer and employee or principal and agent between the City and Contractor.

12.11 Subcontracting

The Parties intend that Contractor shall perform pursuant to the terms of this Contract with its own employees. However, in the event any incidental subcontractor services are necessary, Contractor agrees to be responsible for the standards of performance of any subcontractor. Contractor agrees that no subcontractor shall relieve Contractor of any obligations under this Contract.

12.12 Taxes and Fees

Contractor acknowledges that it is responsible for the payment of any local, state, or federal taxes or fees with respect to Contractor's agents and employees, and any taxes or licenses applicable to Contractor's business activity.

12.13 Insolvency; Right to Terminate Contract

In addition to other terms of this Contract, any or all of the following shall be considered events of default of this Contract, allowing the City to terminate the Contract if such events are not cured within 10 days of written notice: a) if Contractor petitions any court to be adjudged a bankrupt; b) if a petition in bankruptcy is filed in any court against Contractor; c) if Contractor is adjudged to be insolvent; d) if Contractor is adjudged to be bankrupt; e) if a receiver or other officer is appointed to take charge of the whole or any part of Contractor's property or to wind up or liquidate its affairs; f) if Contractor seeks reorganization under the Federal Bankruptcy Code, as amended; or g) if Contractor admits in writing its inability to pay its debts as they become due.

12.14 Reservation of Municipal Authority

The City specifically reserves the right to enact general municipal ordinances and resolutions affecting all businesses and persons in the City. Should the City make changes to their general municipal ordinance and resolutions which impact the solid waste business, the Contractor shall be notified at least thirty (30) days in advance of the date for which the ordinance or resolution is noted as an agenda item at a city council meeting.

12.15 Successors and Assigns

This Contract shall be binding upon the Parties and their successors and assigns.

12.16 Corporate Authority

Each individual executing this Contract on behalf of a corporation or entity represents and warrants that he/she is duly authorized to execute and deliver this Contract on behalf of the corporation or entity.

12.17 Dispute Resolution

In order to have an administrative mechanism for promptly mediating Customer complaints regarding billing for or the collection of Garbage, Recyclables, or Compostables, the

City and the Contractor agree as follows: 1) the Contractor shall first make a good faith effort to resolve a Customer's complaint; 2) in the event the Customer is not satisfied with the Contractor's resolution, the complaint shall be forwarded to the City's Mayor or Mayor's designee who shall resolve the complaint after discussing the matter with the Customer and the Contractor.

Agreed to as of this _____ day of _____, 2015:

City of Pacific

Waste Management of Washington, Inc.

By: _____
Mayor

By: _____
Its: _____

Attest:

By: _____
City Clerk

Approved as to form:

City Attorney

EXHIBIT A

LIST OF CITY FACILITIES

- 1). Pacific City Hall-100 3rd Avenue S.E.
 - 1 - 4 yard MSW 1x/week
 - 1 - 2 yard REC 1x/week
 - 1-64 gallon REC 1x/week
- 2). Pacific Fire and Police -133 3rd Avenue S.E.
 - 2-96gallon REC Carts 1x/week
 - 1-3yard MSW 1x/week
 - 1-64gallon REC 1x/week
- 3). Well – 521 Ellington Rd, Algona
- 4). Reservoir – 331 County Line Rd
- 5). All City Park Facilities
- 5a). City of Pacific Blueberry Park – 117 5th Avenue SW
Served at 1 Milwaukee Boulevard & 5th
 - 1-35gallon MSW 1x/week
- 5b). City of Pacific Strawberry Park – 124 Strawberry Court SW
Served at Yakima Boulevard and Otter Dr.
- 5c). City of Pacific Sunset Park – 240 Sunset Drive
- 5d). Pacific City Park – 600 3rd Avenue SE
 - 1-6yard MSW 1x/week
- 5e). City of Pacific Rhubarb Park – xxx Rhubarb Street SW
Served at Rhubarb Street SW & Yakima
 - 1-35gallon MSW 1x/week
- 5f). City of Pacific Beaver Park – 550 Beaver Boulevard
Served at Coyote Dr. & Beaver Boulevard
 - 1-35gallon MSW 1x/week

6). Pacific Algona Community Center Gymnasium – 305 Milwaukee Ave.

7). Pacific Algona Community Senior Center – 100 3rd Ave SE

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EXHIBIT B

SERVICE RATE SCHEDULE

City of Pacific
Service Rate Schedule - page 1 of 2 -
Waste Management

	Service Level	New Service Rates			
		Disposal Fee	Collection Fee	Total Service Fee	
Weekly Residential Curbside Service (includes embedded Recycling & Yard/Food Waste collected EOW)	1 - 10 gal, Micro Can	\$ 1.31	\$ 9.35	\$ 10.66	
	1 - 20 gal, Cart (35 gallon Cart with 20 gal insert)	\$ 2.61	\$ 11.47	\$ 14.08	
	1 - 35 gal Cart	\$ 4.57	\$ 18.98	\$ 23.55	
	1 - 64 gal Cart	\$ 9.14	\$ 30.12	\$ 39.26	
	1 - 96 gal Cart	\$ 13.70	\$ 37.25	\$ 50.95	
	Extra solid waste, bags/cans/boxes (32/35 gallon equivalent)	\$ 1.05	\$ 5.77	\$ 6.82	
	Additional Yard/Food Carts each (second cart and more)		\$ 6.50	\$ 6.50	
	Miscellaneous Services				
	Return Trip		\$ 7.00	\$ 7.00	
	Carry-out surcharge per month (one fee for MSW, REC, YDW)		\$ 1.20	\$ 1.20	
	Overweight Cart (per p/u)		\$ 5.75	\$ 5.75	
	Clean/Deodorize Cart + Redelivery		\$ 32.80	\$ 32.80	
	Redelivery Charge of carts		\$ 17.80	\$ 17.80	
	Lost Cart Charge if unable to retrieve from customer. Charge reversed if Cart is subsequently retrieved within 45-days after charge is applied		\$ 55.00	\$ 55.00	
	Temporary (90-days or less) Container Service Solid Waste (All Customers)	Temporary Detachable Container Service Solid Waste - per pick up			
Temporary 1 Yard Container		\$ 7.57	\$ 22.05	\$ 29.62	
Daily Rent			\$ 1.20	\$ 1.20	
Delivery Fee			\$ 79.80	\$ 79.80	
Temporary 2 Yard Container		\$ 15.15	\$ 34.82	\$ 49.97	
Daily Rent			\$ 1.30	\$ 1.30	
Delivery Fee			\$ 79.80	\$ 79.80	
Temporary 3 Yard Container		\$ 22.72	\$ 44.95	\$ 67.67	
Daily Rent			\$ 1.40	\$ 1.40	
Delivery Fee			\$ 79.80	\$ 79.80	
Temporary 4 Yard Container		\$ 30.30	\$ 56.48	\$ 86.78	
Daily Rent			\$ 1.45	\$ 1.45	
Delivery Fee			\$ 79.80	\$ 79.80	
Temporary 6 Yard Container		\$ 45.45	\$ 71.55	\$ 117.00	
Daily Rent			\$ 1.80	\$ 1.80	
Delivery Fee		\$ 79.80	\$ 79.80		
Temporary 8 Yard Container	\$ 60.59	\$ 91.68	\$ 152.27		
Daily Rent		\$ 2.00	\$ 2.00		
Delivery Fee		\$ 79.80	\$ 79.80		
Weekly Collection Commercial/ Multi-family Solid Waste Service (MultiFamily includes Embedded Cart Recycling collected EOW)	Commercial and Multi-family Service				
	1 - 35 gal Cart	\$ 5.20	\$ 21.88	\$ 27.08	
	1 - 64 gal Cart	\$ 10.40	\$ 31.46	\$ 41.86	
	1 - 96 gal Cart	\$ 15.60	\$ 37.57	\$ 53.17	
	1 - 1 yard container	\$ 32.82	\$ 76.45	\$ 109.27	
	1 - 1.5 yard container	\$ 49.23	\$ 100.62	\$ 149.85	
	1 - 2 yard container	\$ 65.64	\$ 120.71	\$ 186.35	
	1 - 3 yard container	\$ 98.47	\$ 155.81	\$ 254.28	
	1 - 4 yard container	\$ 131.29	\$ 195.80	\$ 327.09	
	1 - 6 yard container	\$ 196.93	\$ 248.05	\$ 444.98	
	1 - 8 yard container	\$ 262.57	\$ 317.83	\$ 580.40	
	Extra solid waste, per each 32/35-gal. Equivalent	\$ 1.20	\$ 9.13	\$ 10.33	
	Extra solid waste, per yard	\$ 7.57	\$ 10.02	\$ 17.59	
	Miscellaneous Services	Return Trip, per pick up		\$ 17.30	\$ 17.30
		Relocate Container Charge while driver on site.		\$ 25.00	\$ 25.00
Carry-out surcharge per month, per cart			\$ 1.20	\$ 1.20	
Roll-out Container more than 5 feet, but less than 25 feet per pick up			\$ 3.60	\$ 3.60	
Roll-out Container over 25 feet, the charge will be the charge for 25 feet plus \$0.50 per increment of 5 feet per pick up			\$ 4.30	\$ 4.30	
Overage/Clean up Service, per yard + extra solid waste charge per yard			\$ 25.00	\$ 25.00	

Gate Opening/Closing, per pick up	\$ 3.70	\$ 3.70
Unlock/Lock container, per pick up	\$ 3.70	\$ 3.70
Redelivery Fee, per delivery	\$ 79.80	\$ 79.80
Steam Cleaning per yard + Redelivery Fee per container	\$ 3.00	\$ 3.00

City of Pacific
Service Rate Schedule - page 2 of 2 -
Waste Management

	Service Level	New Service Rates		
		Disposal Fee	Collection Fee	Total Service Fee
Will Call/ Special Pick up Commercial/ Multi-Family Solid Waste Service	Commercial and Multi-family Service			
	1 - 35 gal Cart	\$ 1.20	\$ 6.31	\$ 7.51
	1 - 64 gal Cart	\$ 2.40	\$ 9.08	\$ 11.48
	1 - 96 gal Cart	\$ 3.60	\$ 10.84	\$ 14.44
	1 - 1 yard container	\$ 7.57	\$ 22.06	\$ 29.63
	1 - 1.5 yard container	\$ 11.36	\$ 29.03	\$ 40.39
	1 - 2 yard container	\$ 15.15	\$ 34.82	\$ 49.97
	1 - 3 yard container	\$ 22.72	\$ 44.95	\$ 67.67
	1 - 4 yard container	\$ 30.30	\$ 56.48	\$ 86.78
	1 - 6 yard container	\$ 45.45	\$ 71.55	\$ 117.00
	1 - 8 yard container	\$ 60.60	\$ 91.68	\$ 152.28
Yard/Food Waste	1 - 96 gal. Cart, collected Every-other-Week		\$ 18.28	\$ 18.28
	Permenant Solid Waste Service			
	Compactor & Non-Compacted Roll-Off, Boxes			
Permenant Service Compactor/□ Roll-Off Boxes	10 - 40 yard, per Round Trip Haul			\$ 196.28
	10 yard Roll-off box, Monthly Rent			\$ 42.62
	20 yard Roll-off box, Monthly Rent			\$ 57.66
	30 yard Roll-off box, Monthly Rent			\$ 70.20
	40 yard Roll-off box, Monthly Rent			\$ 83.99
	Disposal charge per ton (125% of current King County tipping fees)	\$ 150.21		
	Temporary Solid Waste Service (Less than 90-days)			
	Compactor & Non-Compacted Roll-Off, Boxes			
Temporary Service Compactor/□ Roll-Off Boxes	10 - 40 yard, per Round Trip Haul			\$ 235.54
	10 yard Roll-off box, Daily Rent			\$ 1.42
	20 yard Roll-off box, Daily Rent			\$ 1.92
	30 yard Roll-off box, Daily Rent			\$ 2.34
	40 yard Roll-off box, Daily Rent			\$ 2.80
	Delivery Charge			\$ 79.80
	Disposal charge per ton (125% of current King County tipping fees)	\$ 150.21		
Miscellaneous Services	Return Trip		\$ 42.60	\$ 42.60
	Connect/Disconnect Fees on compactors - per haul		\$ 22.20	\$ 22.20
	Additional Mileage Charge per mile - applies to hauls over 5 miles		\$ 4.40	\$ 4.40
	Turn-Around (dirver must turn container/compactor around in order to haul)		\$ 23.60	\$ 23.60
	Relocate Charge while driver on site. Customer requested		\$ 25.00	\$ 25.00
	Steam Cleaning/Pressure Washing per yard + Delivery Charge		\$ 3.00	\$ 3.00
	Stand-by Time per minute (over 5 minute wait)		\$ 1.82	\$ 1.82

EXHIBIT C

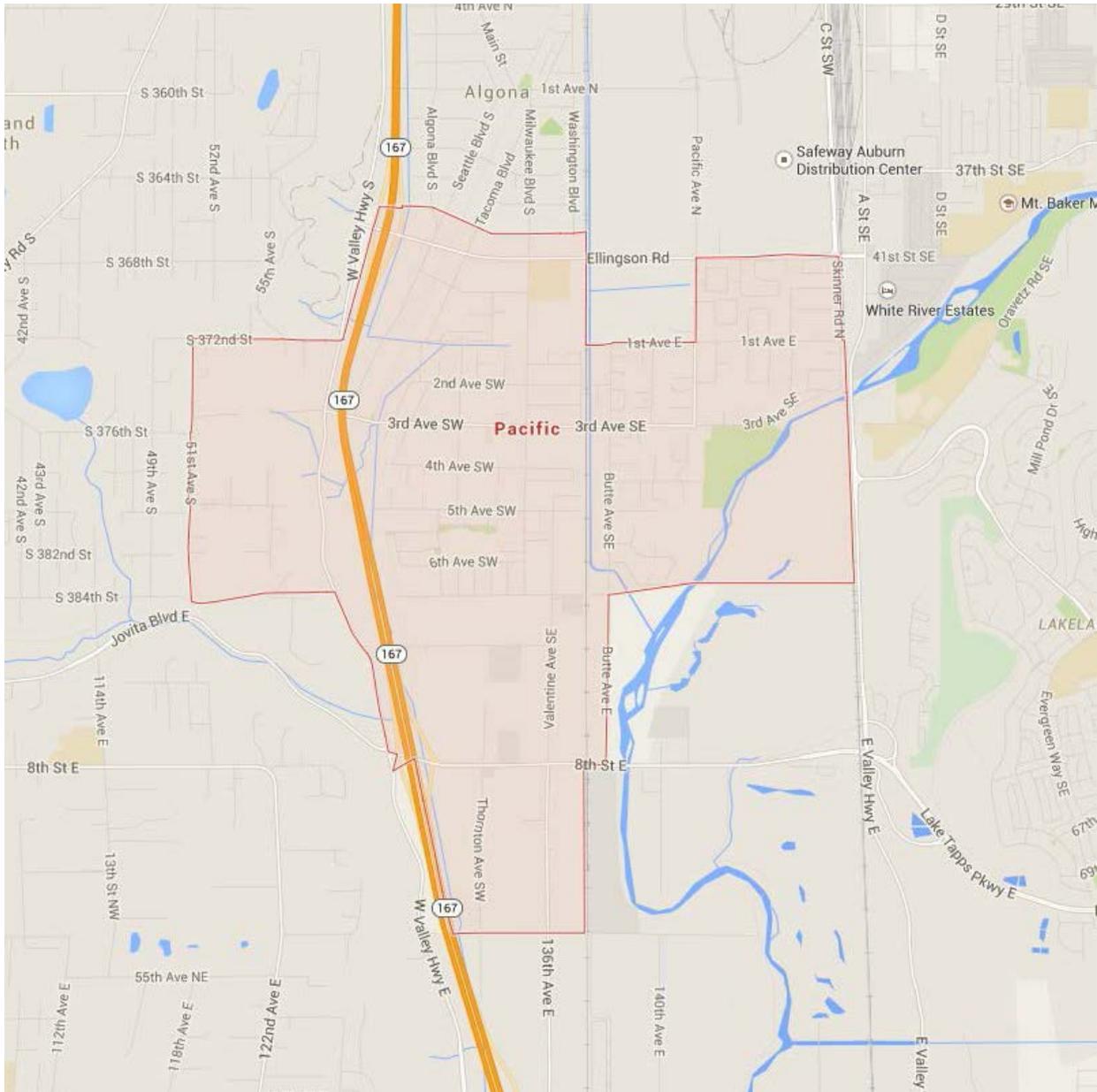
LIQUIDATED DAMAGES

Missed collection that is not collected within a 24 hour period after being notified:	\$50.00 per incident to a maximum of \$500 per truck per day
Repetition of complaints on a route after notification to replace can or detachable container in designated locations, spilling, not closing gate, crossing planted areas, or similar violations:	\$25.00 per incident to a maximum of \$500 per truck per day
Commencement of residential collection prior to 6:00 a.m. or after 10:00 p.m. Also applies in other areas within 300 feet of residential sections.	\$100.00 per incident (each truck on each route is a separate incident)
Failure to collect spillage consistent with the provisions of this Contract (except where caused by overloading by the customer).	\$25.00 per incident
Collection from residential premises on other than the day specified without appropriate notice as specified in this Contract.	\$25.00 per structure, to a maximum of \$750.00 per truck, per day.
Failure to collect within twenty-four (24) hours after notification of a missed collection of an entire block segment of 1-4 unit residences. (This excludes collection days prevented by snow and ice, holiday rescheduling and construction).	\$150.00 per block segment.
Collection of material set out for pick up under different collection program, if clearly marked for recycling or charitable purposes if self-evident.	\$25.00 per incident, up to a maximum of \$750.00 per truck per day.
Failure to deliver recyclable materials or yard waste containers within seven (7) business days of notice.	\$10.00 per container, per day.
Misrepresentation by Contractor of records.	\$250.00 per incident report.
Failure to clean or replace detachable containers within seven (7) business days of notification by City.	\$25.00 per container per day.
Failure to maintain clean and sanitary cleaning facilities and vehicles.	\$25.00 per vehicle to a maximum of \$100.00 per visit.
Landfilling uncontaminated recyclables or yard waste.	\$100.00 per ton with no maximum; minimum of \$100.00 per incident.

Pursuant to Section 12.8 of the Contract, labor disturbances, such as strikes and lockouts, are Force Majeure events. However, notwithstanding Section 12.8, the City may assess the first liquidated damage item listed above for missed collections due to labor disturbance Force Majeure events if make-up collections are not performed within seven (7) days from the 24-hour make-up collection deadline. In the event that a labor disturbance causes Contractor to miss more than one regular service cycle/pick-up, the Contractor shall provide each such affected Customer credit for all service missed due to the labor disturbance including the first missed cycle. The credit shall be equal to or exceed the pro rata portion of the Customers' regular rate that is attributable to the missed service minus the average cost of disposal attributable to the missed service. The credit shall be placed on the Customer's next regular invoice.

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EXHIBIT D
CITY SERVICE AREA



RFP Evaluation Form

Solid Waste Services for the City of Pacific

Respondent: Waste Management

Evaluator: Solid Waste Committee Date Evaluated: 5/14/15

Proposals will be evaluated on “best value” based on the evaluation criteria as stated below. A 100 point scale will be used to create the final evaluation recommendation.

Evaluation Criteria

Criteria	Possible Points	Points Awarded
1. Completeness and Accuracy of Proposal	10	8
2. Qualifications of Management/Project Team	20	18
3. Operational Experience	25	24
4. Financial	25	20
5. Community & Environmental Stewardship	20	18
Total Points:	100	88

Comments:

The City of Pacific Council formed a Solid Waste Committee and appointed Council Member Steiger and Council Member Kave to this committee. The committee has been working diligently to determine what solid waste services should be provided to the citizens and businesses of our community and how those services should be performed. This portion of our responsibility covers who should perform these services. A request for proposals (RFP) was announced by the City and the City received two proposals. Each member of the committee utilized objective based scoring and then came to a consensus on the scores. The objective of the committee was to use the scoring criteria to differentiate the important aspects of each proposal and then provide a recommendation to the full council as to which company should be awarded the contract for solid waste services in the City. City staff members utilized the same objective based scoring criteria to make its own recommendation to the full council separate from the committee recommendation.

1. Completeness and Accuracy of Proposal

The committee felt that the proposal did a great job of covering the specific criteria and list of services that the City detailed as important aspects of the contract. However, Waste Management's proposal was not as detail oriented on the basic aspects of the proposal as identified in the RFP.

2. Qualifications of Management/Project Team

The committee felt that Waste Management's Management team was far more experienced and the company clearly values promoting from within people who were experienced at all aspects of their operation. The tenure of their management team was impressive.

3. Operational Experience

The committee felt that the operational experience of both companies was impressive. However, the committee could not ignore the fact that Waste Management has been the primary provider to our community for many years and know the operations within our community a bit better than any other company competing for the contract.

4. Financial

The committee felt that Waste Management's fees were not as competitive as the other proposal. However, the fees in general were on average either lower than what the customers were paying or the customer would receive substantial increases in services. The proposal lacked the estimated taxes that the City could expect to bring in with the utility tax and the estimated revenue from the franchise fee. It would have also been helpful for the company to include a sample of what a bill would look like for the customers as part of the proposal. The committee requested sample bills from the company that would show what the residential customer with a 35 gallon cart would look like and what the commercial customer with a 1 yard dumpster would look like. Including this as part of the proposal would have helped the committee to fully understand what the rate structure would look like to the customer.

5. Community & Environmental Stewardship

The committee broke this section down into two areas as it felt they were separate and distinct from each other.

Community Stewardship:

The committee felt that Waste Management has historically shown itself as a stewardship partner with the City of Pacific. The company has been very responsive to the City and its residents to resolve problems and we do not see that changing in the future. The one area that we felt that Waste Management could improve upon is localizing their call centers for customer support. The committee feels that local support staff would have a better understanding of the services that we as a community value and how to best resolve local issues. For these reasons Waste Management received a score of 8 out of 10 points for this portion of the scoring criteria.

Environmental Stewardship:

The RFP stated clearly that preference may be given to companies that utilize vehicles that reduce the carbon foot print on the environment. The committee felt that Waste Management has done just that by utilizing compressed natural gas vehicles in all of its operations that will take place within the City. For this reason Waste Management received a score of 10 out of 10.

Clint Steiger
Council Member

Vic Kave
Council Member

WASTE MANAGEMENT

RESIDENTIAL	PROPOSED/BID RATES			
	GARBAGE	RECYCLING	YARD/FOOD	TOTAL
10-gallon Micro-Can	\$ 10.66	Included	Included	\$ 10.66
20-gallon Mini-Can	\$ 14.08	Included	Included	\$ 14.08
32-gallon Can	\$ 23.55	Included	Included	\$ 23.55
35-gallon Cart	\$ 23.55	Included	Included	\$ 23.55
64-gallon Cart	\$ 39.26	Included	Included	\$ 39.26
96-gallon Cart	\$ 50.95	Included	Included	\$ 50.95

DM

RESIDENTIAL	PROPOSED/BID RATES			
	GARBAGE	RECYCLING	YARD/FOOD	TOTAL
10-gallon Micro-Can	\$ 11.33			\$ 11.33
20-gallon Mini-Can	\$ 16.51			\$ 16.51
32-gallon Can	Cost not provided			
35-gallon Cart	\$ 20.41			\$ 20.41
64-gallon Cart	\$ 34.00			\$ 34.00
96-gallon Cart	\$ 45.59			\$ 45.59

WM VS. DM

RESIDENTIAL
\$ (0.67)
\$ (2.43)
N/A
\$ 3.14
\$ 5.26
\$ 5.36

DM rate sheet does not list services separately - unknown what services are included

MULTI-FAMILY	PROPOSED/BID RATES			
	GARBAGE	RECYCLING		TOTAL
32-gallon Can	\$ 27.08	Included		\$ 27.08
35-gallon Cart	\$ 27.08	Included		\$ 27.08
64-gallon Cart	\$ 41.86	Included		\$ 41.86
96-gallon Cart	\$ 53.17	Included		\$ 53.17
1-yard	\$ 109.27	Included		\$ 109.27
1.5-yard	\$ 149.85	Included		\$ 149.85
2-yard	\$ 186.35	Included		\$ 186.35
3-yard	\$ 254.28	Included		\$ 254.28
4-yard	\$ 327.09	Included		\$ 327.09
6-yard	\$ 444.98	Included		\$ 444.98
8-yard	\$ 580.40	Included		\$ 580.40

MULTI-FAMILY	PROPOSED/BID RATES			
	GARBAGE	RECYCLING		TOTAL
32-gallon Can	Cost not provided			
35-gallon Cart	\$ 20.41			\$ 20.41
64-gallon Cart	\$ 34.00			\$ 34.00
96-gallon Cart	\$ 45.59			\$ 45.59
1-yard	\$ 93.21			\$ 93.21
1.5-yard	\$ 129.18			\$ 129.18
2-yard	\$ 161.32			\$ 161.32
3-yard	\$ 232.58			\$ 232.58
4-yard	\$ 303.82			\$ 303.82
6-yard	\$ 422.07			\$ 422.07
8-yard	Cost not provided			

MULTI-FAMILY
N/A
\$ 6.67
\$ 7.86
\$ 7.58
\$ 16.06
\$ 20.67
\$ 25.03
\$ 21.70
\$ 23.27
\$ 22.91
N/A

DM rate sheet does not list services separately - unknown what services are included

COMMERCIAL	PROPOSED/BID RATES			
	GARBAGE			TOTAL
32-gallon Can	\$ 27.08			\$ 27.08
35-gallon Cart	\$ 27.08			\$ 27.08
64-gallon Cart	\$ 41.86			\$ 41.86
96-gallon Cart	\$ 53.17			\$ 53.17
1-yard	\$ 109.27			\$ 109.27
1.5-yard	\$ 149.85			\$ 149.85
2-yard	\$ 186.35			\$ 186.35
3-yard	\$ 254.28			\$ 254.28
4-yard	\$ 327.09			\$ 327.09
6-yard	\$ 444.98			\$ 444.98
8-yard	\$ 580.40			\$ 580.40

COMMERCIAL	PROPOSED/BID RATES			
	GARBAGE			TOTAL
32-gallon Can	Cost not provided			
35-gallon Cart	\$ 20.91			\$ 20.91
64-gallon Cart	\$ 29.57			\$ 29.57
96-gallon Cart	\$ 39.43			\$ 39.43
1-yard	\$ 89.15			\$ 89.15
1.5-yard	\$ 123.09			\$ 123.09
2-yard	\$ 153.20			\$ 153.20
3-yard	\$ 220.39			\$ 220.39
4-yard	\$ 287.58			\$ 287.58
6-yard	\$ 397.70			\$ 397.70
8-yard	Rate sheet say \$2 - error?			

COMMERCIAL
N/A
\$ 6.17
\$ 12.29
\$ 13.74
\$ 20.12
\$ 26.76
\$ 33.15
\$ 33.89
\$ 39.51
\$ 47.28

DM rate sheet does not list services separately - unknown what services are included

RFP Evaluation Form

Solid Waste Services for the City of Pacific

Respondent: DM Disposal

Evaluator: Solid Waste Committee Date Evaluated: 5/14/15

Proposals will be evaluated on “best value” based on the evaluation criteria as stated below. A 100 point scale will be used to create the final evaluation recommendation.

Evaluation Criteria

Criteria	Possible Points	Points Awarded
1. Completeness and Accuracy of Proposal	10	8
2. Qualifications of Management/Project Team	20	15
3. Operational Experience	25	23
4. Financial	25	24
5. Community & Environmental Stewardship	20	14
Total Points:	100	84

Comments:

The City of Pacific Council formed a Solid Waste Committee and appointed Council Member Steiger and Council Member Kave to this committee. The committee has been working diligently to determine what solid waste services should be provided to the citizens and businesses of our community and how those services should be performed. This portion of our responsibility covers who should perform these services. A request for proposals (RFP) was announced by the City and the City received two proposals. Each member of the committee utilized objective based scoring and then came to a consensus on the scores. The objective of the committee was to use the scoring criteria to differentiate the important aspects of each proposal and then provide a recommendation to the full council as to which company should be awarded the contract for solid waste services in the City. City staff members utilized the same objective based scoring criteria to make its own recommendation to the full council separate from the committee recommendation.

1. Completeness and Accuracy of Proposal

The committee felt that the proposal did an excellent job of covering the basic criteria outlined in the RFP. The proposal was very detail oriented and complete from that prospective. However, DM Disposal's proposal was not as detail oriented on the specific criteria and list of services that the City detailed as important aspects of the contract.

2. Qualifications of Management/Project Team

The committee felt that DM Disposal's management team was experienced but felt that many of the managers have not spent much time on the line.

3. Operational Experience

The committee felt that the operational experience of both companies was impressive. However, the committee could not ignore the fact that Waste Management has been the primary provider to our community for many years and know the operations within our community a bit better than any other company competing for the contract.

4. Financial

The committee felt that DM Disposal fees were very competitive. The rate for the base 35 gallon residential customer came in well under the ceiling rate outlined in the RFP and the rate structure for all other size containers were more competitive than the other proposal received in all but a few sizes of containers. However, the proposal lacked the estimated taxes that the City could expect to bring in with the utility tax and the estimated revenue from the franchise fee. It would have also been helpful for the company to include a sample of what a bill would look like for the customers as part of the proposal. The committee requested sample bills from the company that would show what the residential customer with a 35 gallon cart would look like and what the commercial customer with a 1 yard dumpster would look like. Including this as part of the proposal would have helped the committee to fully understand what the rate structure would look like to the customer.

5. Community & Environmental Stewardship

The committee broke this section down into the two areas as it felt they were separate and distinct from each other.

Community Stewardship:

The committee felt that DM Disposal has not been a proactive supporter of community events. However, the committee realized that DM Disposal was not the primary provider of services in our City. The committee relied on the letters of recommendation provided in the proposal and felt that the company would do a very adequate job in this area. The one area that we felt was an advantage was the localized call centers for customer support. The committee felt that local support staff would have a better understanding of the services that we as a community value and how to best resolve local issues. For this reason DM Disposal received a score of 9 out of 10 points for this portion of the scoring criteria.

Environmental Stewardship:

The RFP stated clearly that preference may be given to companies that utilize vehicles that reduce the carbon foot print on the environment. The committee felt that DM Disposal's plans for the future were worth noting. The committee was really impressed with the plans to harness natural gas from the landfill and use it to power its vehicles in the future to help reduce greenhouse gasses. However, we were disappointed that the company is not ready to provide these emission friendly vehicles at this time to service our City to help reduce our carbon foot print on the environment. For this reason DM Disposal received a score of 5 out of 10 for this portion of the scoring criteria.

Clint Steiger
Council Member

Vic Kave
Council Member

RECONCILING QUANTITY BETWEEN MULTIPLE REPORTS FROM DM AND WM

The City of Pacific has received 3 separate reports from DM (Murrey's) that list different quantity counts and one from WM.

The report below proves the difficulty in reconciling the financial assertion by Murrey's based upon differing service quantity numbers.

<u>Svc</u>	<u>DM-6/9</u>	<u>DM-RFP</u>	<u>WM</u>	<u>CPA REPORTED VARIANCE-TOTALS</u>
10-gallon service weekly	51	52	60	51
20-gallon service weekly	112	112	106	112
35-gallon service weekly	884	921	849	800
64-gallon service weekly	357	325	331	387
96-gallon service weekly	48	38	39	41
EXTRAS	0	2	207	0
	1452	1448	1592	1391

Add Cost (not including refuse tax, utility tax, or hazardous waste fee) to Resi Customer*

Commercial and MF Rates, Additional Cost with WM

<u>Svc</u>	<u>DM-CPA-7/13</u>	<u>DM-RFP</u>	<u>WM</u>	<u>CPA REPORTED VARIANCE-TOTALS</u>
35-gallon commercial svc weekly	30	23	47	9
35-gallon multi-fam svc weekly	27	18		1
64-gallon commercial svc weekly	9	3	6	15
64-gallon multi-fam svc weekly	19	4		27
96-gallon commercial svc weekly	13	7	1	16
96-gallon multi-fam svc weekly	4	1		7
1yd commercial 1x weekly	36	35	39	36
1yd multi-fam 1x weekly	7	7		7
1.5yd commercial 1x weekly	8	8	10	8
1.5yd multi-fam 1x weekly	4	4		4
2yd commercial 1x weekly	28	28	32	28
2yd multi-fam 1x weekly	1	1		1
3yd commercial 1x weekly	5	5	4	5
3yd multi-fam 1x weekly	1	1		1
4yd commercial 1x weekly	20	20	17	20
4yd commercial 2x weekly	1	2		1
4yd multi-fam 1x weekly	3	3		3
6yd commercial 1x weekly	9	9	15	9
6yd commercial 2x weekly	3	3	3	3
6yd commercial 3x weekly	2	2	1	2
6yd multi-fam 1x weekly	5	5		5
6yd multi-fam 2x weekly	1	1		1
8yd commercial 1x weekly	3	3	2	3
8yd commercial 2x weekly	1	0	1	1
	240	193	178	213

Add Cost (not including refuse tax, utility tax, or hazardous waste fee) to Com/MF Cust

* does not include Extras, at 207 customer counts at \$6.82 per month.

Roll-Off Rates, Additional Cost with WM

<u>Svc</u>	<u>DM-CPA-7/13</u>	<u>DM-RFP</u>	<u>WM</u>	<u>CPA REPORTED VARIANCE-TOTALS</u>
20-Yard RO haul, assumes EOW	3	3		3
25-Yard RO haul, assumes EOW	3	3		3
30-Yard RO haul, assumes EOW	3	3		3
30-Yard Comp haul, assumes EOW	1	1		1
40-Yard Comp haul, assumes EOW	1	1		1
20-Yard RO monthly rent	3			3
25-Yard RO monthly rent	3			3
30-Yard RO monthly rent	3			3
20-Yard RO Disp, assumes 3 tons avg	3			3
25-Yard RO Disp, assumes 3 tons avg	3			3
30-Yard RO Disp, assumes 3 tons avg	3			3
30-Yd Comp Disp, assumes 6 tons avg	1			1
40-Yd Comp Disp, assumes 6 tons avg	1			1
	31	11	0	31

DM Disposal Co., Inc.

Agreed-Upon Procedures
July 6, 2015



Independent Accountant's Report on Agreed-Upon Procedures

Mark Gingrich, District Manager
DM Disposal Co., Inc.
PO Box 399
Puyallup, WA 98371

We have performed the procedures enumerated below, which were agreed to by the management of DM Disposal Co., Inc. (the Company) with respect to the 10-year rate variance analysis beginning July 1, 2015, (Rate Variance Analysis) comparing the DM Disposal Co., Inc. (DM) and Waste Management of Washington, Inc.'s (WM) submissions for Solid Waste Services for the City of Pacific request for proposal dated April 10, 2015 (the Proposal). This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Company. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed are as follows:

1. Obtain the Rate Variance Analysis prepared by DM Disposal Co., Inc. (Exhibit A) broken out by residential rates, commercial/multifamily rates, roll-off rates, refuse and utility tax, and perform the following:
 - a. Agree aggregate number of customers (by type) to the information in the Proposal. The aggregate number of customers will be used in the rate variance analysis as Waste Management of Washington, Inc. did not include discount rates for seniors which are noted in the request for proposal and DM Disposal Co., Inc. did include these discounts.

We agreed the aggregate number of customers (by type) to the Proposal noting the following exceptions:

1. Quantities represented under Residential "35-gallon service weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by 84 units.
2. Quantities represented under Residential "64-gallon service weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (30) units.
3. Quantities represented under Residential "96-gallon service weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (7) units.
4. Quantities represented under Multi-Family "35-gallon multi-fam svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by 26 units.
5. Quantities represented under Multi-Family "64-gallon multi-fam svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (8) units.
6. Quantities represented under Multi-Family "96-gallon multi-fam svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (3) units.
7. Quantities represented under Commercial "35-gallon commercial svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by 21 units.
8. Quantities represented under Commercial "64-gallon commercial svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (6) units.

9. Quantities represented under Commercial "96-gallon commercial svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (3) units.
 10. Quantities represented under Commercial "1yd commercial 1x weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (1) unit.
 11. Quantities represented in the Solid Waste Services for the City of Pacific RFP for Pierce County Residential under "1YD CONT 1X WEEKLY + RECY" was not factored into the Rate Variance Analysis (1) unit.
 12. Quantities represented in the Solid Waste Services for the City of Pacific RFP for Pierce County Residential under "RECYCLE SERVICE ONLY" was not factored into the Rate Variance Analysis (2) units.
- b. Agree the DM rates per the Rate Variance Analysis to the DM submittal for the Solid Waste Services for the City of Pacific's RFP (DM Disposal RFP Submittal) for "Option B (3.0% Embedded)".

We agreed the DM rates to the DM Disposal Co., Inc. submittal for the Solid Waste Services for the City of Pacific's RFP noting the following exceptions:

1. Roll-Off rates under the "40-Yard Comp haul, assumes EOW," DM Disposal Co., Inc. used a rate of \$149.82 for DM which did not agree to the "Compactors 40-yard per haul" from the DM Disposal Co., Inc. RFP Submittal rate of \$154.75.
 2. Roll-Off rate of \$95.40 under the "20-yard RO monthly rent" used in the Rate Variance Analysis for DM represented the "20-yard per Month" Option D (6.0% Embedded) from the DM Disposal Co., Inc. RFP Submittal as opposed to the rate of \$92.70 under Option B (3.0% Embedded).
 3. Roll-Off rate of \$104.94 under the "25-yard RO monthly rent" used in the Rate Variance Analysis for DM represented the "25-yard per Month" Option D (6.0% Embedded) from the DM Disposal Co., Inc. RFP Submittal as opposed to the rate of \$101.97 under Option B (3.0% Embedded).
 4. Roll-Off rate of \$115.54 under the "30-yard RO monthly rent" used in the Rate Variance Analysis for DM represented the "30-yard per Month" Option D (6.0% Embedded) from the DM Disposal Co., Inc. RFP Submittal as opposed to the rate of \$112.27 under Option B (3.0% Embedded).
- c. Agree the WM rates per the Rate Variance Analysis WM submittal for Solid Waste Services for the City of Pacific's RFP (Waste Management RFP Submittal).

We agreed the WM rates to the Waste Management of Washington, Inc. submittal for Solid Waste Services for the City of Pacific's RFP noting the following exceptions:

1. Roll-Off rate of \$83.99 under the "30-Yard RO monthly rent" used in the Rate Variance Analysis for WM represented the "40-yard Roll-Off box, Monthly Rent" rate from the Waste Management RFP Submittal. The "30 yard Roll-Off box, Monthly Rent" rate is \$70.20 per the Waste Management RFP Submittal.
2. Multi-Family rates under the "1.5yd multi-fam 1x weekly," DM Disposal Co., Inc. used a rate of \$149.875 for WM which did not agree to the "1-1.5-yard container" from the Waste Management RFP Submittal of \$149.85.

2. For Roll-Off Rates, obtain the estimated hauls and tonnage per month as calculated by DM Disposal Co., Inc. and agree the final estimated hauls and tonnage per haul to the Rate Variance Analysis.

We agreed the estimated hauls and tonnage per month to the Rate Variance Analysis noting no exceptions. We did note that DM estimated the number of hauls and tonnage per month based on internal historical sales data from January through December 2014 and January 2015 through April 2015. The historical sales data included the number of hauls in a given month as well as tonnage per haul and the data was isolated to seven roll-off customers in Pacific. DM used this information to calculate the average amongst these customers for hauls per month and tonnage per haul. The calculated averages were adjusted based on management's experience in the industry and local historical volume averages to arrive at the final estimate used in the analysis.

- a. Recalculate and foot the Rate Variance Analysis for accuracy.

We recalculated and footed the Rate Variance Analysis, noting no exceptions.

- b. For exceptions noted above, quantify the variance in aggregate (including taxes) and individually (excluding taxes) for residential, roll-off and commercial and multi-family.

Based on exceptions documented above, the following represents the calculated impact of the variances noted:

Line of Service	Original 10-Year Variance	10-Year Variance, Including Exceptions	Difference
Residential (excluding taxes)	\$ 552,544	\$ 560,756	\$ (8,213)
Commercial and MF (excluding taxes)	720,610	730,472	(9,863)
Roll-Off (excluding taxes)	498,317	495,287	3,030
Total Variance (including taxes)	\$ 1,941,531	\$ 1,958,022	\$ (16,490)

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the Rate Variance Analysis. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the Company, and is not intended to be and should not be used by anyone other than the specified party.

McGladrey LLP

Tacoma, Washington
July 6, 2015

**Exhibit A
DM Disposal Co., Inc.
Rate Variance Analysis
July 1, 2015**

Rate Difference Summary	Monthly	Annual	10Year	W/Taxes
Resi Rates, Addl Cost with WM	\$ 4,604.53	\$ 55,254.36	\$ 552,543.60	\$ 605,587.79
Com/MF Rate, Addl Cost with WM	\$ 6,005.08	\$ 72,060.96	\$ 720,609.60	\$ 789,788.12
Roll-Off Rates, Addl Cost with WM	\$ 4,152.64	\$ 49,831.70	\$ 498,316.99	\$ 546,155.42
Refuse Tax, Addl Cost with WM	\$ 531.44	\$ 6,377.29	\$ 63,772.93	
Utility Tax, Addl Cost with WM	\$ 885.74	\$ 10,628.82	\$ 106,288.21	
	\$ 16,179.43	\$ 194,153.13	\$ 1,941,531.33	\$ 1,941,531.33

*Details by line of business listed below include taxes

Residential Rates, Additional Cost with WM
Based on 3% embedded franchise, 6% line item util, 3.6% line item refuse, and \$0.84 line item Haz Waste Fee

Svc	Qty	DM	WM	Difference	Monthly	Annual	10Year
10-gallon service weekly	51	\$ 11.33	\$ 10.66	(0.67)	\$ (34.17)	\$ (410.04)	\$ (4,100.40)
20-gallon service weekly	112	\$ 16.51	\$ 14.08	(2.43)	\$ (272.16)	\$ (3,265.92)	\$ (32,659.20)
35-gallon service weekly	884	\$ 20.41	\$ 23.55	3.14	\$ 2,775.76	\$ 33,309.12	\$ 333,091.20
64-gallon service weekly	357	\$ 34.00	\$ 39.26	5.26	\$ 1,877.82	\$ 22,533.84	\$ 225,338.40
96-gallon service weekly	48	\$ 45.59	\$ 50.95	5.36	\$ 257.28	\$ 3,087.36	\$ 30,873.60
Addl Cost (not including refuse tax, utility tax, or hazardous waste fee) to Resi Customer					\$ 4,604.53	\$ 55,254.36	\$ 552,543.60

Commercial and MF Rates, Additional Cost with WM
Based on 3% embedded franchise, 6% line item util, 3.6% line item refuse, and \$12.01 line item Haz Waste Fee

Svc	Qty	DM	WM	Difference	Monthly	Annual	10Year
35-gallon commercial svc weekly	30	\$ 20.91	\$ 27.08	6.17	\$ 185.10	\$ 2,221.20	\$ 22,212.00
35-gallon multi-fam svc weekly	27	\$ 20.41	\$ 27.08	6.67	\$ 180.09	\$ 2,161.08	\$ 21,610.80
64-gallon commercial svc weekly	9	\$ 29.57	\$ 41.86	12.29	\$ 110.61	\$ 1,327.32	\$ 13,273.20
64-gallon multi-fam svc weekly	19	\$ 34.00	\$ 41.86	7.86	\$ 149.34	\$ 1,792.08	\$ 17,920.80
96-gallon commercial svc weekly	13	\$ 39.43	\$ 53.17	13.74	\$ 178.62	\$ 2,143.44	\$ 21,434.40
96-gallon multi-fam svc weekly	4	\$ 45.59	\$ 53.17	7.58	\$ 30.32	\$ 363.84	\$ 3,638.40
1yd commercial 1x weekly	36	\$ 89.15	\$ 109.27	20.12	\$ 724.32	\$ 8,691.84	\$ 86,918.40
1yd multi-fam 1x weekly	7	\$ 93.21	\$ 109.27	16.06	\$ 112.42	\$ 1,349.04	\$ 13,490.40
1.5yd commercial 1x weekly	8	\$ 123.09	\$ 149.85	26.76	\$ 214.08	\$ 2,568.96	\$ 25,689.60
1.5yd multi-fam 1x weekly	4	\$ 129.18	\$ 149.88	20.70	\$ 82.78	\$ 993.36	\$ 9,933.60
2yd commercial 1x weekly	28	\$ 153.20	\$ 186.35	33.15	\$ 928.20	\$ 11,138.40	\$ 111,384.00
2yd multi-fam 1x weekly	1	\$ 161.32	\$ 186.35	25.03	\$ 25.03	\$ 300.36	\$ 3,003.60
3yd commercial 1x weekly	5	\$ 220.39	\$ 254.28	33.89	\$ 169.45	\$ 2,033.40	\$ 20,334.00
3yd multi-fam 1x weekly	1	\$ 232.58	\$ 254.28	21.70	\$ 21.70	\$ 260.40	\$ 2,604.00
4yd commercial 1x weekly	20	\$ 287.58	\$ 327.09	39.51	\$ 790.20	\$ 9,482.40	\$ 94,824.00
4yd commercial 2x weekly	1	\$ 575.16	\$ 654.18	79.02	\$ 79.02	\$ 948.24	\$ 9,482.40
4yd multi-fam 1x weekly	3	\$ 303.82	\$ 327.09	23.27	\$ 69.81	\$ 837.72	\$ 8,377.20
6yd commercial 1x weekly	9	\$ 397.70	\$ 444.98	47.28	\$ 425.52	\$ 5,106.24	\$ 51,062.40
6yd commercial 2x weekly	3	\$ 795.40	\$ 889.96	94.56	\$ 283.68	\$ 3,404.16	\$ 34,041.60
6yd commercial 3x weekly	2	\$ 1,192.98	\$ 1,334.94	141.96	\$ 283.92	\$ 3,407.04	\$ 34,070.40
6yd multi-fam 1x weekly	5	\$ 422.07	\$ 444.98	22.91	\$ 114.55	\$ 1,374.60	\$ 13,746.00
6yd multi-fam 2x weekly	1	\$ 844.13	\$ 889.96	45.83	\$ 45.83	\$ 549.96	\$ 5,499.60
8yd commercial 1x weekly	3	\$ 431.47	\$ 580.40	148.93	\$ 446.79	\$ 5,361.48	\$ 53,614.80
8yd commercial 2x weekly	1	\$ 807.10	\$ 1,160.80	353.70	\$ 353.70	\$ 4,244.40	\$ 42,444.00
Addl Cost (not including refuse tax, utility tax, or hazardous waste fee) to Com/MF Cust					\$ 6,005.08	\$ 72,060.96	\$ 720,609.60

Roll-Off Rates, Additional Cost with WM
Based on 3% embedded franchise, 6% line item util, 3.6% line item refuse, and line item Haz Waste Fee

Svc	Qty	Hauls per Mo	DM	WM	Difference	Monthly	Annual	10Year
20-Yard RO haul, assumes EOW	3	2.17	\$ 102.16	\$ 196.28	\$ 94.12	\$ 612.72	\$ 7,352.65	\$ 73,526.54
25-Yard RO haul, assumes EOW	3	2.17	\$ 109.06	\$ 196.28	\$ 87.22	\$ 567.80	\$ 6,813.63	\$ 68,136.26
30-Yard RO haul, assumes EOW	3	2.17	\$ 114.93	\$ 196.28	\$ 81.35	\$ 529.59	\$ 6,355.06	\$ 63,550.62
30-Yard Comp haul, assumes EOW	1	2.17	\$ 144.89	\$ 196.28	\$ 51.39	\$ 111.52	\$ 1,338.20	\$ 13,381.96
40-Yard Comp haul, assumes EOW	1	2.17	\$ 149.82	\$ 196.28	\$ 46.46	\$ 100.82	\$ 1,209.82	\$ 12,098.18
20-Yard RO monthly rent	3	NA	\$ 95.4	\$ 57.66	\$ (37.74)	\$ (113.22)	\$ (1,358.64)	\$ (13,586.40)
25-Yard RO monthly rent	3	NA	\$ 104.94	\$ 70.20	\$ (34.74)	\$ (104.22)	\$ (1,250.64)	\$ (12,506.40)
30-Yard RO monthly rent	3	NA	\$ 115.54	\$ 83.99	\$ (31.55)	\$ (94.65)	\$ (1,135.80)	\$ (11,358.00)
		Tons per Mo						
20-Yard RO Disp, assumes 3 tons avg	3	19.53	\$ 120.17	\$ 150.21	\$ 30.04	\$ 586.68	\$ 7,040.17	\$ 70,401.74
25-Yard RO Disp, assumes 3 tons avg	3	19.53	\$ 120.17	\$ 150.21	\$ 30.04	\$ 586.68	\$ 7,040.17	\$ 70,401.74
30-Yard RO Disp, assumes 3 tons avg	3	19.53	\$ 120.17	\$ 150.21	\$ 30.04	\$ 586.68	\$ 7,040.17	\$ 70,401.74
30-Yd Comp Disp, assumes 6 tons avg	1	13.02	\$ 120.17	\$ 150.21	\$ 30.04	\$ 391.12	\$ 4,693.45	\$ 46,934.50
40-Yd Comp Disp, assumes 6 tons avg	1	13.02	\$ 120.17	\$ 150.21	\$ 30.04	\$ 391.12	\$ 4,693.45	\$ 46,934.50
Addl Cost (not including refuse tax, utility tax, or hazardous waste fee) to RO Customer						\$ 4,152.64	\$ 49,831.70	\$ 498,316.99

DM (Murrey's) Disposal Company's Savings Assertion Financial Analysis

During the June 15, 2015 City of Pacific Council Meeting, Murrey's commented that they believed their bid for solid waste collection and recycling services was approximately \$1.9M less over the 10-year contract than the other bidder, Waste Management, Inc. Murrey's later submitted an *Independent Accountant's Report on Agreed-Upon Procedures* prepared by McGladrey, LLC, dated July 6, 2015, in support of their assertion.

This analysis has been prepared to review the assertion that Murrey's contract for solid waste services would cost approximately \$1.9M less than that proposed by Waste Management over the next ten years (the term of the contract).

In addition to the McGladrey report, I reviewed information and rates provided in response to the RFP, an Excel spreadsheet emailed from Mark Gingrich on June 9, 2015, and an Excel spreadsheet provided by Waste Management. Considering the multiple data sources Murrey's used in reporting the numbers of services, this task was impossible to perform with any sense of accuracy, which to an accountant is anathema. Four sources of information have been submitted; of which none reconcile. However, the following issues were identified during the review:

- The first source of data that Murrey's used (the Excel spreadsheet) to calculate the 10-year rate variance was received by the City on June 9th.
- The second source of data that was used by McGladrey (received on July 6th) in their analysis was from the RFP document and was inconsistent in quantity counts from the Excel spreadsheet data source dated June 9th, by approximately 3%.
- The third data source that was used by McGladrey was not consistent with either of the first two sources and was off by 5%, approximately. McGladrey points out that they did not agree with Murrey's numbers, though I cannot identify how they calculated their variances.
- The fourth and final data source that I identified, comes from Waste Management (prepared by WM on February 19, 2015) does not agree with any of Murrey's sources. I estimate that the difference is over 7% comparatively.
- The only data sources that I have that hold any integrity are those found in the RFP responses, which are still inconclusive as they rely on quantity counts which have yet to be audited by an outside source.
- King County strongly recommends that cities go to recycling to reduce the amount of solid waste and to achieve its Zero Waste of Resources by 2030 initiative. The question needs to be asked whether or not Murrey's assertion include this in their considerations, as they make no mention of the cost savings that the businesses in Pierce County will see if they go to recycling. Waste Management has stated that Pierce County businesses will see significant savings when they go to recycling. Waste Management identifies in their RFP response that they have a plan to educate all business and multifamilies about the value of recycling. I have not seen nor heard the same emphasis from Murrey's. This has economic value though as yet to be identified by either service provider.

Murrey's asserts that they can save the City's residents \$1.9M but this is calculated on data that lacks consistency and therefore credibility, due to the variance percentages from the numerous sources provided. The percentage variances that I calculated in the findings could be quite significant over a ten year period that the agreement covers. In addition to this, the potential of the recycling savings for the business community may not have been factored into the comparisons with Waste Management. The scoring on Community & Environmental Stewardship which encompasses recycling was weighted at 20%, the financial scoring was

weighted at 25%. These recycling savings do have economical value and are being promoted by King County. Finally, some businesses may see an increase in their rates under the new agreement, however the majority of the customers in the City will see decreases as is reflected in the utility taxes and franchise fees projected losses to the General Fund of nearly \$420K over the life of the contract (10 years).

Thank You.

Richard A. Gould
City Administrator

PACIFIC MUNICIPAL COURT
Memorandum

TO: Judge Rochon

CC: Mayor Guier, Pacific Council Members, Managers

From: Kelly Rydberg

Date: 8/3/15

Re: July 2015

The court:

- Held 328 hearings - 222 for Pacific and 106 for Algona.
- Collected Pacific monthly revenues of **\$34,045.58**; of which **\$25,382.69** is the local portion, \$144.56 is the County portion and **\$8518.33** is the State portion. Year to date revenues for the City of Pacific are **\$162,939.36**.
- Collected Algona monthly revenues of **\$13,396.62**; of which \$4750.06 is the local portion, \$3372.92 is the Pacific split for costs, \$72.56 is the County portion and \$5201.08 is the State portion. Year to date revenues for the City of Algona are **\$38,649.74**.

Pacific monthly filings:

Traffic infractions filed:	150	violations filed:	177
Criminal citations filed:	27	violations filed:	41

Algona monthly filings:

Traffic infractions filed:	60	violations filed:	75
Criminal citations filed:	19	violations filed:	20

GENERAL FUND/RECOUPMENT COLLECTED

	PACIFIC MONTH	PACIFIC YTD	ALGONA MONTH	ALGONA YTD
Warrant fees	1129.99	10,189.48	98.26	1067.69
Record Check Fees	9189.89	55,050.56	PACIFIC KEEPS	
Jail Recoupment	1749.82	14,734.14	775.34	3318.57
Insurance Fees	200.73	1162.36	PACIFIC KEEPS	
Parking Fees	0	1350.00	0	110.00
PD Recoupment	1175.22	9714.30	165.28	1812.61
Interpreter Recoupment	350.10	5671.27	80.94	1903.79
Credit Card Convenience Fee	216.61	1483.34	PACIFIC KEEPS	
Interest/Bank Charges	1439.16	9107.84	290.78	1780.97
Misc court fines and costs	4981.17	35,946.07	3339.46	28,656.11
Algona court costs **	3710.00	17,290.00	3372.92	34,822.56
Pacific Traffic School fees	1240.00	1240.00	N/A	N/A
TOTAL	\$25,382.69	\$162,939.36	\$8122.98	\$73,472.30

** The total in the Pacific column is for June services; the total in the Algona column is costs split that Pacific keeps for July.

Cities of Pacific & Algona; Municipal Court
100 3rd AVE SE; Pacific WA 98047
(253) 929-1140; (253) 929-1195 fax

Monday, August 03, 2015

City of Algona
Attention: Julie
402 Warde St
Algona WA 98001

Dear Julie,

Please submit for compensation to Pacific Municipal Court \$2640.00 for July 2015 filings and interpreter or detention billing reimbursement, as noted below.

Interpreter billing for this period is \$
Detention billing for this period is \$ **NONE**
(Copies attached)

FILINGS:

60 Infractions @ 25.00	\$1500.00
19 Criminal Citations @ 60.00	\$1140.00
Total Due	\$2640.00

Monthly Revenues collected \$13,396.62.

COSTS RETAINED BY PACIFIC MUNICIPAL COURT FROM MONTHLY REVENUES:

Split of warrant fees	\$98.24
Monitoring / Record check fees	\$3062.29
Mandatory insurance costs	\$171.18
Credit card convenience fee	\$41.21
NSF fees	\$
Copy/CD fees	\$
Total	\$3372.92

Remittance check due Algona:
\$4750.06

Remittance check to King County paid:
\$72.56

Remittance check to State paid:
\$5201.08

Please contact us if you have any questions. Thank you.
Sincerely,



Kelly Rydberg
Court Administrator

CC: Algona Police Chief; month end file

MONDAY CITY COUNCIL 8-10-15

Community Services Report

The Senior Center has a new activity group on Thursday at 2:00. We are making quilts. Our group is 7 strong so far!!!! I'm so very excited. On Tuesday we have a standing pinochle game. The bidding is ruthless. There is always room at our tables for more card players. This month we are having the annual Volunteer Appreciation Tea Wednesday the 26th, at 2:00pm. I have about 30 people that I recognize. The seniors also play free Bingo once a month on Monday afternoon. What a big hit! Stone Soup on Mondays 11am to 1pm. As always, free bread on Fridays for the whole community to come.

This month our senior bus is going to Marvel Deli on Tuesday the 11th, Shake and Go on Friday the 14th, Carpinito's Fruit Stand on Wednesday the 19th, just to name a few of the places we will be going. Once a month, Georgia loads up the bus and takes a group of hungry seniors out to lunch, this month they are going to Le Donut. This restaurant was requested by name. On Friday afternoons the bus heads to close places for an afternoon snack like Dairy Queen or Starbucks. Next month we are already making plans for a bus event to the Puyallup Fair.

Please come join the fun!

At the Youth Gym, Summer Lunch Program is underway, Monday through Friday 12:00 to 12:30. FREE lunch for those 1 to 18 years of age. The gym is a very popular place at that time of the day. On Wednesday the 19th the gym is doing tie-dye at 1:00pm. JoAnne is in need of more rubber bands. The youth gym has free Bingo on Tuesdays. Monday the 17th the kid program is making Rain Sticks. JoAnne will be having a field day with music, outdoor games, beach ball volleyball, BBQ with hot dogs and watermelon on Friday the 21st. Bring your blanket or lawn chair and join them for the closing of this years' summer program.

Starting August 24th and through Monday the 31st the gym will be closed for refinishing of the floor. New this fall, Spanish Story Time sponsored by K.C.L.S. and hosted by the City of Pacific.

Respectfully Submitted,

Darcie Thach
JoAnne Futch



Agenda Bill No. 15-107

TO: Mayor Guier and City Council Members

FROM: Richard Gould, City Administrator

MEETING DATE: August 10, 2015

SUBJECT: Authorization to Enter into Contract for Solid Waste and Recycling Collection Services

ATTACHMENTS:

- Resolution No. 2015-270
 - Solid Waste Collection Contract with Waste Management, Inc.
 - Waste Management RFP Evaluation Form
 - Waste Management/DM Disposal Comparison
 - DM Disposal RFP Evaluation Form
 - DM Disposal/Waste Management Reconciling Quantity Spreadsheet
 - DM Disposal Independent Accountant's Report on Agreed-Upon Procedures prepared by McGladrey, LLC 7/6/15
 - Solid Waste Services Agreement Financial Analysis, 7/27/15
-

Previous Council Review Date: June 15, 2015, June 22, 2015, July 6 2015, July 13 2015, July 27, 2015

Summary: Two companies currently provide solid waste collection services to the City of Pacific, Washington (the City). The City is seeking to contract with one provider for all solid waste services in the City. To that end, a Request for Proposals process was initiated on April 3, 2015, although the City is not required to bid this contract. Bid laws do not apply, and the City reserved the right to negotiate contract changes with the finalist and/or to award the contract to any proponent, in the City's sole discretion. The City further reserved the right to reject the proposal of any and all proponents if the City believes that it would not be in the best interest of the City to make an award, whether because the Proposal is nonresponsive or because the proponent is found to be not responsible or fails to meet any other pertinent standard or criterion established by the City.

A proposal submittal date was set for April 24, 2015. This date was changed to May 8, 2015 on proponents' request. The City received timely proposals from Waste Management, Inc. and DM Disposal/Murrey's Disposal, Inc.

The City reviewed the proposals by an evaluation team composed of City staff and the Solid Waste Committee. The City based its choice on considerations including, but not limited to, unit prices, the clear ability of the Proponent to successfully perform the service. Proposals were evaluated in two phases: (1) a review and evaluation of proposal elements other than price, including reference checks; and (2) review of price proposals and scoring of the price components.

Based on careful review by the evaluation team, Waste Management was selected as the finalist proponent. City staff have been conducting negotiations to finalize the contract.

Due to prolonged negotiations, current contracts for solid waste disposal were extended and will expire October 4, 2015.

One bidder, DM Disposal/Murrey's Disposal, Inc (Murrey's), asserted that their bid for solid waste collection and recycling services was approximately \$1.9M less over the 10-year contract period than the other bidder, Waste Management, Inc. and submitted an *Independent Accountant's Report on Agreed-Upon Procedures* prepared by McGladrey, LLC, dated July 6, 2015, and other documentation in support of their assertion.

The Pacific City Administrator prepared a Solid Waste Services Agreement Financial Analysis dated July 22, 2015 to review Murrey's assertion and concluded that the data used to support the assertion lacked consistency and therefore credibility, due to the variance percentages from the numerous sources provided and the potential of the recycling savings for the business community was not factored into the comparisons with Waste Management. The Administrator also concluded that while some businesses may see an increase in their rates under the new agreement, the majority of the customers in the City will see decreases as is reflected in the utility taxes and franchise fees projected losses to the General Fund of nearly \$420K over the life of the contract (10 years).

Public comment has obtained on the proposed contract for solid waste and recycling collection services on July 13, 2015 and August 10, 2015.

The contract with Waste Management will be in effect from October 5, 2015 through October 4, 2025.

Recommended Action: Authorize the Mayor to enter into the Solid Waste Collection Contract with Waste Management, Inc.

Motion for Consideration: I move to approve Resolution No. 2015-270 authorizing the Mayor to enter into the Solid Waste Collection Contract with Waste Management, Inc. under the negotiated terms.

Budget Impact: None.

Alternatives: Renegotiate terms with a solid waste provider, but risk a disruption in solid waste collection services.

**CITY OF PACIFIC
WASHINGTON
RESOLUTION NO. 2015 - 270**

**A RESOLUTION OF THE CITY OF PACIFIC, WASHINGTON, AUTHORIZING
A CONTRACT WITH WASTE MANAGEMENT, INC., FOR SOLID WASTE
AND RECYCLING COLLECTION SERVICES.**

WHEREAS, the City of Pacific's current contract for solid waste and recycling services expires on October 4, 2015; and

WHEREAS, the City published a request for proposals on April 3, 2015, and received proposals from Waste Management and DM/Murrey's Disposal ; and

WHEREAS, after reviewing and considering all proposals, the proposal from Waste Management was determined to be the most beneficial to the City; and

WHEREAS, DM Disposal/Murrey's Disposal, Inc (Murrey's) asserted that their bid for solid waste collection and recycling services is approximately \$1.9M less over the 10-year contract period than the other bidder, Waste Management, Inc., and

WHEREAS, Murrey's submitted an *Independent Accountant's Report on Agreed-Upon Procedures* prepared by McGladrey, LLC, dated July 6, 2015, in support of their assertion, along with other Excel spreadsheets from Murrey's staff; and

WHEREAS, the Pacific City Administrator prepared a Solid Waste Services Agreement Financial Analysis dated July 22, 2015 to review Murrey's assertion and concluded that the data used to support the assertion lacked consistency and therefore credibility, due to the variance percentages from the numerous sources provided and the potential of the recycling savings for the business community was not factored into the comparisons with Waste Management; and

WHEREAS, the Pacific City Administrator also concluded that while some businesses may see an increase in their rates under the new agreement, the majority of the customers in the City will see decreases as is reflected in the utility taxes and franchise fees projected losses to the General Fund of nearly \$420K over the life of the contract (10 years); and

WHEREAS, the Council heard public comment on the proposed contract for solid waste and recycling collection services on July 13, 2015 and August 10, 2015; and

WHEREAS, the contract with Waste Management shall be in effect from October 5, 2015 through October 4, 2025;

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

Section 1. The Mayor is authorized to enter into a contract with Waste Management for solid waste and recycling collection services, in the form as attached hereto as Exhibit A.

Section 2. This Resolution shall take effect and be in full force upon passage and signatures hereon.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 10th
DAY OF AUGUST, 2015.

CITY OF PACIFIC

LEANNE GUIER, Mayor

ATTEST/AUTHENTICATED:

AMY STEVENSON-NESS, City Clerk

APPROVED AS TO FORM:

CAROL MORRIS, City Attorney

**CONTRACT FOR SOLID WASTE
SERVICES
BETWEEN THE
CITY OF PACIFIC, WASHINGTON
AND
WASTE MANAGEMENT OF
WASHINGTON, INC.**

October 5, 2015 – October 4, 2025

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**CONTRACT FOR SOLID WASTE SERVICES
BETWEEN
THE CITY OF PACIFIC, WASHINGTON
AND
WASTE MANAGEMENT OF WASHINGTON, INC.**

This CONTRACT FOR SOLID WASTE SERVICES (hereafter, “**Contract**”) is made and entered into this ___ day of _____, 2015, by and between the City of Pacific, a Washington municipal corporation (the “**City**”), and Waste Management of Washington, Inc., a Washington corporation (“**Contractor**”), to provide for Solid Waste Services in the City Service Area. The parties shall be collectively referred to herein as the “**Parties**” and individually as a “**Party**,” unless specifically identified otherwise.

RECITALS

WHEREAS, the City has negotiated with Contractor for collection, disposal, recycling and other services regarding solid waste; and

WHEREAS, solid waste collection service is a fundamental municipal function, with uniform, managed collection necessary for the preservation of public health; and

WHEREAS, Contractor represents that it has the experience, resources, and expertise necessary to perform solid waste collection services; and

WHEREAS, pursuant to RCW 35.21.120, the City enacted ordinances codified in the City’s Municipal Code which created a system for the orderly collection and disposal of Garbage within the City of Pacific; and

WHEREAS, the City agrees to adopt such modifications to its solid waste ordinances as are necessary to enter into this agreement; and

WHEREAS, the City Council finds that by entering into this Contract for Solid Waste Services, the citizens of the City will receive a greater variety of solid waste services at more stable rates.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL BENEFITS AND COVENANTS STATED HEREIN, THE PARTIES AGREE AS FOLLOWS:

DEFINITIONS

For the purposes of this Contract, the following terms shall have the following meanings:

Adjustment Date: The date that occurs annually on October 5th during this Contract.

Bulky Waste/Items: Couches, chairs, mattresses, appliances and other large items that do not fit into the standard Residential or Commercial Garbage Collection truck.

Cart: A Contractor-owned wheeled cart that is a plastic container with 20, 35, 64 or 96 gallons of capacity; designed for and used with a hydraulic lifting mechanism; fitted with a sturdy handle and a cover; is rodent and insect resistant; and is capable of holding collected liquids without spilling when in an upright position. Where appropriate, Carts can be used for Garbage, Recyclables and Compostables Collection.

Carry-Out Service: The servicing of Carts by Contractor which are not placed Curbside by the Residential Customer for collection, but rather require the Contractor to enter onto Residential Customer's property and roll-out or carry-out Carts to Contractor's collection vehicle. Customers may request a carry-out service for an additional fee, as set forth in Exhibit B, and such fees are charged based upon the distance from Contractor's collection vehicle. Carry-out service for Physically Disabled Persons is set forth in Section 2.1.4.

City: The City of Pacific, Washington.

City Solid Waste: All putrescible and nonputrescible solid, semi-solid, and liquid wastes, including Residential, Commercial and municipal garbage, trash, refuse, paper, rubbish, ashes, demolition and construction wastes, discarded home and industrial appliances, manure, vegetable or animal solid and semi-solid wastes, and other discarded solid and semi-solid wastes generated or coming to exist in the Service Area.

Collection: The process by which City Solid Waste is removed from Premises and transported to an appropriate facility for disposal, recycling, composting, or processing.

Commercial: Means of, from or pertaining to non-Residential Premises where business activity is conducted, including, but not limited to, retail sales, services, wholesale operations, manufacturing, and industrial operations, but excluding businesses conducted upon Residential Premises which are permitted under applicable zoning regulations and are not the primary use of the property.

Commercial Recycling Customers: Commercial Customers who voluntarily receive Recyclables Collection services.

Compostables: Food Waste, Yard Debris and other materials mutually agreed upon by the Parties.

- **Food Waste:** All compostable pre- and post-consumer food scraps, such as whole or partial pieces of produce, meats, bones, cheese, bread, cereals, coffee grounds and egg shells, 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 large dead animals, plastics, diapers, cat litter, liquid wastes, pet wastes or other materials prohibited by the selected composting facility.
- **Yard Debris:** Leaves, grass and clippings of woody, as well as fleshy plants. Unflocked whole holiday trees, if cut in half, are acceptable. Materials larger than four (4) inches in diameter or four (4) feet in length are excluded. Bundles of Yard Debris up to two (2) feet by two (2) feet by four (4) feet in dimension shall be allowed and shall be secured by degradable string or twine, not nylon or other synthetic materials. Kraft paper bags and untied reusable bags may be used to contain Yard Debris.

Compostables Cart: A Cart suitable for Residential collection, storage and Curbside placement of Compostables.

Composting: The controlled degradation of organic solid waste, yielding a product for use as a soil conditioner.

Containers: A detachable container or drop-box container suitable for storage and Collection of City Solid Waste. For purposes of this Agreement: (i) “detachable container” means a watertight metal or plastic container 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; and (ii) “drop-box container” means an all-metal container with ten (10) cubic yards or more capacity that is loaded onto a specialized Collection vehicle.

Contractor: Waste Management of Washington, Inc.

County: King County, Washington.

Contract Administrator: The City’s Mayor, or a person designated by the Mayor.

Curb or Curbside: The area within five (5) feet of the Public Street or alley where regular Collection from Residential Premises occurs. If safe access is difficult or 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 Contract Administrator and Contractor.

Customer: A Person receiving Solid Waste Services from Contractor pursuant to the terms of this Contract.

Disposal: The ultimate disposition of City Solid Waste at a landfill.

Effective Date: October 5, 2015

Garbage: City Solid Waste that is placed by Customers in appropriate bags, cans, Carts, Containers, or other receptacles for Collection and Disposal by the Contractor. The term “Garbage” shall not include Hazardous Wastes, Special Wastes, Source-Separated Recyclables or Compostables.

Disposal Fee: The fee charged to the Contractor for the Disposal of any City Solid Waste.

Hazardous Waste: Any substance that is:

- A. Defined as hazardous by 40 C.F.R. Part 261 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.; 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 Chapter 173-303 WAC and regulated as dangerous waste or extremely Hazardous Waste by the Washington State Department of

Ecology under the State Hazardous Waste Management Act, Chapter 70.105 RCW, or any other Washington State statute or regulation governing the treatment, storage, handling or disposal of wastes and imposing special handling requirements similar to those required by Chapter 70.105 RCW.

Inaccessible Area: Any road that does not allow safe access, turn-around, clearance or does not meet the weight requirements for Contractor trucks.

Paper: Office paper, copy paper, construction paper; newspaper and paper inserts; magazines and paper inserts; catalogs, mail and paper inserts; envelopes; paper bags; food boxes (cereal, cookie, cracker, etc.); juice boxes; milk, juice and ice cream cartons; aseptic containers, e.g. soup, broth, soy milk, almond milk; paper towel tubes; toilet paper tubes; tissue boxes; non-foil and non-cello wrapping paper; kraft paper bags or boxes; hot or cold cups.

Multi-Family Premises: A Premises with three (3) or more Residences, irrespective of whether residence therein is transient, temporary or permanent.

Multi-Family Residence: A Residence within a Multi-Family Premises.

Non-Regular Scheduled/Temporary Service: Any non-permanent, temporary service requested by a Customer and available from Contractor, for a fee. These requested services will be provided by the Contractor and billed directly to the Customer by Contractor.

Person: An individual, firm, association, organization, partnership, corporation, business trust, joint venture, the United States, the State of Washington, King County, cities, and special purpose districts.

Physically Challenged Persons: Disabled persons or any other Residential Customer who is not physically able to move Carts out to the Curbside, as determined based upon criteria reasonably established by the Contractor, with input from the City. Requests must be made to the Contractor in writing for such designation, and the Customer household cannot have another able-bodied person living in the home who is capable of rolling Carts out to the Curbside.

Premises: Any land or building in the Service Area where City Solid Waste is generated, deposited, accumulated or otherwise coming to exist.

Public Street: A public right of way used for public travel and owned by the City.

Recycling: The processing of City Solid Waste for the purpose of returning it to the economy in the form of raw materials for new, reused, or reconstituted products, or other uses resulting in diversion from Disposal.

Recyclables: Glass: food or beverage containers; Paper; Cardboard: boxes, packaging and beverage 'flats' or nursery 'flats'; Metal: tin, aluminum and steel food or beverage containers (labels okay); empty aerosol cans; scrap metal (limit: 2'x2'x2', 35 lbs.); metal appliances (cords removed); Plastic: food and beverage containers; PET/PETE bottles; HDPE bottles and jugs; dairy tubs, e.g. butter, yogurt, cottage cheese; cups; rigid plant pots; 5-gallon buckets. All

recyclables must be clean and free of liquids, food or any other debris. The City and the Contractor can negotiate deletions or additions to the Recyclables list.

Residence: A living space with a kitchen, individually rented, leased or owned, and located in the Service Area.

Residential: Means of, from, or pertaining to Single-Family Premises and Multi-Family Premises, including single-family homes, apartments, condominiums, townhouse complexes, mobile home parks, and cooperative apartments.

Recycling Carts: A Contractor-provided 20-, 35-, 64- or 96-gallon (default size) Cart suitable for Residential storage, Curbside placement and Collection of Recyclables.

Service Area: The municipal boundaries of the City, both now and as they may be expanded by annexation during the life of the Contract, subject to the provisions of RCW 35.13.280.

Single-Family Premises: A Premises with one (1) Residence, irrespective of whether residence therein is transient, temporary or permanent.

Single Stream Recycling: A system in which various types of Recyclables are separated from Garbage by the generator and placed together in a Cart or Container for Collection.

Solid Waste Services: Any and all Collection, Disposal, Recycling and Composting services regarding City Solid Waste.

Special Waste: Polychlorinated biphenyl (“PCB”) wastes, industrial process wastes, asbestos containing materials, petroleum contaminated soils, treated/de-characterized wastes, incinerator ash, medical wastes, demolition debris and other materials requiring special handling in accordance with applicable federal, state, county or local laws or regulations.

White Goods: Large household appliances such as washers, dryers, stoves, refrigerators (not containing CFCs), dishwashers, and other similar appliances.

WUTC: The Washington Utilities and Transportation Commission, which regulates solid waste collection in the unincorporated areas of the County.

ARTICLE I - AGREEMENT, TERM

1.1 Agreement

The City hereby agrees that Contractor shall have the exclusive right to perform all of the Solid Waste Services, to the extent allowed by State and Federal law, upon the terms and conditions set forth below.

1.2 Term

The initial term of this Contract is ten (10) years, starting on the Effective Date, and expiring at 11:59 p.m. on August 31, 2025. The Parties may, by mutual written agreement signed by the duly authorized representatives of the Parties, extend the Contract for two (2) successive periods of two (2) years each. Any such extension shall be

under the terms and conditions of this Contract. To exercise the option to extend this Contract, the Parties shall agree in writing not less than 180 days prior to the then expiring Contract term.

1.1 Exclusive Right; Franchise Enforcement

The City does hereby grant to Contractor the exclusive duty, right and privilege to perform the Solid Waste Services, except regarding Collection of Recyclables and Compostables, from Commercial Premises. When asked by the Contractor, the City shall use reasonable efforts to protect this right of the Contractor; however, the City shall not be obligated to join or instigate litigation to protect the right of the Contractor. The Contractor may independently enforce the exclusive 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 with Contractor in Contractor's actions to enforce such rights (without obligating the City to join any litigation initiated by Contractor).

1.2 Mandatory Services

Pursuant to Section 14.02.070 of the City's Municipal Code, Garbage Collection services are mandatory for all Residential and Commercial Premises. Commercial Recycling and Compostables Collection services are optional for Commercial Premises, and will be provided by Contractor on a subscription basis.

ARTICLE II - GENERAL OPERATIONS

2.1 Collection

2.1.1 General

Contractor shall perform the Solid Waste Services as provided in this Contract. Contractor shall have sixty (60) days from the Effective date to perform any new services. The collection of Hazardous Waste is not included within the scope of this Contract, and Contractor shall be under no obligation to collect any Hazardous Waste. Customers shall remain responsible for any Hazardous Waste or other unacceptable materials placed in collection containers, even if such materials are inadvertently collected by Contractor, and to the extent such Customers can be identified, Contractor may seek to impose upon such Customers any and all costs and expenses associated with managing such Hazardous Waste or unacceptable materials. However, nothing herein is intended to prevent Contractor from collecting, transporting and/or disposing of any Hazardous Waste in accordance with applicable federal and state requirements and regulations, so long as such actions are performed separate and apart from any action taken in the performance of this Contract.

2.1.2 Collection Schedule and Hours of Operations

Collection from Residential Customers shall be between the hours of 6:00 AM and 6:00 PM, Monday through Friday. Collection from Commercial Customers may be made without restriction as to collection time or day or week, provided that Commercial Customers adjacent to Residences shall be collected during the Residential times. Recyclables and Compostables will be collected at least every other week, whereas Garbage will be collected at least weekly.

2.1.3 Collection Locations

Contractor shall collect Garbage, Recyclables and Compostables at Curbside from all Single-Family and Multi-Family Premises Customers with Cart-based services. Contractor shall collect Garbage, Recyclables and Compostables from Customers with Container-based services at locations determined by Contractor and the Customer. Contractor may refuse to pick up materials at locations identified by Contractor and approved by the City, acting reasonably, where, because of the conditions of the streets, alleys or roads, it is impractical to operate vehicles, and may refuse to drive into private property where driveways or roads are without adequate turnarounds or have other unsafe conditions.

2.1.4 Collection from Physically Challenged Persons

The Contractor shall offer Carry-Out Service for Garbage, Recyclables and Compostables Carts up to fifty (50) feet from Contractor's vehicle to qualifying Physically Challenged Persons lacking the ability to place Carts at the Curb, at no additional charge. The Contractor shall use qualification criteria that comply with all local, state and federal regulations, and shall be subject to City review and approval prior to program implementation.

2.1.5 Dangerous Animals

Contractor will not be required to enter into private property to pick up materials while an animal considered or feared to be vicious is loose.

2.1.6 Employees to Use Walks if Carry-Out Service Directed

Contractor employees, in performing collections, shall follow the regular walks for pedestrians (if available) while on Customer property, returning to the street or alley after replacing empty containers. They shall also close all gates opened by them. All employees shall wear clean clothing or uniforms.

2.1.7 Employees Not to Trespass

Contractor Employees shall not trespass or loiter, cross property to an adjoining premises, or meddle with property which does not concern them.

2.1.8 Annual Spring Clean-Up Day

Each year, on a date mutually agreed upon by the City and Contractor, the Contractor shall provide one Residential Customer curbside collection of extra household garbage in bags or cans, limited to five (5) – 32 gallon cans and/or household items measuring no more than one (1) square foot. The curbside clean up will exclude large bulky items; white goods; tires; building materials; rocks; cement; bricks; sod or dirt; recyclable materials; wood pallets, fencing, decking, planter boxes and any hazardous waste.

In conjunction with the annual Spring clean-up day, the Contractor shall collect one (1) select item, such as polystyrene blocks, used cooking oil, or electronic waste from each residential customer who chooses to participate in the clean-up. Materials to be collected, location and date/time of collection shall be mutually agreed on by the City and Contractor. The Contractor shall notify Residents of details for both the curbside collection and select item collection.

2.2 Contractor to Make Examination

Contractor shall make its own examination and investigation regarding the proper method of doing the work and all conditions affecting the work to be done, and the labor, equipment and materials needed therefore and the quantity of work to be performed. Contractor agrees that it is satisfied with its own investigation and research,

and will make no claim against City because of any of the estimates, statements, or interpretations made by any officer or agent of the City. This Contract is for the benefit of the Parties thereto, and is not intended to inure to the benefit of any third party.

2.3 Employees

All workers employed by Contractor shall be competent and skilled in the performance of the work to which they may be assigned. All drivers must have a C.D.L. "B" or "A" license and a current medical card.

2.3.1 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 on 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, marital status, sexual orientation, political ideology, ancestry, 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 nondiscrimination clause. Contractor understands and agrees that a violation of this nondiscrimination provision shall constitute a breach of this Contract, and that such breach, if uncured, shall cause the Contractor to 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.

2.3.2 OSHA/WISHA

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. The Contractor shall indemnify and hold harmless the City from all damages assessed for the Contractor's failure to comply with the acts and standards issued there under. The Contractor is also responsible for meeting all pertinent local, state and federal health and environmental regulations and standards applying to the Solid Waste Services.

2.3.3 Compliance with Laws

Contractor agrees to comply, at its own expense, with all applicable City, state, federal and local laws, rules and regulations, including, but not limited to, all applicable laws regarding wages. Contractor shall comply with all applicable local, state and federal regulations and laws regarding the collection, transfer and disposal of Garbage, Recyclables, and Compostables pursuant to this Contract.

2.3.4 Employees to be Courteous, Etc.

Employees of Contractor shall be courteous at all times and not use loud or profane language and shall do their work as quietly as reasonable.

2.4 Company Name

Contractor shall not use a firm name containing any words implying municipal ownership or including the name of the City.

2.5 Contractor's Offices

Contractor shall be required to maintain a local access telephone number or a toll-free number, and such attendants as may be necessary to take care of complaints, as well as orders for special service or to receive instruction. The attendant shall be on duty between the hours of 8:00 a.m. and 5:00 p.m. PST, Monday through Friday, except holidays.

2.6 Permits

Contractor shall take out and pay for any business license or other fee required by the City or any other governmental authority which may be required to provide the services under this Contract.

2.7 Public Utilities

Contractor shall be obligated to protect all public and private utilities whether occupying street, public or private property. If such utilities are damaged by reason of Contractor's operations under this Contract, it shall repair or replace same, or failing to do so promptly as determined by the City, the City shall cause repairs or replacement to be made and the cost of doing so shall be billed to the Contractor. The City shall not be liable for any damage to property or injuries to any person(s) caused by Contractor, as provided in Section 4.3.1.

2.8 Loading

Extra care shall be taken in the loading and transporting of Garbage, Recyclables, Compostables and other wastes so that the material to be collected is not left either on private property or on the streets or alleys. Any Garbage, Recyclables, Compostables or other wastes left on private property or on streets or alleys spilled by Contractor shall be cleaned up within 24 hours of received complaint.

2.9 Cleanup of Spills

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 operated so as to prevent blowing or spillage of materials. Any blowing or spillage of materials either caused by Contractor or that occurs during collection shall be immediately cleaned up by the Contractor at its expense. Prior to any collection vehicle leaving a collection route and/or operating on any roads with a speed limit higher than 25 miles per hour, Contractor shall completely close any collection vehicle openings where materials may blow out, and thoroughly inspect for and remove any collected materials inadvertently spilled on top of the collection vehicle to prevent release or littering of this material.

All vehicles used in the performance of this Contract shall be required to carry and regularly maintain spill kits. At a minimum, spill kits shall include absorbent pads or granules, containment booms, storm drain covers, sweepers and other similar materials sufficient to contain, control and, for minor events, appropriately clean-up, blowing materials, litter, leaks and spillage of Contractor vehicle fluids and leachate. Spill kits shall also include employee spill containment instructions and procedures as well as a regularly updated list of emergency contacts. The Contractor shall develop spill response procedures for review and approval (if requested) by the City before initiating any work under this Contract. All Contractor vehicle drivers shall be provided with annual hands-on training on the location, maintenance, and use of spill kits and associated containment and notification procedures.

All drop-box Container loads (both open and compactor) shall be properly and thoroughly covered or tarped to prevent any spillage of material prior to Contractor vehicle entering any Private Road or Public Street.

2.10 Disruption of Collection

2.10.1 Disruption of Collection Due to Weather and/or Road Conditions

When weather conditions are such that continued operation would result in danger to the Contractor's staff, area residents, or property, or when road conditions such as flooding or weight restrictions affect road use, the Contractor shall collect only in areas that do not pose a danger or are not subject to road use restrictions. The Contractor shall notify the City, on the same business day, of the areas not served. Following notification to the City, the Contractor will be provided temporary authorization to perform collection services after 6:00pm and/or on Saturdays following disruptions due to weather in order to finish collection routes.

The Contractor shall collect Garbage, Recyclables and Compostables from Customers with interrupted service on their next scheduled service day. Extras will not be charged for as long as it does not exceed double their normal service.

2.10.2 Holiday Schedules

The Contractor shall observe the same holiday schedule as do King County Transfer Stations (New Year's Day, Thanksgiving Day, and Christmas Day). When the day of regular collection is a legal holiday, the Contractor may reschedule the service to the next day, example: Monday to Tuesday, Tuesday to Wednesday, Wednesday to Thursday, Thursday to Friday and Friday to Saturday. The Contractor may not collect Residential Garbage, Recyclables or Compostables earlier than the regular collection day due to a holiday. Commercial collections may be made one day early only with the consent of the Commercial Customer.

2.10.3 Missed and Makeup Collections

If the Contractor fails to collect a Customer's Garbage, Recyclables or Compostables which have been properly and timely set out for collection during a regularly scheduled collection, other than as provided in Section 2.10.1 or 2.10.2, the Contractor shall make a special make up collection within 24 hours (or one business day) of notification by the City or Customer. This section applies to omitted collections of a single residence, a row of residences, or an entire route. If Contractor fails to provide a special pickup for a missed collection within twenty-four (24) hours (or one business day) after notification by the Contract Administrator or Customer, the Contract Administrator may cause the work to be done and the Contractor shall fully reimburse the City for its collection expenses.

2.11 Collection Equipment

All collection vehicles regularly used by the Contractor during the term of this Contract shall be Compressed Natural Gas (CNG) vehicles, less than ten (10) years old and shall have been used for fewer than two hundred thousand (200,000) miles. Should any such vehicles exceed these limits and yet, in the Contractor's opinion, still be in safe working order, the Contractor must receive prior written approval from the City to continue operating the subject vehicle. Back-up vehicles used less than thirty (30) days per year shall not be subject to the age and mileage limits that apply to regularly-used vehicles, but shall be presentable, in safe working order and shall be subject to all other conditions of this section.

Contractor shall maintain all trucks and equipment used within the City and the same shall be clean, numbered and uniformly painted. All truck bodies used by Contractor shall be constructed of metal and shall be watertight and leak proof. In addition to spill cleanup materials referenced above, each vehicle used by Contractor shall carry at all times a broom and shovel or other item appropriate for use in the prompt removal of any spilled material. All vehicles used by Contractor shall have adequate coverage at all times to prevent the spillage of City Solid Waste.

2.12 Reserve Equipment

The number and type of collection vehicles furnished by Contract, including back up or reserve equipment in the event of equipment failure, shall be sufficient for the collection of all Customer Garbage, Recyclables and Compostables. Contractor shall make available for rental Containers which meet all applicable safety requirements.

2.12.1 Painting and Cleaning of Vehicles

Collection vehicles shall be painted and numbered and shall have the Contractor's name and number of the vehicles painted in letters of a contrasting color, at least four (4) inches high on each side of each vehicle. No advertising shall be permitted other than the name of the Contractor. All vehicles shall be kept in a clean and sanitary condition.

2.13 Method of Processing and Disposal

Contractor shall deliver all Garbage collected under the Contract to the King County Disposal System, unless otherwise negotiated with the City. If the King County Disposal System is not available, then Contractor shall dispose of all Garbage at any permitted and licensed site or facility where such disposal is lawful, as selected by Contractor in its sole discretion. Contractor shall deliver all Recyclables and Compostables collected under the Contract to permitted facilities of its choosing for the processing or disposal of such materials.

2.14 Service to City Facilities

As partial consideration for this Contract, Contractor shall provide free collection of Garbage, Recyclables and Compostables to those City-owned facilities listed in Exhibit A (“**City Facilities**”). Such free collection shall not apply to material which (i) is other than Garbage, Recyclables and Compostables generated at such City Facility through its normal operations and regular weekly service at the facilities listed in Exhibit A (e.g., construction and demolition waste), (ii) is not generated by the City, or (iii) is collected by third parties and delivered to a City Facility.

If the City requests collection services for additional City Facilities, or the volume of a category of material generated by City Facilities increases by 10% or more, then the Parties shall meet and confer in good faith to negotiate an appropriate adjustment to Contractor’s rates set forth herein.

2.15 Carts and Containers

The Contractor shall provide each Single-Family Premises and Residents in appropriate Multi-Family Premises (e.g., duplexes and tri-plexes) with one (1) Cart for Garbage, one (1) Cart for Recyclables, and one (1) Cart for Compostables. Cart sizes available are 20, 35, 64, and 96 gallons (96-gallons is the default size for Recycling and Compostables), at the election of the Customer. Contractor may require a Customer to utilize larger or additional Carts if the Customer’s volume of materials exceeds the Cart capacity. Contractor shall retain ownership of any Carts or other containers provided by Contractor in performing the services under this Contract. Cart deliveries (for new, replacement, and/or re-delivered Carts) shall be subject to the service rate schedule in Exhibit B. Contractor shall deliver Carts necessary to meet the service requirements set forth under this Contract upon a delivery schedule to be mutually agreed upon by the Contractor and the City.

Contractor shall provide each Commercial Premises, City Facility and Multi-Family Premises without Cart-based services with suitable detachable and/or drop-box Containers for Garbage, Recyclables (if desired with respect to Commercial Customers) and Compostables (if desired), as determined by Contractor. Available Container sizes and types are described in Exhibit B.

ARTICLE III - REPORTING REQUIREMENTS

3.1 Reporting Requirements

Contractor shall make available to the City for review monthly and annual reports regarding the number of customers for each class and level of service. The City shall have the right, during normal business hours and upon reasonable (at least three (3) business days') advance notice given to Contractor by the City, to inspect the books of Contractor. Contractor shall maintain billing records, customer lists, compliance records and customer complaints for a period of three (3) years or as required by law, whichever is the greater.

3.2 Contractor's Records; Access Inspection

The City shall have the right to inspect and copy all books, records and documents, and to interview any person, and to review any evidence in Contractor's possession and control that may assist the City in determining whether the Contractor is in compliance with the Contract. However, all financial, commercial, personnel, trade secret and technical information relating to the business of Contractor ("**Confidential Information**") acquired directly or indirectly by the City, including pursuant to any rate review or performance review hereunder, shall be kept by the City in strict confidence. The City shall not use Confidential Information for any reason or in any manner other than as expressly provided in this Article III. The Contractor acknowledges that the City is subject to chapter 42.56, the Public Records Act, and is required to disclose certain public records in the City's possession. If the City receives a third party request for any public record that the City has obtained from the Contractor under this Section, the City shall notify the Contractor of the receipt of such request, and the Contractor may, consistent with RCW 42.56.540, request court protection of such record(s).

ARTICLE IV - INSURANCE AND SAFEGUARDS

4.1 Insurance

Contractor shall procure and maintain for the duration of the Contract insurance for claims for injuries to persons or damage to property that may arise from or in connection with the performance of the services provided under this Contract by Contractor, its agents, representatives, employees or subcontractors. The cost of such insurance shall be paid by the Contractor. Failure to make insurance payments and to keep policies current shall be cause for Contract termination under Section 10.1.

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 to limit the City's recourse to any remedy available at law or in equity.

4.1.1 Minimum Scope of Insurance

Contractor shall obtain insurance that meets or exceeds the following:

- (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. The policy shall be endorsed to provide contractual liability coverage. The City shall be named as an additional

insured under the Contractor's Automobile Liability policy with respect to the work performed for the City, using ISO additional insured endorsement CG 20 48 02 99 or a substitute endorsement providing equivalent coverage.

(2) Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 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 by endorsement 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 endorsement CG 20 10 11 85 or a substitute endorsement providing equivalent coverage.

(3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

(4) Pollution Legal Liability insurance covering losses caused by pollution conditions that arise from the operations of the Contractor.

(5) Hazardous Waste Hauling. To the Automobile Liability Minimum Scope of Insurance, add Pollution Liability coverage at least as broad as that provided under ISO Pollution Liability – Broadened Coverage for Covered Autos Endorsement CA 99 48 and the Motor Carrier Act Endorsement (MCS 90) shall be attached.

4.1.2 **Minimum Amounts of Insurance**

Contractor shall maintain the following insurance limits:

(1) Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$5,000,000 per accident.

(2) Commercial General Liability insurance shall be written with limits no less than \$5,000,000 each occurrence, \$5,000,000 general aggregate and a \$2,000,000 products-completed operations aggregate limit. The general aggregate shall apply per project or per location.

(3) Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

(4) Pollution Legal Liability. The Pollution Legal Liability shall be written in an amount of at least \$3,000,000 per loss, with an annual aggregate of at least \$3,000,000. Coverage may be written on a claims made basis.

(5) Employer's Liability each accident \$1,000,000. Employer's Liability Disease each employee \$1,000,000 and Employer's Liability Disease – Policy Limit \$1,000,000.

4.1.3 **Deductibles and Self-Insured Retention**

Any deductibles or self-insured retentions shall be for the account of Contractor and payment of such shall be made by Contractor without contribution from the City.

4.1.4 **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 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.

(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) The Contractor's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice has been given to the City.

(4) The City will not waive its right to subrogation against the Contractor. . The Contractor's insurance shall be endorsed to waive the right of subrogation against the City, or any self-insurance or insurance pool coverage maintained by the City.

4.1.5 **Acceptability of Insurers**

Insurance to be placed with insurers with a current A.M. Best rating of not less than A: VII.

4.1.6 **Verification of Coverage**

The Contractor shall furnish the City with original certificates including but not necessarily limited to, the additional insured endorsement, evidencing the insurance requirements of the Contractor within ten (10) days of the date of execution of this Agreement by both parties.

4.1.7 **Subcontractors**

The Contractor shall include all subcontractors as insured under its policies or shall furnish separate certificates and endorsements for each subcontractor before commencement of work. All coverages for subcontractors shall be subject to all of the same insurance requirements as stated herein for the Contractor.

4.1.8 **Contractor's Insurance Primary**

The Contractor's insurance coverage shall be primary insurance as respects the City, but only as respect the liabilities assumed by Contractor under this Contract. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of the Contractor's insurance and shall not contribute with it.

4.2 Performance Bond

Contractor shall furnish to the City a proper performance bond to be approved by the City Attorney, conditioned that Contractor shall faithfully perform all the provisions and terms of the contract and related documents and pay all laborers, mechanics and subcontractors and material persons, and all persons who shall provide such Contractor with provisions and supplies for the carrying on of such work; which bond shall be signed by Contractor and two or more good and sufficient sureties or with Surety Company as Surety, and shall be in the amount of Fifty-Six Thousand Dollars (\$56,000.00). Said bond shall at all times be kept in full force and effect during the term of this Agreement. Contractor agrees to pay all costs, including attorney's fees, associated with the enforcement of said bond.

4.3 Indemnification and Hold Harmless Agreement

4.3.1 Indemnification

The Contractor shall defend, indemnify and hold the City and its volunteers, agents, employees, officials and/or officers, harmless from any and all claims, injuries, damages, losses or suits including attorneys' fees arising out of or resulting from or in connection with the performance of this Agreement, except for injuries or 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 Contractor and the City, its officers, officials, employees and volunteers, the Contractor's liability hereunder shall be only to the extent of the Contractor's negligence. The provisions of this section shall survive the expiration or termination of this Agreement.

4.3.2 Waiver of RCW Title 51

It is further and specifically and expressly understood that the indemnification provided herein constitutes the Contractor'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.

ARTICLE V - GARBAGE COLLECTION

5.1 Garbage Collection

For Residential Premises with Cart-based Solid Waste Services, Garbage shall be collected by the Contractor on a weekly basis, at the service levels and rates set forth in Exhibit B. Commercial and Multi-Family Premises not receiving Cart-based Solid Waste Services shall

have its Garbage collected by Contractor in accordance with the frequency, service levels and rates set forth in Exhibit B.

5.1.1 Carts; Containers

For Residential Premises with Cart-based Solid Waste Services, Garbage will be collected in Contractor provided Carts. Extra materials which do not fit neatly within the Customer's primary Cart/can shall be collected for an additional fee as set forth in Exhibit B and may be placed adjacent to the primary Cart in customer provided plastic bags which can be safely collected by Contractor's personnel and equipment. All Garbage from Commercial Premises, City Facilities and Multi-Family Premises with Container-based services will be collected in Contractor provided Containers, and extra materials which do not fit neatly within the Customer's primary Container shall be collected for an additional fee as set forth in Exhibit B and may be placed adjacent to the primary Container in Customer provided plastic bags which can be safely collected by Contractor's personnel and equipment.

ARTICLE VI - RECYCLABLES COLLECTION

6.1 General Recycling Provisions

For Residential Premises with Cart-based Solid Waste Services, Recyclables shall be collected on a Single Stream basis every other week, on the same days as Garbage collection. The cost of such Residential Recyclables collection shall be included in the rates for Residential Garbage collection set forth in Exhibit B.

For Multi-Family Premises with Cart/Container-based Solid Waste Service, Recyclables shall only be offered as Cart-based service and shall be collected on a Single Stream basis every other week. The cost of such Multi-Family Recyclables collection shall be included in the rates for Multi-Family Garbage collection set forth in Exhibit B.

Recyclables Collection services will be provided to Commercial Customers pursuant to separate agreements.

Contractor becomes the owner of Recyclables when they are placed in the Contractor's collection vehicle and, thereafter, the Contractor may market or manage them in any manner the Contractor deems to be economically feasible. The Contractor shall be responsible for all marketing and sale of Recyclables collected hereunder and shall be entitled to all proceeds therefrom.

6.2 Recycling Carts/Containers

Contractor will provide a 35, 64 or 96 gallon Cart to all Residential Customers with Cart-based Solid Waste Service. The default Cart size shall be 96 gallons, unless a Customer requests a different size.

Upon customer request, the Contractor will provide a 96 gallon Cart to Multi-Family Premises Customers with Cart/Container-based Solid Waste Service.

For each City Facility, Contractor will provide an appropriate sized Cart(s)/Container(s) to store Recyclables generated between collections by Contractor. Alternatively, the City may provide its own Container(s), so long as they are compatible with Contractor's collection vehicles.

ARTICLE VII - COMPOSTABLES COLLECTION

7.1 General Compostables Provisions

For Residential Premises with Cart-based Solid Waste Services, Compostables shall be collected every other week, on the same days as Garbage collection. The cost of such Residential Compostables collection shall be included in the rates for Residential Garbage collection set forth in Exhibit B.

Yard Waste and Food Waste may be commingled by such Residential Customers in the Compostables Cart. Small Commercial and Multi-Family Premises Customers with Cart/Container-based Solid Waste Services may participate in the Compostables collection program for the fees set forth in Exhibit B. Such Customers shall be provided a 96 gallon Cart(s).

Contractor becomes the owner of Compostables when they are placed in the Contractor's collection vehicle and, thereafter, the Contractor may market or manage them in any manner the Contractor deems to be economically feasible. Contractor shall be responsible for all marketing and sale of Compostables collected hereunder and shall be entitled to all proceeds therefrom.

7.2 Holiday Tree Collection

At no additional cost to the customer, the Contractor shall collect unflocked, undecorated, natural holiday trees (Christmas trees) during the first full week of regularly scheduled Compostable materials collection in January of each calendar year from all Single Family and Multi-Family Residences within the city limits. The Contractor shall not be obligated to collect holiday trees that are not properly placed at the curb, next to the compostables cart.

ARTICLE VIII - COMPENSATION

8.1 Contractor Rates

The Contractor shall charge the rates set forth in Exhibit B, as adjusted over time under this Contract, for all services performed (excluding those for which this Contract allows direct negotiation with Customers). The Contractor shall be responsible for billing and collecting funds from Residential and Commercial Customers in accordance with the rates listed in Exhibit B. There shall be a 15% low income senior citizens and/or low income disabled customer discount on residential rates afforded to qualifying customers in accordance with Pacific Ordinance No. 12-1831 and Pacific Municipal Code section 14.02.120. The City shall provide notification to the Contractor of qualifying customers and shall annually review the application process to ensure the integrity of those accounts receiving the discount.

The Contractor may occasionally provide services outside the scope of this Contract which are related to solid waste collection in the City. If pricing for such services are set forth in the otherwise applicable WUTC tariff, such WUTC rates shall apply. Otherwise, the Contractor shall propose to the City a customer rate for the service. Upon approval of the City, the Contractor may proceed to offer that service.

The Contractor shall notify customers of any rate changes via a billing/invoice note

8.1.1 CPI Adjustments to Collection Component

Commencing on October 5th, 2016 and on the same date annually thereafter (the “**Adjustment Date**”), the collection component of Contractor’s rates set forth in Exhibit B (as adjusted hereunder) shall be automatically increased by 100% of the annual percent increase in the Consumer Price Index (“**CPI**”) - for Seattle, Tacoma, Bremerton (1982-84 = 100) for Water and Sewer and Trash Collection that is seasonally adjusted (Series ID: CUSR0000SEHG) or successor indices as published by the Bureau of Labor Statistics, for the twelve month period ending in February. At least sixty (60) days prior to the Adjustment Date, Contractor shall notify the City of the CPI adjustment to take effect on the Adjustment Date and shall provide the City with its computations therefor. Adjustments to the Contractor’s rates shall be made in units of one cent (\$0.01). Fractions less than one cent (\$0.01) shall not be considered when making adjustments. Annual CPI adjustments shall neither be negative nor greater than 4.75% percent. In the event the CPI index series increases year-on-year more than 4.75% percent, that portion of the CPI adjustment exceeding 4.75% percent shall carry forward to the next year, so long as the current year CPI adjustment does not exceed a total of 4.75% percent after application of the carry forward amount. Contractor shall notify customers of any rate increases via a billing/invoice note.

8.1.2 Pass Through Adjustment to Disposal Component

The disposal fee component of Contractor’s rates set forth in Exhibit B (as adjusted hereunder) shall be automatically adjusted to reflect increases in King County disposal fees for solid waste and increases in tip fees for compostables. Such adjustments shall be effective the date on which the modified fees go into effect, and based on Cart/Container content weights specified in Exhibit B of this Contract. The business and occupation tax shall be applied to these fees.

8.1.3 Periodic Adjustment Due to Extraordinary Circumstances:

The Contractor’s rates set by this Contract are calculated to pay certain expenses and costs that are of a contingent and uncertain nature. Therefore, in addition to the adjustments set forth in Section 8.1.1, 8.1.2 and 8.1.3, the Contractor’s rates under this Contract shall, upon written request of Contractor or City, be further adjusted for increased expenses associated with performance of the services hereunder due to any one or more of the following causes:

- (a) material changes in Contractor’s costs resulting from a Force Majeure event;
- (b) changes in the scope or method of services provided by Contractor or other changes or fees required, initiated, or approved by the City;

- (c) any change in law, statute, rule, regulation, ordinance, order or requirement of any federal, state, regional or local government that is effective after the Effective Date of this Contract;
- (d) any increase in surcharges, fees, assessments or taxes levied by federal, state or local regulatory authorities or other governmental entities upon the collection or disposal of City Solid Waste (excluding increases in King County disposal fees, for which Contractor receives an adjustment under Section 8.1.3);
- (e) a material fluctuation in the markets or market price for Recyclables, unforeseen increases in the cost of collection, handling, storing, transporting, marketing, or sale or other disposition of Recyclables, the need for increased promotional or educational activities pertaining to recycling or any changes to the definition of “Recyclables” set forth herein;
- (f) any other extraordinary circumstances or causes or reasons that are not within the reasonable control of Contractor.

If Contractor requests an adjustment due to the extraordinary circumstances set forth above, Contractor shall prepare a rate adjustment request setting forth its calculation of the increase costs and accompanying rate adjustment necessary to offset such increased costs. The City may request any and all documentation and data reasonably necessary to evaluate such request by Contractor, and may retain, at its own expense, an independent third party to audit and review such documentation and such request. If such third party is retained, the City shall take reasonable steps, consistent with state law, to protect the confidential or proprietary nature of any data or information supplied by Contractor. The City shall act within ninety (90) days of receipt of the request from Contractor, and shall either approve or disapprove the request, provided that approval shall not be unreasonably withheld. The Contractor shall notify customers of any rate changes via a billing/invoice note.

8.2 **City Administrative Fee**

Contractor shall pay City 3% of gross revenues collected each complete calendar quarter during the term of this Contract (“**Quarterly Fee**”). Such payments shall be made by Contractor on or before the twentieth (20th) day of the month following the applicable quarter. The term “gross revenues” means any and all revenue or compensation actually collected by Contractor from Customers under this Agreement for the exclusive collection, transportation, processing, recycling and disposal of City Solid Waste, in accordance with Generally Accepted Accounting Principals (GAAP), net of Quarterly Fees. The term gross revenues, for purposes of this Agreement, shall not include any: a) City, or other federal, state, or local taxes or surcharges; b) any Customer late fees, NSF charges, interest, or reactivation charges; or c) any revenues generated from the sale of Recyclables or any recycling rebates received from the State.

The City Administrative Fee amount may be changed by the City in any year, provided that the change is synchronized with the annual Contractor rate modification described in Section 8.1.1 and that the Contractor’s rates are adjusted accordingly to pass through any changes in the City Administrative Fee such that the Contractor remains whole. The City shall notify the

Contractor of the new City Administrative Fee for the following year by March 1st, and the Contractor shall itemize and include the appropriate adjustment in its rate modification notice to the City each year. In the event that the City Administrative Fee is adjusted, either up or down, the Contractor shall add or subtract an amount equivalent to the state business and occupations tax, as may be adjusted from time to time by the State of Washington, to the rate adjustment calculation to keep the Contractor whole.

ARTICLE IX - BILLING SERVICES AND CUSTOMER EDUCATION

9.1 Contractor Billing

Contractor shall be responsible for billing and collection of all charges, fees and taxes for the collection of City Solid Waste pursuant to this Contract. Contractor shall also perform all customer service functions related to billing and responding to any Customer inquiries. If City ever levies a utility tax or other gross receipts tax, Contractor agrees to collect and remit such taxes to the City without any additional charge for the administrative expense incurred in collection and remitting such taxes.

9.2 Collection for Non-Payment

The Contractor may bill to Customers a late payment fee, interest, NSF check charges, as well as all costs associated with bad debt collection. Interest shall accrue on delinquent charges at the rate set forth by the Contractor until paid in full, but shall not exceed usury rates established in Chapter 19.52 RCW. If a Customer becomes sixty (60) days delinquent on a Contractor invoice, Contractor shall reduce their service to the minimum service level within their class of service. The Contractor may make arrangements for third party collection and/or lien the property for the debt and may petition the City to discontinue service to any delinquent customer. The City shall not unreasonably withhold approval. In the event of discontinued service, the Contractor may charge a redelivery fee of \$25.00 should the Customer request to reinstate their service after paying all overdue balances. The redelivery fee in Exhibit B includes all three carts for Single-family Customers.

The Contractor shall provide the City with a listing of all delinquent customers on a monthly basis, by the thirtieth (30th) day of each month for the month preceding. The listing shall include customer name, address, regular subscription level, amount due on the account and number of days delinquent.

9.3 Suspending Collection from Problem Customers

The City and Contractor acknowledge that, from time to time, some Customers may cause disruptions or conflicts that make continued service to that Customer unreasonable. Those disruptions or conflicts may include, but not be limited to, repeated damage to Contractor-owned Carts/Containers, repeated refusal to position Garbage, Recyclables and Compostables containers properly for automated collection, repeated suspect claims of timely set-out followed by demands for return collection at no charge, repeated claims of Contractor damage to a Customer's property, or other such problems.

The Contractor shall make reasonable efforts to provide service to those problem Customers. However, the Contractor may deny or discontinue service to a problem Customer if reasonable efforts to accommodate the Customer and to provide services fail and the City has provided approval. The City may not unreasonably withhold approval. The City may also require the denial or discontinuance of service to any Customer who is abusing the service or is determined to be ineligible.

9.4 Promotion, Education, and Outreach

The Contractor shall have primary responsibility for developing, designing and executing general waste reduction/recycling public education and outreach programs, with the assistance and cooperation of the City. The Contractor shall have primary responsibility for providing service-oriented information and outreach to Customers and implementing ongoing recycling promotion, at the direction of the City.

The Contractor shall keep the public informed of programs and encourage participation through an Annual Service Update. The Contractor shall provide an Annual Service Update for the Residential and Multi-Family sector, the format, content and timeframe of which shall be subject to prior review and approval by the City. The Annual Service Update shall be mailed to all Residential Customers and Multi-Family Property Managers and, at a minimum, shall include an informational brochure indicating all services available, preparation and other service requirements, contact information, inclement weather and other policies, a collection calendar, resources for customer education on hazardous waste and stating that hazardous waste is not accepted and that additional fees may be incurred, and other useful Customer information.

The Contractor shall develop, print, periodically update and maintain sufficient quantities of new Customer information materials, the format and content of which shall be subject to prior review and approval by the City. Upon approval, materials shall be delivered in a manner agreeable to the City to every new Residential Customer prior to the Customer's first billing and shall, at a minimum, include a statement of applicable rules and service policies, rates, services and preparation requirements, collection days in calendar format, Contractor customer service information and City contact information.

The Contractor shall annually contact all Commercial Customers to promote recycling services and conduct, as necessary, onsite audits, education, and options to reduce garbage service levels through various recycling programs.

ARTICLE X - DEFAULTS

10.1 Termination

Except for the occurrence or existence of Force Majeure, in the event of any material failure or refusal of Contractor to comply with any obligation or duty under this Contract, the City and Contractor shall meet and confer in good faith in an effort to agree on a resolution of the breach. If the Parties are unable to agree on the informal resolution the breach, and the Contractor has violated a material provision of this Contract, the City may provide Contractor with written notice of the default, stating the specific reasons for default and the provisions of the Contract which have been violated. The Contractor shall then have thirty (30) days to cure such default, or commence to cure such default if it is of a nature that cannot be cured within the prescribed timeframe. If the Contractor fails to cure the default within the stated period, or fails

to commence such cure in a manner reasonably satisfactory to remedy the stated reason, then the City may at its option terminate all or a portion of this Contract. The City reserves the right to pursue any remedy available at law for any default of the Contractor, including enforcement of the Bond.

The City shall be in default of this Contract if it violates any material provision of this Contract. The Contractor reserves the right to pursue any remedy available at law for any default by the City. In the event of default, the Contractor shall give the City written notice of the default, stating the specific reasons for default and the provisions of the Contract which have been violated. The City shall then have thirty (30) days to cure such default, or commence to cure such default if it is of a nature that cannot be cured within the prescribed timeframe. If the City fails to cure the default within the stated period, or fails to commence such cure in a manner reasonably satisfactory to the Contractor to remedy the stated reason, then the Contractor may at its option terminate this Contract.

10.2 Liquidated Damages

As a breach of the mandatory Collection service provided by this Contract would cause serious and substantial damage to City and its residents, and the nature of this Contract would render it impracticable or extremely difficult to fix the actual damage sustained by City by such breach, it is agreed that in case of breach of service, City may elect to collect liquidated damages for each such breach and Contractor shall pay City as liquidated damages and not as penalty, the amounts set forth in Exhibit C, such sums being the amount which City will be damaged by the breach of such services. An election to seek such remedy shall not be construed as a waiver of any remedies City may have as to any subsequent breach of services under this Contract. Liquidated damages shall not apply if the breach caused by a force majeure event.

Fines may be levied only with respect to Residential Collections and Commercial Garbage Collections. Fines may be levied if documented in an incident report presented by the City to the Contractor. The City reserves the right to make periodic, unscheduled inspection visits to determine the Contractor's compliance with the Contract terms. For multiple or continuous violations not falling within the previous sections, the City may assess a cumulative maximum fine of up to one thousand dollars (\$1,000.00). Any fine may be appealed by the Contractor to the City Council whose decision in the matter will be final.

Liquidated damages will be reasonably applied and may be levied only if documented in an incident report presented by the City to the Contractor. The Contractor shall be notified and provided a copy of an incident report and shall be given 24 hours to cure the problem (if applicable) before liquidated damages are invoiced to the Contractor, except in the case of incidents for which, due to the nature of the event, a "cure" is not possible. Such liquidated damages as City shall elect to collect shall be billed to Contractor and be paid within twenty (20) days. Application of these damages may be appealed within ten (10) days by Contractor to the Contract Administrator, whose decision shall be final.

ARTICLE XI - ANNEXATION

11.1 Franchise Rights/Annexations

If the City annexes any property during the term of this franchise, then the provisions of RCW 35A.14.900 shall apply.

ARTICLE XII - MISCELLANEOUS

12.1 Non-Waiver

The failure of any Party to enforce any Contract provision is not and shall not be construed as a waiver of that provision. The payment or acceptance of compensation subsequent to any breach is not and shall not be construed as an acceptance of that breach. All waivers must be in writing.

12.2 Notices

Any notices to be sent to the City shall be sent to the Contract Administrator at the following address:

Attn: City Administrator
City of Pacific
100 3rd Avenue SE
Pacific, WA 98047

Any notices sent to Waste Management of Washington, Inc. shall be sent to:

Mary S. Evans, Area Director of Public Sector Services
Waste Management of Washington, Inc.
720 4th Avenue, Suite 400
Kirkland, WA 98033

12.3 Severability

If any provision of this Contract is held to be void, invalid or unenforceable under any applicable law by a court of competent jurisdiction, the remaining provisions of the Contract shall remain in effect and bind the parties.

12.4 Entire Agreement

This Contract and all Exhibits hereto constitute the entire agreement between City and Contractor, and there are no promises, conditions, terms, obligations, statements, or guarantees other than those contained herein. No modifications or amendments shall be valid unless in writing and fully executed by both parties.

12.5 Attorneys' Fees

In the event of any action or proceeding to enforce, interpret, construe, or otherwise resolve a dispute between the parties arising from any term, condition or provision of this

Contract, the substantially prevailing party in such action or proceeding shall be entitled to recover, in addition to all other relief, from the other party, reasonable attorneys' fees incurred by the substantially prevailing party in connection with such action or proceeding, including but not limited to any appeal thereof.

12.6 Change in Service

Contractor shall give sixty (60) days written notice to the Contract Administrator of any change which affects the date of collection, provided that no change in the terms of this Contract may be made unless agreed to in writing by the Contract Administrator.

12.7 Assignment

This Contract may not be assigned or transferred by Contractor, without the prior written consent of the City Council, as evidenced by a City Resolution and the signature of the Mayor. The City may withhold its consent to assignment or transfer of this Contract, in its sole discretion. In the event of an unauthorized assignment or transfer, the City reserves the right to cancel or terminate the Contract.

12.8 Force Majeure

Provided that the requirements of this section are met, Contractor shall be excused from performance and shall not be liable for failure to perform under this Contract if Contractor's performance is prevented or delayed by acts of terrorism, acts of God, landslides, lightning, forest fires, storms, floods, typhoons, hurricanes, severe weather, freezing, earthquakes, volcanic eruptions, other natural disasters or the imminent threat of such natural disasters, pandemics, quarantines, civil disturbances, acts of the public enemy, wars, blockades, public riots, strikes, lockouts, or other labor disturbances, acts of government or governmental restraint or other causes, whether of the kind enumerated or otherwise, and whether foreseeable or unforeseeable, that are not reasonably within the control of the Contractor ("**Force Majeure**"). If as a result of a Force Majeure event, Contractor is unable wholly or partially to meet its obligations under this Contract, it shall give the City promptly written notice of the Force Majeure event, describing it in reasonable detail. 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 City and Contractor will engage in disaster preparedness planning to address service response in the event of an emergency or Force Majeure in an effort to minimize interruptions in performance under this Agreement.

12.9 Applicable Law / Venue

This Contract shall be governed by the laws of the State of Washington. Venue for any action hereunder shall be in King County Superior Court.

12.10 Independent Contractor

The Parties agree and acknowledge that Contractor is an independent Contractor and not an agent or employee of the City, and that no liability (except as provided herein) shall attach to the City as a result of the acts or omissions of Contractor, its employees, agents, or assigns. Contractor shall have no authority to execute agreements or to make commitments on behalf of

the City, and nothing contained in this Contract shall be deemed to create the relationship of employer and employee or principal and agent between the City and Contractor.

12.11 Subcontracting

The Parties intend that Contractor shall perform pursuant to the terms of this Contract with its own employees. However, in the event any incidental subcontractor services are necessary, Contractor agrees to be responsible for the standards of performance of any subcontractor. Contractor agrees that no subcontractor shall relieve Contractor of any obligations under this Contract.

12.12 Taxes and Fees

Contractor acknowledges that it is responsible for the payment of any local, state, or federal taxes or fees with respect to Contractor's agents and employees, and any taxes or licenses applicable to Contractor's business activity.

12.13 Insolvency; Right to Terminate Contract

In addition to other terms of this Contract, any or all of the following shall be considered events of default of this Contract, allowing the City to terminate the Contract if such events are not cured within 10 days of written notice: a) if Contractor petitions any court to be adjudged a bankrupt; b) if a petition in bankruptcy is filed in any court against Contractor; c) if Contractor is adjudged to be insolvent; d) if Contractor is adjudged to be bankrupt; e) if a receiver or other officer is appointed to take charge of the whole or any part of Contractor's property or to wind up or liquidate its affairs; f) if Contractor seeks reorganization under the Federal Bankruptcy Code, as amended; or g) if Contractor admits in writing its inability to pay its debts as they become due.

12.14 Reservation of Municipal Authority

The City specifically reserves the right to enact general municipal ordinances and resolutions affecting all businesses and persons in the City. Should the City make changes to their general municipal ordinance and resolutions which impact the solid waste business, the Contractor shall be notified at least thirty (30) days in advance of the date for which the ordinance or resolution is noted as an agenda item at a city council meeting.

12.15 Successors and Assigns

This Contract shall be binding upon the Parties and their successors and assigns.

12.16 Corporate Authority

Each individual executing this Contract on behalf of a corporation or entity represents and warrants that he/she is duly authorized to execute and deliver this Contract on behalf of the corporation or entity.

12.17 Dispute Resolution

In order to have an administrative mechanism for promptly mediating Customer complaints regarding billing for or the collection of Garbage, Recyclables, or Compostables, the

City and the Contractor agree as follows: 1) the Contractor shall first make a good faith effort to resolve a Customer's complaint; 2) in the event the Customer is not satisfied with the Contractor's resolution, the complaint shall be forwarded to the City's Mayor or Mayor's designee who shall resolve the complaint after discussing the matter with the Customer and the Contractor.

Agreed to as of this _____ day of _____, 2015:

City of Pacific

Waste Management of Washington, Inc.

By: _____
Mayor

By: _____
Its: _____

Attest:

By: _____
City Clerk

Approved as to form:

City Attorney

EXHIBIT A

LIST OF CITY FACILITIES

- 1). Pacific City Hall-100 3rd Avenue S.E.
 - 1 - 4 yard MSW 1x/week
 - 1 - 2 yard REC 1x/week
 - 1-64 gallon REC 1x/week
- 2). Pacific Fire and Police -133 3rd Avenue S.E.
 - 2-96gallon REC Carts 1x/week
 - 1-3yard MSW 1x/week
 - 1-64gallon REC 1x/week
- 3). Well – 521 Ellington Rd, Algona
- 4). Reservoir – 331 County Line Rd
- 5). All City Park Facilities
- 5a). City of Pacific Blueberry Park – 117 5th Avenue SW
Served at 1 Milwaukee Boulevard & 5th
 - 1-35gallon MSW 1x/week
- 5b). City of Pacific Strawberry Park – 124 Strawberry Court SW
Served at Yakima Boulevard and Otter Dr.
- 5c). City of Pacific Sunset Park – 240 Sunset Drive
- 5d). Pacific City Park – 600 3rd Avenue SE
 - 1-6yard MSW 1x/week
- 5e). City of Pacific Rhubarb Park – xxx Rhubarb Street SW
Served at Rhubarb Street SW & Yakima
 - 1-35gallon MSW 1x/week
- 5f). City of Pacific Beaver Park – 550 Beaver Boulevard
Served at Coyote Dr. & Beaver Boulevard
 - 1-35gallon MSW 1x/week

6). Pacific Algona Community Center Gymnasium – 305 Milwaukee Ave.

7). Pacific Algona Community Senior Center – 100 3rd Ave SE

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EXHIBIT B

SERVICE RATE SCHEDULE

City of Pacific
Service Rate Schedule - page 1 of 2 -
Waste Management

	Service Level	New Service Rates			
		Disposal Fee	Collection Fee	Total Service Fee	
Weekly Residential Curbside Service (includes embedded Recycling & Yard/Food Waste collected EOW)	1 - 10 gal, Micro Can	\$ 1.31	\$ 9.35	\$ 10.66	
	1 - 20 gal, Cart (35 gallon Cart with 20 gal insert)	\$ 2.61	\$ 11.47	\$ 14.08	
	1 - 35 gal Cart	\$ 4.57	\$ 18.98	\$ 23.55	
	1 - 64 gal Cart	\$ 9.14	\$ 30.12	\$ 39.26	
	1 - 96 gal Cart	\$ 13.70	\$ 37.25	\$ 50.95	
	Extra solid waste, bags/cans/boxes (32/35 gallon equivalent)	\$ 1.05	\$ 5.77	\$ 6.82	
	Additional Yard/Food Carts each (second cart and more)		\$ 6.50	\$ 6.50	
	Miscellaneous Services				
	Return Trip		\$ 7.00	\$ 7.00	
	Carry-out surcharge per month (one fee for MSW, REC, YDW)		\$ 1.20	\$ 1.20	
	Overweight Cart (per p/u)		\$ 5.75	\$ 5.75	
	Clean/Deodorize Cart + Redelivery		\$ 32.80	\$ 32.80	
	Redelivery Charge of carts		\$ 17.80	\$ 17.80	
	Lost Cart Charge if unable to retrieve from customer. Charge reversed if Cart is subsequently retrieved within 45-days after charge is applied		\$ 55.00	\$ 55.00	
	Temporary (90-days or less) Container Service Solid Waste (All Customers)	Temporary Detachable Container Service Solid Waste - per pick up			
Temporary 1 Yard Container		\$ 7.57	\$ 22.05	\$ 29.62	
Daily Rent			\$ 1.20	\$ 1.20	
Delivery Fee			\$ 79.80	\$ 79.80	
Temporary 2 Yard Container		\$ 15.15	\$ 34.82	\$ 49.97	
Daily Rent			\$ 1.30	\$ 1.30	
Delivery Fee			\$ 79.80	\$ 79.80	
Temporary 3 Yard Container		\$ 22.72	\$ 44.95	\$ 67.67	
Daily Rent			\$ 1.40	\$ 1.40	
Delivery Fee			\$ 79.80	\$ 79.80	
Temporary 4 Yard Container		\$ 30.30	\$ 56.48	\$ 86.78	
Daily Rent			\$ 1.45	\$ 1.45	
Delivery Fee			\$ 79.80	\$ 79.80	
Temporary 6 Yard Container		\$ 45.45	\$ 71.55	\$ 117.00	
Daily Rent			\$ 1.80	\$ 1.80	
Delivery Fee		\$ 79.80	\$ 79.80		
Temporary 8 Yard Container	\$ 60.59	\$ 91.68	\$ 152.27		
Daily Rent		\$ 2.00	\$ 2.00		
Delivery Fee		\$ 79.80	\$ 79.80		
Weekly Collection Commercial/ Multi-family Solid Waste Service (MultiFamily includes Embedded Cart Recycling collected EOW)	Commercial and Multi-family Service				
	1 - 35 gal Cart	\$ 5.20	\$ 21.88	\$ 27.08	
	1 - 64 gal Cart	\$ 10.40	\$ 31.46	\$ 41.86	
	1 - 96 gal Cart	\$ 15.60	\$ 37.57	\$ 53.17	
	1 - 1 yard container	\$ 32.82	\$ 76.45	\$ 109.27	
	1 - 1.5 yard container	\$ 49.23	\$ 100.62	\$ 149.85	
	1 - 2 yard container	\$ 65.64	\$ 120.71	\$ 186.35	
	1 - 3 yard container	\$ 98.47	\$ 155.81	\$ 254.28	
	1 - 4 yard container	\$ 131.29	\$ 195.80	\$ 327.09	
	1 - 6 yard container	\$ 196.93	\$ 248.05	\$ 444.98	
	1 - 8 yard container	\$ 262.57	\$ 317.83	\$ 580.40	
	Extra solid waste, per each 32/35-gal. Equivalent	\$ 1.20	\$ 9.13	\$ 10.33	
	Extra solid waste, per yard	\$ 7.57	\$ 10.02	\$ 17.59	
	Miscellaneous Services	Return Trip, per pick up		\$ 17.30	\$ 17.30
		Relocate Container Charge while driver on site.		\$ 25.00	\$ 25.00
Carry-out surcharge per month, per cart			\$ 1.20	\$ 1.20	
Roll-out Container more than 5 feet, but less than 25 feet per pick up			\$ 3.60	\$ 3.60	
Roll-out Container over 25 feet, the charge will be the charge for 25 feet plus \$0.50 per increment of 5 feet per pick up			\$ 4.30	\$ 4.30	
Overage/Clean up Service, per yard + extra solid waste charge per yard			\$ 25.00	\$ 25.00	

Gate Opening/Closing, per pick up	\$ 3.70	\$ 3.70
Unlock/Lock container, per pick up	\$ 3.70	\$ 3.70
Redelivery Fee, per delivery	\$ 79.80	\$ 79.80
Steam Cleaning per yard + Redelivery Fee per container	\$ 3.00	\$ 3.00

City of Pacific
Service Rate Schedule - page 2 of 2 -
Waste Management

	Service Level	New Service Rates			
		Disposal Fee	Collection Fee	Total Service Fee	
Will Call/ Special Pick up Commercial/ Multi-Family Solid Waste Service	Commercial and Multi-family Service				
	1 - 35 gal Cart	\$ 1.20	\$ 6.31	\$ 7.51	
	1 - 64 gal Cart	\$ 2.40	\$ 9.08	\$ 11.48	
	1 - 96 gal Cart	\$ 3.60	\$ 10.84	\$ 14.44	
	1 - 1 yard container	\$ 7.57	\$ 22.06	\$ 29.63	
	1 - 1.5 yard container	\$ 11.36	\$ 29.03	\$ 40.39	
	1 - 2 yard container	\$ 15.15	\$ 34.82	\$ 49.97	
	1 - 3 yard container	\$ 22.72	\$ 44.95	\$ 67.67	
	1 - 4 yard container	\$ 30.30	\$ 56.48	\$ 86.78	
	1 - 6 yard container	\$ 45.45	\$ 71.55	\$ 117.00	
1 - 8 yard container	\$ 60.60	\$ 91.68	\$ 152.28		
Yard/Food Waste	1 - 96 gal. Cart, collected Every-other-Week		\$ 18.28	\$ 18.28	
Permenant Service Compactor/<input type="checkbox"/> Roll-Off Boxes	Permenant Solid Waste Service				
	Compactor & Non-Compacted Roll-Off, Boxes				
	10 - 40 yard, per Round Trip Haul			\$ 196.28	
	10 yard Roll-off box, Monthly Rent			\$ 42.62	
	20 yard Roll-off box, Monthly Rent			\$ 57.66	
	30 yard Roll-off box, Monthly Rent			\$ 70.20	
	40 yard Roll-off box, Monthly Rent			\$ 83.99	
	Disposal charge per ton (125% of current King County tipping fees)	\$ 150.21		\$ 150.21	
	Temporary Service Compactor/<input type="checkbox"/> Roll-Off Boxes	Temporary Solid Waste Service (Less than 90-days)			
		Compactor & Non-Compacted Roll-Off, Boxes			
10 - 40 yard, per Round Trip Haul				\$ 235.54	
10 yard Roll-off box, Daily Rent				\$ 1.42	
20 yard Roll-off box, Daily Rent				\$ 1.92	
30 yard Roll-off box, Daily Rent				\$ 2.34	
40 yard Roll-off box, Daily Rent				\$ 2.80	
Delivery Charge				\$ 79.80	
Disposal charge per ton (125% of current King County tipping fees)		\$ 150.21		\$ 150.21	
Miscellaneous Services		Return Trip		\$ 42.60	\$ 42.60
	Connect/Disconnect Fees on compactors - per haul		\$ 22.20	\$ 22.20	
	Additional Mileage Charge per mile - applies to hauls over 5 miles		\$ 4.40	\$ 4.40	
	Turn-Around (dirver must turn container/compactor around in order to haul)		\$ 23.60	\$ 23.60	
	Relocate Charge while driver on site. Customer requested		\$ 25.00	\$ 25.00	
	Steam Cleaning/Pressure Washing per yard + Delivery Charge		\$ 3.00	\$ 3.00	
	Stand-by Time per minute (over 5 minute wait)		\$ 1.82	\$ 1.82	

EXHIBIT C

LIQUIDATED DAMAGES

Missed collection that is not collected within a 24 hour period after being notified:	\$50.00 per incident to a maximum of \$500 per truck per day
Repetition of complaints on a route after notification to replace can or detachable container in designated locations, spilling, not closing gate, crossing planted areas, or similar violations:	\$25.00 per incident to a maximum of \$500 per truck per day
Commencement of residential collection prior to 6:00 a.m. or after 10:00 p.m. Also applies in other areas within 300 feet of residential sections.	\$100.00 per incident (each truck on each route is a separate incident)
Failure to collect spillage consistent with the provisions of this Contract (except where caused by overloading by the customer).	\$25.00 per incident
Collection from residential premises on other than the day specified without appropriate notice as specified in this Contract.	\$25.00 per structure, to a maximum of \$750.00 per truck, per day.
Failure to collect within twenty-four (24) hours after notification of a missed collection of an entire block segment of 1-4 unit residences. (This excludes collection days prevented by snow and ice, holiday rescheduling and construction).	\$150.00 per block segment.
Collection of material set out for pick up under different collection program, if clearly marked for recycling or charitable purposes if self-evident.	\$25.00 per incident, up to a maximum of \$750.00 per truck per day.
Failure to deliver recyclable materials or yard waste containers within seven (7) business days of notice.	\$10.00 per container, per day.
Misrepresentation by Contractor of records.	\$250.00 per incident report.
Failure to clean or replace detachable containers within seven (7) business days of notification by City.	\$25.00 per container per day.
Failure to maintain clean and sanitary cleaning facilities and vehicles.	\$25.00 per vehicle to a maximum of \$100.00 per visit.
Landfilling uncontaminated recyclables or yard waste.	\$100.00 per ton with no maximum; minimum of \$100.00 per incident.

Pursuant to Section 12.8 of the Contract, labor disturbances, such as strikes and lockouts, are Force Majeure events. However, notwithstanding Section 12.8, the City may assess the first liquidated damage item listed above for missed collections due to labor disturbance Force Majeure events if make-up collections are not performed within seven (7) days from the 24-hour make-up collection deadline. In the event that a labor disturbance causes Contractor to miss more than one regular service cycle/pick-up, the Contractor shall provide each such affected Customer credit for all service missed due to the labor disturbance including the first missed cycle. The credit shall be equal to or exceed the pro rata portion of the Customers' regular rate that is attributable to the missed service minus the average cost of disposal attributable to the missed service. The credit shall be placed on the Customer's next regular invoice.

DRAFT

RFP Evaluation Form

Solid Waste Services for the City of Pacific

Respondent: Waste Management

Evaluator: Solid Waste Committee Date Evaluated: 5/14/15

Proposals will be evaluated on “best value” based on the evaluation criteria as stated below. A 100 point scale will be used to create the final evaluation recommendation.

Evaluation Criteria

Criteria	Possible Points	Points Awarded
1. Completeness and Accuracy of Proposal	10	8
2. Qualifications of Management/Project Team	20	18
3. Operational Experience	25	24
4. Financial	25	20
5. Community & Environmental Stewardship	20	18
Total Points:	100	88

Comments:

The City of Pacific Council formed a Solid Waste Committee and appointed Council Member Steiger and Council Member Kave to this committee. The committee has been working diligently to determine what solid waste services should be provided to the citizens and businesses of our community and how those services should be performed. This portion of our responsibility covers who should perform these services. A request for proposals (RFP) was announced by the City and the City received two proposals. Each member of the committee utilized objective based scoring and then came to a consensus on the scores. The objective of the committee was to use the scoring criteria to differentiate the important aspects of each proposal and then provide a recommendation to the full council as to which company should be awarded the contract for solid waste services in the City. City staff members utilized the same objective based scoring criteria to make its own recommendation to the full council separate from the committee recommendation.

1. Completeness and Accuracy of Proposal

The committee felt that the proposal did a great job of covering the specific criteria and list of services that the City detailed as important aspects of the contract. However, Waste Management's proposal was not as detail oriented on the basic aspects of the proposal as identified in the RFP.

2. Qualifications of Management/Project Team

The committee felt that Waste Management's Management team was far more experienced and the company clearly values promoting from within people who were experienced at all aspects of their operation. The tenure of their management team was impressive.

3. Operational Experience

The committee felt that the operational experience of both companies was impressive. However, the committee could not ignore the fact that Waste Management has been the primary provider to our community for many years and know the operations within our community a bit better than any other company competing for the contract.

4. Financial

The committee felt that Waste Management's fees were not as competitive as the other proposal. However, the fees in general were on average either lower than what the customers were paying or the customer would receive substantial increases in services. The proposal lacked the estimated taxes that the City could expect to bring in with the utility tax and the estimated revenue from the franchise fee. It would have also been helpful for the company to include a sample of what a bill would look like for the customers as part of the proposal. The committee requested sample bills from the company that would show what the residential customer with a 35 gallon cart would look like and what the commercial customer with a 1 yard dumpster would look like. Including this as part of the proposal would have helped the committee to fully understand what the rate structure would look like to the customer.

5. Community & Environmental Stewardship

The committee broke this section down into two areas as it felt they were separate and distinct from each other.

Community Stewardship:

The committee felt that Waste Management has historically shown itself as a stewardship partner with the City of Pacific. The company has been very responsive to the City and its residents to resolve problems and we do not see that changing in the future. The one area that we felt that Waste Management could improve upon is localizing their call centers for customer support. The committee feels that local support staff would have a better understanding of the services that we as a community value and how to best resolve local issues. For these reasons Waste Management received a score of 8 out of 10 points for this portion of the scoring criteria.

Environmental Stewardship:

The RFP stated clearly that preference may be given to companies that utilize vehicles that reduce the carbon foot print on the environment. The committee felt that Waste Management has done just that by utilizing compressed natural gas vehicles in all of its operations that will take place within the City. For this reason Waste Management received a score of 10 out of 10.

Clint Steiger
Council Member

Vic Kave
Council Member

WASTE MANAGEMENT

RESIDENTIAL	PROPOSED/BID RATES			
	GARBAGE	RECYCLING	YARD/FOOD	TOTAL
10-gallon Micro-Can	\$ 10.66	Included	Included	\$ 10.66
20-gallon Mini-Can	\$ 14.08	Included	Included	\$ 14.08
32-gallon Can	\$ 23.55	Included	Included	\$ 23.55
35-gallon Cart	\$ 23.55	Included	Included	\$ 23.55
64-gallon Cart	\$ 39.26	Included	Included	\$ 39.26
96-gallon Cart	\$ 50.95	Included	Included	\$ 50.95

DM

RESIDENTIAL	PROPOSED/BID RATES			
	GARBAGE	RECYCLING	YARD/FOOD	TOTAL
10-gallon Micro-Can	\$ 11.33			\$ 11.33
20-gallon Mini-Can	\$ 16.51			\$ 16.51
32-gallon Can	Cost not provided			
35-gallon Cart	\$ 20.41			\$ 20.41
64-gallon Cart	\$ 34.00			\$ 34.00
96-gallon Cart	\$ 45.59			\$ 45.59

WM VS. DM

RESIDENTIAL
\$ (0.67)
\$ (2.43)
N/A
\$ 3.14
\$ 5.26
\$ 5.36

DM rate sheet does not list services separately - unknown what services are included

MULTI-FAMILY	PROPOSED/BID RATES			
	GARBAGE	RECYCLING		TOTAL
32-gallon Can	\$ 27.08	Included		\$ 27.08
35-gallon Cart	\$ 27.08	Included		\$ 27.08
64-gallon Cart	\$ 41.86	Included		\$ 41.86
96-gallon Cart	\$ 53.17	Included		\$ 53.17
1-yard	\$ 109.27	Included		\$ 109.27
1.5-yard	\$ 149.85	Included		\$ 149.85
2-yard	\$ 186.35	Included		\$ 186.35
3-yard	\$ 254.28	Included		\$ 254.28
4-yard	\$ 327.09	Included		\$ 327.09
6-yard	\$ 444.98	Included		\$ 444.98
8-yard	\$ 580.40	Included		\$ 580.40

MULTI-FAMILY	PROPOSED/BID RATES			
	GARBAGE	RECYCLING		TOTAL
32-gallon Can	Cost not provided			
35-gallon Cart	\$ 20.41			\$ 20.41
64-gallon Cart	\$ 34.00			\$ 34.00
96-gallon Cart	\$ 45.59			\$ 45.59
1-yard	\$ 93.21			\$ 93.21
1.5-yard	\$ 129.18			\$ 129.18
2-yard	\$ 161.32			\$ 161.32
3-yard	\$ 232.58			\$ 232.58
4-yard	\$ 303.82			\$ 303.82
6-yard	\$ 422.07			\$ 422.07
8-yard	Cost not provided			

MULTI-FAMILY
N/A
\$ 6.67
\$ 7.86
\$ 7.58
\$ 16.06
\$ 20.67
\$ 25.03
\$ 21.70
\$ 23.27
\$ 22.91
N/A

DM rate sheet does not list services separately - unknown what services are included

COMMERCIAL	PROPOSED/BID RATES			
	GARBAGE			TOTAL
32-gallon Can	\$ 27.08			\$ 27.08
35-gallon Cart	\$ 27.08			\$ 27.08
64-gallon Cart	\$ 41.86			\$ 41.86
96-gallon Cart	\$ 53.17			\$ 53.17
1-yard	\$ 109.27			\$ 109.27
1.5-yard	\$ 149.85			\$ 149.85
2-yard	\$ 186.35			\$ 186.35
3-yard	\$ 254.28			\$ 254.28
4-yard	\$ 327.09			\$ 327.09
6-yard	\$ 444.98			\$ 444.98
8-yard	\$ 580.40			\$ 580.40

COMMERCIAL	PROPOSED/BID RATES			
	GARBAGE			TOTAL
32-gallon Can	Cost not provided			
35-gallon Cart	\$ 20.91			\$ 20.91
64-gallon Cart	\$ 29.57			\$ 29.57
96-gallon Cart	\$ 39.43			\$ 39.43
1-yard	\$ 89.15			\$ 89.15
1.5-yard	\$ 123.09			\$ 123.09
2-yard	\$ 153.20			\$ 153.20
3-yard	\$ 220.39			\$ 220.39
4-yard	\$ 287.58			\$ 287.58
6-yard	\$ 397.70			\$ 397.70
8-yard	Rate sheet say \$2 - error?			

COMMERCIAL
N/A
\$ 6.17
\$ 12.29
\$ 13.74
\$ 20.12
\$ 26.76
\$ 33.15
\$ 33.89
\$ 39.51
\$ 47.28

DM rate sheet does not list services separately - unknown what services are included

RFP Evaluation Form

Solid Waste Services for the City of Pacific

Respondent: DM Disposal

Evaluator: Solid Waste Committee Date Evaluated: 5/14/15

Proposals will be evaluated on “best value” based on the evaluation criteria as stated below. A 100 point scale will be used to create the final evaluation recommendation.

Evaluation Criteria

Criteria	Possible Points	Points Awarded
1. Completeness and Accuracy of Proposal	10	8
2. Qualifications of Management/Project Team	20	15
3. Operational Experience	25	23
4. Financial	25	24
5. Community & Environmental Stewardship	20	14
Total Points:	100	84

Comments:

The City of Pacific Council formed a Solid Waste Committee and appointed Council Member Steiger and Council Member Kave to this committee. The committee has been working diligently to determine what solid waste services should be provided to the citizens and businesses of our community and how those services should be performed. This portion of our responsibility covers who should perform these services. A request for proposals (RFP) was announced by the City and the City received two proposals. Each member of the committee utilized objective based scoring and then came to a consensus on the scores. The objective of the committee was to use the scoring criteria to differentiate the important aspects of each proposal and then provide a recommendation to the full council as to which company should be awarded the contract for solid waste services in the City. City staff members utilized the same objective based scoring criteria to make its own recommendation to the full council separate from the committee recommendation.

1. Completeness and Accuracy of Proposal

The committee felt that the proposal did an excellent job of covering the basic criteria outlined in the RFP. The proposal was very detail oriented and complete from that prospective. However, DM Disposal's proposal was not as detail oriented on the specific criteria and list of services that the City detailed as important aspects of the contract.

2. Qualifications of Management/Project Team

The committee felt that DM Disposal's management team was experienced but felt that many of the managers have not spent much time on the line.

3. Operational Experience

The committee felt that the operational experience of both companies was impressive. However, the committee could not ignore the fact that Waste Management has been the primary provider to our community for many years and know the operations within our community a bit better than any other company competing for the contract.

4. Financial

The committee felt that DM Disposal fees were very competitive. The rate for the base 35 gallon residential customer came in well under the ceiling rate outlined in the RFP and the rate structure for all other size containers were more competitive than the other proposal received in all but a few sizes of containers. However, the proposal lacked the estimated taxes that the City could expect to bring in with the utility tax and the estimated revenue from the franchise fee. It would have also been helpful for the company to include a sample of what a bill would look like for the customers as part of the proposal. The committee requested sample bills from the company that would show what the residential customer with a 35 gallon cart would look like and what the commercial customer with a 1 yard dumpster would look like. Including this as part of the proposal would have helped the committee to fully understand what the rate structure would look like to the customer.

5. Community & Environmental Stewardship

The committee broke this section down into the two areas as it felt they were separate and distinct from each other.

Community Stewardship:

The committee felt that DM Disposal has not been a proactive supporter of community events. However, the committee realized that DM Disposal was not the primary provider of services in our City. The committee relied on the letters of recommendation provided in the proposal and felt that the company would do a very adequate job in this area. The one area that we felt was an advantage was the localized call centers for customer support. The committee felt that local support staff would have a better understanding of the services that we as a community value and how to best resolve local issues. For this reason DM Disposal received a score of 9 out of 10 points for this portion of the scoring criteria.

Environmental Stewardship:

The RFP stated clearly that preference may be given to companies that utilize vehicles that reduce the carbon foot print on the environment. The committee felt that DM Disposal's plans for the future were worth noting. The committee was really impressed with the plans to harness natural gas from the landfill and use it to power its vehicles in the future to help reduce greenhouse gasses. However, we were disappointed that the company is not ready to provide these emission friendly vehicles at this time to service our City to help reduce our carbon foot print on the environment. For this reason DM Disposal received a score of 5 out of 10 for this portion of the scoring criteria.

Clint Steiger
Council Member

Vic Kave
Council Member

RECONCILING QUANTITY BETWEEN MULTIPLE REPORTS FROM DM AND WM

The City of Pacific has received 3 separate reports from DM (Murrey's) that list different quantity counts and one from WM.

The report below proves the difficulty in reconciling the financial assertion by Murrey's based upon differing service quantity numbers.

<u>Svc</u>	<u>DM-6/9</u>	<u>DM-RFP</u>	<u>WM</u>	<u>CPA REPORTED VARIANCE-TOTALS</u>
10-gallon service weekly	51	52	60	51
20-gallon service weekly	112	112	106	112
35-gallon service weekly	884	921	849	800
64-gallon service weekly	357	325	331	387
96-gallon service weekly	48	38	39	41
EXTRAS	0	2	207	0
	1452	1448	1592	1391

Add Cost (not including refuse tax, utility tax, or hazardous waste fee) to Resi Customer*

Commercial and MF Rates, Additional Cost with WM

<u>Svc</u>	<u>DM-CPA-7/13</u>	<u>DM-RFP</u>	<u>WM</u>	<u>CPA REPORTED VARIANCE-TOTALS</u>
35-gallon commercial svc weekly	30	23	47	9
35-gallon multi-fam svc weekly	27	18		1
64-gallon commercial svc weekly	9	3	6	15
64-gallon multi-fam svc weekly	19	4		27
96-gallon commercial svc weekly	13	7	1	16
96-gallon multi-fam svc weekly	4	1		7
1yd commercial 1x weekly	36	35	39	36
1yd multi-fam 1x weekly	7	7		7
1.5yd commercial 1x weekly	8	8	10	8
1.5yd multi-fam 1x weekly	4	4		4
2yd commercial 1x weekly	28	28	32	28
2yd multi-fam 1x weekly	1	1		1
3yd commercial 1x weekly	5	5	4	5
3yd multi-fam 1x weekly	1	1		1
4yd commercial 1x weekly	20	20	17	20
4yd commercial 2x weekly	1	2		1
4yd multi-fam 1x weekly	3	3		3
6yd commercial 1x weekly	9	9	15	9
6yd commercial 2x weekly	3	3	3	3
6yd commercial 3x weekly	2	2	1	2
6yd multi-fam 1x weekly	5	5		5
6yd multi-fam 2x weekly	1	1		1
8yd commercial 1x weekly	3	3	2	3
8yd commercial 2x weekly	1	0	1	1
	240	193	178	213

Add Cost (not including refuse tax, utility tax, or hazardous waste fee) to Com/MF Cust

* does not include Extras, at 207 customer counts at \$6.82 per month.

Roll-Off Rates, Additional Cost with WM

<u>Svc</u>	<u>DM-CPA-7/13</u>	<u>DM-RFP</u>	<u>WM</u>	<u>CPA REPORTED VARIANCE-TOTALS</u>
20-Yard RO haul, assumes EOW	3	3		3
25-Yard RO haul, assumes EOW	3	3		3
30-Yard RO haul, assumes EOW	3	3		3
30-Yard Comp haul, assumes EOW	1	1		1
40-Yard Comp haul, assumes EOW	1	1		1
20-Yard RO monthly rent	3			3
25-Yard RO monthly rent	3			3
30-Yard RO monthly rent	3			3
20-Yard RO Disp, assumes 3 tons avg	3			3
25-Yard RO Disp, assumes 3 tons avg	3			3
30-Yard RO Disp, assumes 3 tons avg	3			3
30-Yd Comp Disp, assumes 6 tons avg	1			1
40-Yd Comp Disp, assumes 6 tons avg	1			1
	31	11	0	31

DM Disposal Co., Inc.

Agreed-Upon Procedures
July 6, 2015



Independent Accountant's Report on Agreed-Upon Procedures

Mark Gingrich, District Manager
DM Disposal Co., Inc.
PO Box 399
Puyallup, WA 98371

We have performed the procedures enumerated below, which were agreed to by the management of DM Disposal Co., Inc. (the Company) with respect to the 10-year rate variance analysis beginning July 1, 2015, (Rate Variance Analysis) comparing the DM Disposal Co., Inc. (DM) and Waste Management of Washington, Inc.'s (WM) submissions for Solid Waste Services for the City of Pacific request for proposal dated April 10, 2015 (the Proposal). This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Company. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

The procedures that we performed are as follows:

1. Obtain the Rate Variance Analysis prepared by DM Disposal Co., Inc. (Exhibit A) broken out by residential rates, commercial/multifamily rates, roll-off rates, refuse and utility tax, and perform the following:
 - a. Agree aggregate number of customers (by type) to the information in the Proposal. The aggregate number of customers will be used in the rate variance analysis as Waste Management of Washington, Inc. did not include discount rates for seniors which are noted in the request for proposal and DM Disposal Co., Inc. did include these discounts.

We agreed the aggregate number of customers (by type) to the Proposal noting the following exceptions:

1. Quantities represented under Residential "35-gallon service weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by 84 units.
2. Quantities represented under Residential "64-gallon service weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (30) units.
3. Quantities represented under Residential "96-gallon service weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (7) units.
4. Quantities represented under Multi-Family "35-gallon multi-fam svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by 26 units.
5. Quantities represented under Multi-Family "64-gallon multi-fam svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (8) units.
6. Quantities represented under Multi-Family "96-gallon multi-fam svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (3) units.
7. Quantities represented under Commercial "35-gallon commercial svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by 21 units.
8. Quantities represented under Commercial "64-gallon commercial svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (6) units.

9. Quantities represented under Commercial "96-gallon commercial svc weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (3) units.
 10. Quantities represented under Commercial "1yd commercial 1x weekly" in the Rate Variance Analysis did not agree to the quantities represented in the Proposal by (1) unit.
 11. Quantities represented in the Solid Waste Services for the City of Pacific RFP for Pierce County Residential under "1YD CONT 1X WEEKLY + RECY" was not factored into the Rate Variance Analysis (1) unit.
 12. Quantities represented in the Solid Waste Services for the City of Pacific RFP for Pierce County Residential under "RECYCLE SERVICE ONLY" was not factored into the Rate Variance Analysis (2) units.
- b. Agree the DM rates per the Rate Variance Analysis to the DM submittal for the Solid Waste Services for the City of Pacific's RFP (DM Disposal RFP Submittal) for "Option B (3.0% Embedded)".

We agreed the DM rates to the DM Disposal Co., Inc. submittal for the Solid Waste Services for the City of Pacific's RFP noting the following exceptions:

1. Roll-Off rates under the "40-Yard Comp haul, assumes EOW," DM Disposal Co., Inc. used a rate of \$149.82 for DM which did not agree to the "Compactors 40-yard per haul" from the DM Disposal Co., Inc. RFP Submittal rate of \$154.75.
 2. Roll-Off rate of \$95.40 under the "20-yard RO monthly rent" used in the Rate Variance Analysis for DM represented the "20-yard per Month" Option D (6.0% Embedded) from the DM Disposal Co., Inc. RFP Submittal as opposed to the rate of \$92.70 under Option B (3.0% Embedded).
 3. Roll-Off rate of \$104.94 under the "25-yard RO monthly rent" used in the Rate Variance Analysis for DM represented the "25-yard per Month" Option D (6.0% Embedded) from the DM Disposal Co., Inc. RFP Submittal as opposed to the rate of \$101.97 under Option B (3.0% Embedded).
 4. Roll-Off rate of \$115.54 under the "30-yard RO monthly rent" used in the Rate Variance Analysis for DM represented the "30-yard per Month" Option D (6.0% Embedded) from the DM Disposal Co., Inc. RFP Submittal as opposed to the rate of \$112.27 under Option B (3.0% Embedded).
- c. Agree the WM rates per the Rate Variance Analysis WM submittal for Solid Waste Services for the City of Pacific's RFP (Waste Management RFP Submittal).

We agreed the WM rates to the Waste Management of Washington, Inc. submittal for Solid Waste Services for the City of Pacific's RFP noting the following exceptions:

1. Roll-Off rate of \$83.99 under the "30-Yard RO monthly rent" used in the Rate Variance Analysis for WM represented the "40-yard Roll-Off box, Monthly Rent" rate from the Waste Management RFP Submittal. The "30 yard Roll-Off box, Monthly Rent" rate is \$70.20 per the Waste Management RFP Submittal.
2. Multi-Family rates under the "1.5yd multi-fam 1x weekly," DM Disposal Co., Inc. used a rate of \$149.875 for WM which did not agree to the "1-1.5-yard container" from the Waste Management RFP Submittal of \$149.85.

2. For Roll-Off Rates, obtain the estimated hauls and tonnage per month as calculated by DM Disposal Co., Inc. and agree the final estimated hauls and tonnage per haul to the Rate Variance Analysis.

We agreed the estimated hauls and tonnage per month to the Rate Variance Analysis noting no exceptions. We did note that DM estimated the number of hauls and tonnage per month based on internal historical sales data from January through December 2014 and January 2015 through April 2015. The historical sales data included the number of hauls in a given month as well as tonnage per haul and the data was isolated to seven roll-off customers in Pacific. DM used this information to calculate the average amongst these customers for hauls per month and tonnage per haul. The calculated averages were adjusted based on management's experience in the industry and local historical volume averages to arrive at the final estimate used in the analysis.

- a. Recalculate and foot the Rate Variance Analysis for accuracy.

We recalculated and footed the Rate Variance Analysis, noting no exceptions.

- b. For exceptions noted above, quantify the variance in aggregate (including taxes) and individually (excluding taxes) for residential, roll-off and commercial and multi-family.

Based on exceptions documented above, the following represents the calculated impact of the variances noted:

Line of Service	Original 10-Year Variance	10-Year Variance, Including Exceptions	Difference
Residential (excluding taxes)	\$ 552,544	\$ 560,756	\$ (8,213)
Commercial and MF (excluding taxes)	720,610	730,472	(9,863)
Roll-Off (excluding taxes)	498,317	495,287	3,030
Total Variance (including taxes)	\$ 1,941,531	\$ 1,958,022	\$ (16,490)

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on the Rate Variance Analysis. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the management of the Company, and is not intended to be and should not be used by anyone other than the specified party.

McGladrey LLP

Tacoma, Washington
July 6, 2015

**Exhibit A
DM Disposal Co., Inc.
Rate Variance Analysis
July 1, 2015**

Rate Difference Summary	Monthly	Annual	10Year	W/Taxes
Resi Rates, Addl Cost with WM	\$ 4,604.53	\$ 55,254.36	\$ 552,543.60	\$ 605,587.79
Com/MF Rate, Addl Cost with WM	\$ 6,005.08	\$ 72,060.96	\$ 720,609.60	\$ 789,788.12
Roll-Off Rates, Addl Cost with WM	\$ 4,152.64	\$ 49,831.70	\$ 498,316.99	\$ 546,155.42
Refuse Tax, Addl Cost with WM	\$ 531.44	\$ 6,377.29	\$ 63,772.93	
Utility Tax, Addl Cost with WM	\$ 885.74	\$ 10,628.82	\$ 106,288.21	
	\$ 16,179.43	\$ 194,153.13	\$ 1,941,531.33	\$ 1,941,531.33

*Details by line of business listed below include taxes

Residential Rates, Additional Cost with WM
Based on 3% embedded franchise, 6% line item util, 3.6% line item refuse, and \$0.84 line item Haz Waste Fee

Svc	Qty	DM	WM	Difference	Monthly	Annual	10Year
10-gallon service weekly	51	\$ 11.33	\$ 10.66	(0.67)	\$ (34.17)	\$ (410.04)	\$ (4,100.40)
20-gallon service weekly	112	\$ 16.51	\$ 14.08	(2.43)	\$ (272.16)	\$ (3,265.92)	\$ (32,659.20)
35-gallon service weekly	884	\$ 20.41	\$ 23.55	3.14	\$ 2,775.76	\$ 33,309.12	\$ 333,091.20
64-gallon service weekly	357	\$ 34.00	\$ 39.26	5.26	\$ 1,877.82	\$ 22,533.84	\$ 225,338.40
96-gallon service weekly	48	\$ 45.59	\$ 50.95	5.36	\$ 257.28	\$ 3,087.36	\$ 30,873.60
Addl Cost (not including refuse tax, utility tax, or hazardous waste fee) to Resi Customer					\$ 4,604.53	\$ 55,254.36	\$ 552,543.60

Commercial and MF Rates, Additional Cost with WM
Based on 3% embedded franchise, 6% line item util, 3.6% line item refuse, and \$12.01 line item Haz Waste Fee

Svc	Qty	DM	WM	Difference	Monthly	Annual	10Year
35-gallon commercial svc weekly	30	\$ 20.91	\$ 27.08	6.17	\$ 185.10	\$ 2,221.20	\$ 22,212.00
35-gallon multi-fam svc weekly	27	\$ 20.41	\$ 27.08	6.67	\$ 180.09	\$ 2,161.08	\$ 21,610.80
64-gallon commercial svc weekly	9	\$ 29.57	\$ 41.86	12.29	\$ 110.61	\$ 1,327.32	\$ 13,273.20
64-gallon multi-fam svc weekly	19	\$ 34.00	\$ 41.86	7.86	\$ 149.34	\$ 1,792.08	\$ 17,920.80
96-gallon commercial svc weekly	13	\$ 39.43	\$ 53.17	13.74	\$ 178.62	\$ 2,143.44	\$ 21,434.40
96-gallon multi-fam svc weekly	4	\$ 45.59	\$ 53.17	7.58	\$ 30.32	\$ 363.84	\$ 3,638.40
1yd commercial 1x weekly	36	\$ 89.15	\$ 109.27	20.12	\$ 724.32	\$ 8,691.84	\$ 86,918.40
1yd multi-fam 1x weekly	7	\$ 93.21	\$ 109.27	16.06	\$ 112.42	\$ 1,349.04	\$ 13,490.40
1.5yd commercial 1x weekly	8	\$ 123.09	\$ 149.85	26.76	\$ 214.08	\$ 2,568.96	\$ 25,689.60
1.5yd multi-fam 1x weekly	4	\$ 129.18	\$ 149.88	20.70	\$ 82.78	\$ 993.36	\$ 9,933.60
2yd commercial 1x weekly	28	\$ 153.20	\$ 186.35	33.15	\$ 928.20	\$ 11,138.40	\$ 111,384.00
2yd multi-fam 1x weekly	1	\$ 161.32	\$ 186.35	25.03	\$ 25.03	\$ 300.36	\$ 3,003.60
3yd commercial 1x weekly	5	\$ 220.39	\$ 254.28	33.89	\$ 169.45	\$ 2,033.40	\$ 20,334.00
3yd multi-fam 1x weekly	1	\$ 232.58	\$ 254.28	21.70	\$ 21.70	\$ 260.40	\$ 2,604.00
4yd commercial 1x weekly	20	\$ 287.58	\$ 327.09	39.51	\$ 790.20	\$ 9,482.40	\$ 94,824.00
4yd commercial 2x weekly	1	\$ 575.16	\$ 654.18	79.02	\$ 79.02	\$ 948.24	\$ 9,482.40
4yd multi-fam 1x weekly	3	\$ 303.82	\$ 327.09	23.27	\$ 69.81	\$ 837.72	\$ 8,377.20
6yd commercial 1x weekly	9	\$ 397.70	\$ 444.98	47.28	\$ 425.52	\$ 5,106.24	\$ 51,062.40
6yd commercial 2x weekly	3	\$ 795.40	\$ 889.96	94.56	\$ 283.68	\$ 3,404.16	\$ 34,041.60
6yd commercial 3x weekly	2	\$ 1,192.98	\$ 1,334.94	141.96	\$ 283.92	\$ 3,407.04	\$ 34,070.40
6yd multi-fam 1x weekly	5	\$ 422.07	\$ 444.98	22.91	\$ 114.55	\$ 1,374.60	\$ 13,746.00
6yd multi-fam 2x weekly	1	\$ 844.13	\$ 889.96	45.83	\$ 45.83	\$ 549.96	\$ 5,499.60
8yd commercial 1x weekly	3	\$ 431.47	\$ 580.40	148.93	\$ 446.79	\$ 5,361.48	\$ 53,614.80
8yd commercial 2x weekly	1	\$ 807.10	\$ 1,160.80	353.70	\$ 353.70	\$ 4,244.40	\$ 42,444.00
Addl Cost (not including refuse tax, utility tax, or hazardous waste fee) to Com/MF Cust					\$ 6,005.08	\$ 72,060.96	\$ 720,609.60

Roll-Off Rates, Additional Cost with WM
Based on 3% embedded franchise, 6% line item util, 3.6% line item refuse, and line item Haz Waste Fee

Svc	Qty	Hauls per Mo	DM	WM	Difference	Monthly	Annual	10Year
20-Yard RO haul, assumes EOW	3	2.17	\$ 102.16	\$ 196.28	\$ 94.12	\$ 612.72	\$ 7,352.65	\$ 73,526.54
25-Yard RO haul, assumes EOW	3	2.17	\$ 109.06	\$ 196.28	\$ 87.22	\$ 567.80	\$ 6,813.63	\$ 68,136.26
30-Yard RO haul, assumes EOW	3	2.17	\$ 114.93	\$ 196.28	\$ 81.35	\$ 529.59	\$ 6,355.06	\$ 63,550.62
30-Yard Comp haul, assumes EOW	1	2.17	\$ 144.89	\$ 196.28	\$ 51.39	\$ 111.52	\$ 1,338.20	\$ 13,381.96
40-Yard Comp haul, assumes EOW	1	2.17	\$ 149.82	\$ 196.28	\$ 46.46	\$ 100.82	\$ 1,209.82	\$ 12,098.18
20-Yard RO monthly rent	3	NA	\$ 95.4	\$ 57.66	\$ (37.74)	\$ (113.22)	\$ (1,358.64)	\$ (13,586.40)
25-Yard RO monthly rent	3	NA	\$ 104.94	\$ 70.20	\$ (34.74)	\$ (104.22)	\$ (1,250.64)	\$ (12,506.40)
30-Yard RO monthly rent	3	NA	\$ 115.54	\$ 83.99	\$ (31.55)	\$ (94.65)	\$ (1,135.80)	\$ (11,358.00)
		Tons per Mo						
20-Yard RO Disp, assumes 3 tons avg	3	19.53	\$ 120.17	\$ 150.21	\$ 30.04	\$ 586.68	\$ 7,040.17	\$ 70,401.74
25-Yard RO Disp, assumes 3 tons avg	3	19.53	\$ 120.17	\$ 150.21	\$ 30.04	\$ 586.68	\$ 7,040.17	\$ 70,401.74
30-Yard RO Disp, assumes 3 tons avg	3	19.53	\$ 120.17	\$ 150.21	\$ 30.04	\$ 586.68	\$ 7,040.17	\$ 70,401.74
30-Yd Comp Disp, assumes 6 tons avg	1	13.02	\$ 120.17	\$ 150.21	\$ 30.04	\$ 391.12	\$ 4,693.45	\$ 46,934.50
40-Yd Comp Disp, assumes 6 tons avg	1	13.02	\$ 120.17	\$ 150.21	\$ 30.04	\$ 391.12	\$ 4,693.45	\$ 46,934.50
Addl Cost (not including refuse tax, utility tax, or hazardous waste fee) to RO Customer						\$ 4,152.64	\$ 49,831.70	\$ 498,316.99

DM (Murrey's) Disposal Company's Savings Assertion Financial Analysis

During the June 15, 2015 City of Pacific Council Meeting, Murrey's commented that they believed their bid for solid waste collection and recycling services was approximately \$1.9M less over the 10-year contract than the other bidder, Waste Management, Inc. Murrey's later submitted an *Independent Accountant's Report on Agreed-Upon Procedures* prepared by McGladrey, LLC, dated July 6, 2015, in support of their assertion.

This analysis has been prepared to review the assertion that Murrey's contract for solid waste services would cost approximately \$1.9M less than that proposed by Waste Management over the next ten years (the term of the contract).

In addition to the McGladrey report, I reviewed information and rates provided in response to the RFP, an Excel spreadsheet emailed from Mark Gingrich on June 9, 2015, and an Excel spreadsheet provided by Waste Management. Considering the multiple data sources Murrey's used in reporting the numbers of services, this task was impossible to perform with any sense of accuracy, which to an accountant is anathema. Four sources of information have been submitted; of which none reconcile. However, the following issues were identified during the review:

- The first source of data that Murrey's used (the Excel spreadsheet) to calculate the 10-year rate variance was received by the City on June 9th.
- The second source of data that was used by McGladrey (received on July 6th) in their analysis was from the RFP document and was inconsistent in quantity counts from the Excel spreadsheet data source dated June 9th, by approximately 3%.
- The third data source that was used by McGladrey was not consistent with either of the first two sources and was off by 5%, approximately. McGladrey points out that they did not agree with Murrey's numbers, though I cannot identify how they calculated their variances.
- The fourth and final data source that I identified, comes from Waste Management (prepared by WM on February 19, 2015) does not agree with any of Murrey's sources. I estimate that the difference is over 7% comparatively.
- The only data sources that I have that hold any integrity are those found in the RFP responses, which are still inconclusive as they rely on quantity counts which have yet to be audited by an outside source.
- King County strongly recommends that cities go to recycling to reduce the amount of solid waste and to achieve its Zero Waste of Resources by 2030 initiative. The question needs to be asked whether or not Murrey's assertion include this in their considerations, as they make no mention of the cost savings that the businesses in Pierce County will see if they go to recycling. Waste Management has stated that Pierce County businesses will see significant savings when they go to recycling. Waste Management identifies in their RFP response that they have a plan to educate all business and multifamilies about the value of recycling. I have not seen nor heard the same emphasis from Murrey's. This has economic value though as yet to be identified by either service provider.

Murrey's asserts that they can save the City's residents \$1.9M but this is calculated on data that lacks consistency and therefore credibility, due to the variance percentages from the numerous sources provided. The percentage variances that I calculated in the findings could be quite significant over a ten year period that the agreement covers. In addition to this, the potential of the recycling savings for the business community may not have been factored into the comparisons with Waste Management. The scoring on Community & Environmental Stewardship which encompasses recycling was weighted at 20%, the financial scoring was

weighted at 25%. These recycling savings do have economical value and are being promoted by King County. Finally, some businesses may see an increase in their rates under the new agreement, however the majority of the customers in the City will see decreases as is reflected in the utility taxes and franchise fees projected losses to the General Fund of nearly \$420K over the life of the contract (10 years).

Thank You.

Richard A. Gould
City Administrator



Agenda Bill No. 15-109

TO: Mayor Guier and City Council Members

FROM: Public Works

MEETING DATE: August 10, 2015

SUBJECT: Transportation Improvement Board (TIB) – Grant Application for 3rd Avenue South Preservation

ATTACHMENTS: Resolution 2015-278
Grant Application

Previous Council Review Date: August 3, 2015

Background: Pursuant to RCW 35.77.010, the City is required to maintain a perpetual advanced Six-Year Transportation Improvement Plan (TIP). Maintenance of this plan requires that the City conduct an annual review of its Six-Year TIP to assure that it is consistent with the City's Comprehensive Plan and the Transportation Element of the Comprehensive Plan.

Prior to taking action to confirm the TIP, state law requires that a public hearing be conducted. The city's public hearing was held on June 22, 2015 and the 2016-2021 TIP was adopted by Resolution No. 2015-265. A copy of the 2016-2021 TIP amendments accompanies this agenda bill.

Projects on the adopted City TIP are eligible to receive Federal and State transportation funding. Because road preservation is on the adopted Six-Year TIP it is eligible to pursue grant funding through the TIB 2015 Arterial Preservation program. The 2015 TIP includes \$550,000 for the Road Repair and Preservation Citywide for 2016 - 2018, which includes 3rd Avenue South corridor, from Butte Avenue to Pacific Avenue and from Interurban Trail to Chicago Boulevard. This includes a city match of \$50,000.

Under RCW 36.70A.120, the City is required to perform its activities and make capital budget decisions in conformity with its comprehensive plan. The City's adopted capital facilities plan shows that the City has budgeted \$250,000 in 2016 and an additional \$500,000 in 2017, for the completion of this work.

Summary: City staff recommends that the City submit a TIB Preservation Grant request for funds for preservation of the 3rd Avenue South corridor in the amount of \$429,182, with the City providing matching funds of \$47,687. There are two segments listed in the application: Butte Avenue to Pacific Avenue and Interurban Trail to Chicago Boulevard.

Recommendation/Action: Staff recommends Council approve Resolution No. 2015-278.

Motion for Consideration: Move to approve Resolution No. 2015-278, A RESOLUTION OF THE CITY OF PACIFIC, WASHINGTON, AUTHORIZING THE SUBMITTAL OF THE TRANSPORTATION IMPROVEMENT BOARD GRANT APPLICATION FOR THE 3rd AVENUE SOUTH PRESERVATION.

Budget Impact: The project cost to complete the construction is approximately \$476,869. The local portion is a 10% match funded by Pacific (\$47,687 from street funds).

Alternatives: Deny this application and either not submit to TIB or remove one of the segments and revise the application accordingly.

**CITY OF PACIFIC
WASHINGTON**

RESOLUTION NO.

**A RESOLUTION OF THE CITY OF PACIFIC, WASHINGTON, AUTHORIZING
THE SUBMITTAL OF THE TRANSPORTATION IMPROVEMENT BOARD GRANT
APPLICATION FOR THE 3rd AVENUE SOUTH PRESERVATION**

WHEREAS the Transportation Improvement Board (TIB) is accepting applications for their FY 2015 grant programs; and

WHEREAS Staff proposes to submit a grant application for the Arterial Preservation Program (APP) which offers preservation grants for all cities with less than \$1 Billion Assessed Valuation. The City of Pacific has created a grant application for eligible projects on functionally classified routes that are in need of an asphalt overlay; and

WHEREAS the estimated costs of the proposed projects are:

<u>TIB Arterial Preservation Program</u>	
Project Cost:	\$ 476,869
TIB Ask:	\$ 429,182
City Match:	\$ 47,687

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PACIFIC,
WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The Pacific City Council hereby authorizes the City staff to submit a grant application to the Transportation Improvement Board (TIB) for consideration of funding of the project proposals known as the Arterial Preservation Program (APP) – City of Pacific Road Preservation Project.

Section 2. This Resolution shall take effect and be in full force upon passage and signatures hereon.

CITY OF PACIFIC

LEANNE GUIER, MAYOR

ATTEST/AUTHENTICATED:

AMY STEVENSON-NESS, CITY CLERK

APPROVED AS TO FORM:

CAROL MORRIS, CITY ATTORNEY



2015 Arterial Preservation Funding Application for Arterial Preservation Program (APP)

Mail **ONE** signed application and required attachments to the TIB Office postmarked no later than **August 21, 2015**.
The mailing address for the TIB Office: Post Office Box 40901 ❖ Olympia WA 98504-0901
For assistance contact Greg Armstrong, TIB Project Engineer, at (360) 586-1142 or via email at GregA@tib.wa.gov

Agency Name	PACIFIC	Legislative District(s)	30
Arterial Names	3rd Avenue South		
Termini	Butte Ave to Pacific Ave and Interurban Trail to Chicago Bl	Congressional District(s)	8
Length in Miles	1 Miles	Find Legislative or Congressional District	
Agency Contact	Jim Morgan	Phone Number	(253) 929-1115
Email Address	jmorgan@ci.pacific.wa.us		

ELIGIBLE FACILITIES

- ◆Urban federally functionally classified streets except state highways
- ◆Sidewalk ramps within the project limits must be brought to current ADA standards
- ◆Grant may not be used as match on federal projects

APPLICATION ATTACHMENTS

Include the following attachments with your application

- Written documentation from provider (if applicable)
- Street map indicating the requested segments.
- Agency official must sign application
- Segment Detail worksheet
- Signed engineer's estimate showing a cost breakdown for each segment
- Letter of commitment from funding partner(s)
- Written concurrence from WSDOT if project is on or connects to a state highway

PROJECT SCHEDULE

Enter target or actual dates

	Date
Start Design Engineering	Jan 2016
Contract Advertisement	Apr 2016
Contract Completion	Nov 2016

ECONOMY OF SCALE INFORMATION

Briefly describe how you propose to gain economy of scale in the space provided below.

The City proposes to contract with King County

PROJECT FUNDING

TIB Fund Distribution

Is TIB funding distributed proportionally through the project phases? YES

Enter Requested Total TIB Funds \$ 429,182

Maximum TIB Ratio **90.0%**

Enter the Total Project Costs to the nearest dollar in cells F41 to F44

	Total Project	TIB Funds	Local Funds
Design Engineering	19,870	17,883	1,987
Construction Engineering	59,609	53,648	5,961
Construction Other		0	
Construction Contract	397,390	357,651	39,739
TOTALS	476,869	429,182	47,687
Noneligible Engineering Engineering exceeding 30% of construction costs is not eligible for TIB reimbursement			0
Other Noneligible Costs (i.e. landscaping , utility undergrounding, sound walls)			
TOTAL ELIGIBLE COST			476,869
TIB Matching Ratio Total TIB Funds/Total Eligible Cost			90%

FUNDING PARTNERS

Source	Public or Private	Commitment Letter or Status	Amount
PACIFIC	Public		
TOTAL			
Funding partners total should equal \$47,687			

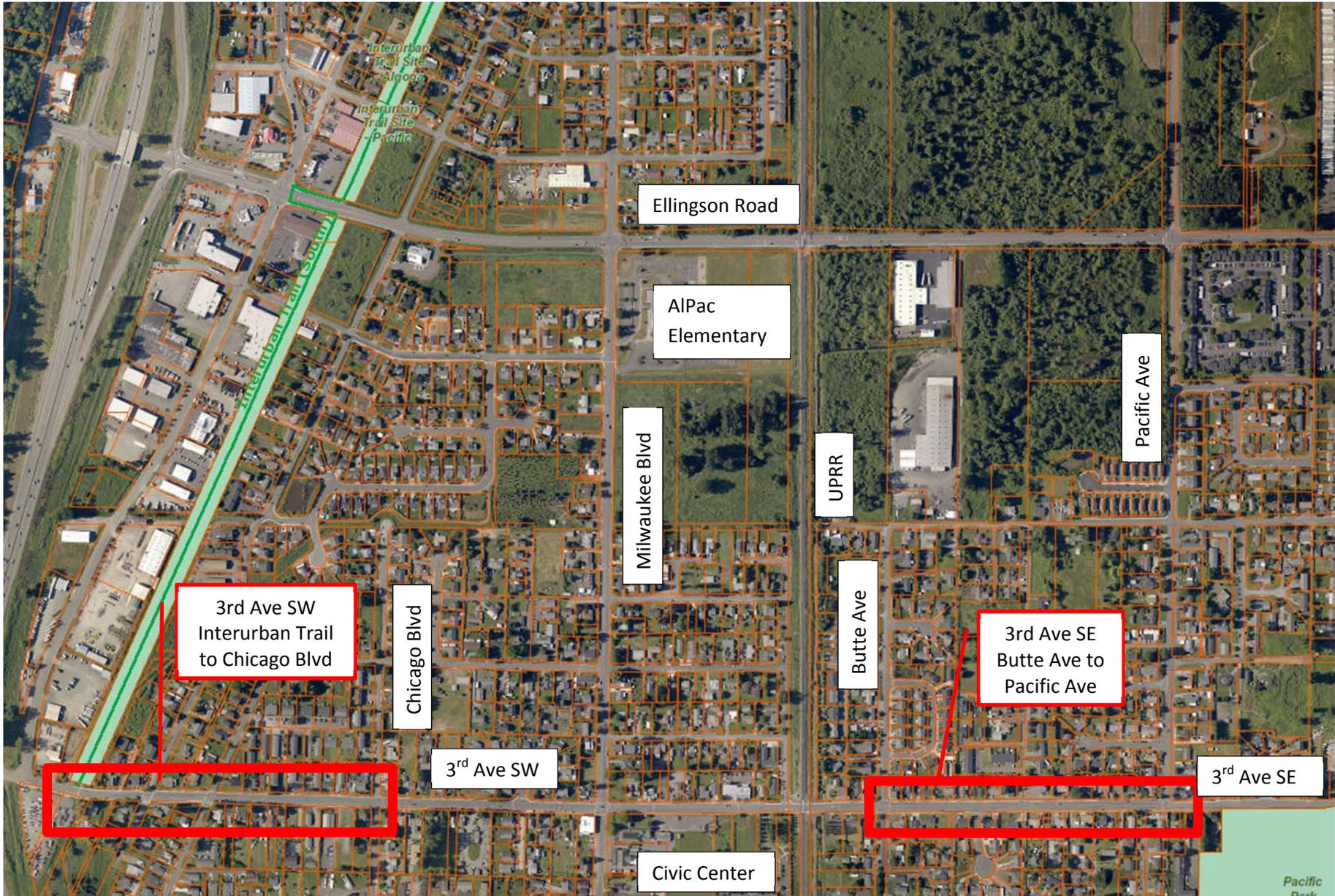
CERTIFICATION

Certification is hereby given that the information provided is accurate and the applicable attachments are complete and included as part of the application package

Agency Official Signature

Date Signed

Printed or Typed Name & Title



Vicinity Map
City of Pacific
3rd Avenue South Preservation



Cost Estimate Worksheet
TIB Arterial Preservation Program
 Milwaukee Boulevard - 3rd Avenue South to 5th Avenue South

Item No.	Description	Est. Qnt.	Unit	Engineer's Estimate	
				Unit Price	Amount
1	Mobilization (5.0%)	1	LS	\$ 12,100.00	\$ 12,100.00
2	Project Temporary Traffic Control	1	LS	\$ 2,500.00	\$ 2,500.00
3	Roadside Cleanup	1	FA	\$ 2,000.00	\$ 2,000.00
4	Planing Asphalt Conc. Pavement	2,365	SY	\$ 6.00	\$ 14,190.00
5	HMA Prelevel	750	TON	\$ 85.00	\$ 63,750.00
6	HMA CL. 1/2 In. PG 64-22	1,500	TON	\$ 95.00	\$ 142,500.00
7	Inlet Protection	14	EA	\$ 80.00	\$ 1,120.00
8	Adjust Utility to Grade	18	EA	\$ 350.00	\$ 6,300.00
9	Misc (pavement markings, etc.)	1	LS	\$ 10,000.00	\$ 10,000.00
TOTAL					\$ 254,460.00

Design Engineering	\$ 12,723.00
Construction Engineering	\$ 38,169.00
TOTAL PROJECT COST	\$ 305,352.00
TIB Pacific	90.0% of Total Costs \$ 244,281.60
	Balance \$ 61,070.40

This is to certify that the above cost estimate for and by the City of Pacific is based on bid tabs for adjacent agencies and engineering judgement.

Respectfully submitted,
 City of Pacific

 James J. Morgan, P.E.

 Date



Cost Estimate Worksheet
TIB Arterial Preservation Program
 3rd Avenue SW - Interurban Trail to Chicago Boulevard

Item No.	Description	Est. Qnt.	Unit	Engineer's Estimate	
				Unit Price	Amount
1	Mobilization (5.0%)	1	LS	\$ 6,800.00	\$ 6,800.00
2	Project Temporary Traffic Control	1	LS	\$ 2,500.00	\$ 2,500.00
3	Roadside Cleanup	1	FA	\$ 2,000.00	\$ 2,000.00
4	Planing Asphalt Conc. Pavement	1,300	SY	\$ 6.00	\$ 7,800.00
5	HMA Prelevel	410	TON	\$ 85.00	\$ 34,850.00
6	HMA CL. 1/2 In. PG 64-22	820	TON	\$ 95.00	\$ 77,900.00
7	Inlet Protection	11	EA	\$ 80.00	\$ 880.00
8	Adjust Utility to Grade	13	EA	\$ 400.00	\$ 5,200.00
9	Misc (pavement markings, etc.)	1	LS	\$ 5,000.00	\$ 5,000.00
TOTAL				\$	142,930.00

Design Engineering	\$	7,146.50
Construction Engineering	\$	21,439.50
TOTAL PROJECT COST	\$	171,516.00
TIB Pacific	90.0% of Total Costs	\$ 137,212.80
	Balance	\$ 34,303.20

This is to certify that the above cost estimate for and by the City of Pacific is based on bid tabs for adjacent agencies and engineering judgement.

Respectfully submitted,
 City of Pacific

 James J. Morgan, P.E.

 Date



Agenda Bill No. 15-110

TO: Mayor Guier and City Council Members

FROM: Public Works

MEETING DATE: August 10, 2015

SUBJECT: Transportation Improvement Board (TIB) – Grant Application for Milwaukee Boulevard Improvements

ATTACHMENTS: Resolution 2015-279
Grant Application

Previous Council Review Date: August 3, 2015

Background: Pursuant to RCW 35.77.010, the City is required to maintain a perpetual advanced Six-Year Transportation Improvement Plan (TIP). Maintenance of this plan requires that the City conduct an annual review of its Six-Year TIP to assure that it is consistent with the City's Comprehensive Plan and the Transportation Element of the Comprehensive Plan.

Prior to taking action to confirm the TIP, state law requires that a public hearing be conducted. The city's public hearing was held on June 22, 2015 and the 2016-2021 TIP was adopted by Resolution No. 2015-265. A copy of the 2016-2021 TIP amendments accompanies this agenda bill.

Projects on the adopted City TIP are eligible to receive Federal and State transportation funding. Because road preservation is on the adopted Six-Year TIP it is eligible to pursue grant funding through the TIB 2015 Arterial Preservation program. The 2015 TIP includes \$1,300,000 for the Milwaukee Boulevard Improvements, from Ellingson Road to 5th Avenue South. This includes a city match of \$222,000.

Under RCW 36.70A.120, the City is required to perform its activities and make capital budget decisions in conformity with its comprehensive plan. The City's adopted capital facilities plan (CFP) shows that the City has budgeted \$850,000 in 2012-2013. The loss of a past Federal Grant has postponed the project. The proposed project is a portion of the full CFP project.

Summary: City staff recommends that the City submit an Urban Arterial Grant request for funds to repair and improve the Milwaukee Boulevard corridor between 3rd Avenue South and 5th Avenue South in the amount of \$480,440, with the City providing matching funds of \$86,632. There are two segments listed in the application: Butte Avenue to Pacific Avenue and Interurban Trail to Chicago Boulevard.

Recommendation/Action: Staff recommends Council approve Resolution No. 2015-279.

Motion for Consideration: Move to approve Resolution No. 2015-279, A RESOLUTION OF THE CITY OF PACIFIC, WASHINGTON, AUTHORIZING THE SUBMITTAL OF THE TRANSPORTATION IMPROVEMENT BOARD GRANT APPLICATION FOR MILWAUKEE BOULEVARD IMPROVEMENTS.

Budget Impact: The project cost to complete the construction is approximately \$542,072. The local match funded by Pacific (\$86,632 from storm and street funds).

Alternatives: Deny this application and either not submit to TIB or prepare a new application for a different project.

**CITY OF PACIFIC
WASHINGTON**

RESOLUTION NO. 2015-280

**A RESOLUTION OF A RESOLUTION OF THE CITY OF PACIFIC, WASHINGTON,
AUTHORIZING THE SUBMITTAL OF THE TRANSPORTATION IMPROVEMENT
BOARD GRANT APPLICATION FOR MILWAUKEE BOULEVARD
IMPROVEMENTS**

WHEREAS the Transportation Improvement Board (TIB) is accepting applications for their FY 2015 grant programs; and

WHEREAS Staff proposes to submit one (1) grant application for the Urban Arterial Program (UAP) to construct improvements including: pavement, sidewalks and ADA curb ramps at various locations on Milwaukee Boulevard from 3rd Avenue South to 5th Avenue South; and

WHEREAS the estimated costs of the proposed projects are:

<u>TIB Urban Sidewalk Program - Milwaukee</u>	
Project Cost:	\$ 500,000
TIB Ask:	\$ 450,000
City Match:	\$ 50,000

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PACIFIC,
WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. The Pacific City Council hereby authorizes the City staff to submit a grant applications to the Transportation Improvement Board (TIB) for consideration of funding of the project proposals known as the Urban Arterial Program (UAP) – Milwaukee Boulevard.

Section 2. This Resolution shall take effect and be in full force upon passage and signatures hereon.

CITY OF PACIFIC

LEANNE GUIER, MAYOR

ATTEST/AUTHENTICATED:

AMY STEVENSON-NESS, CITY CLERK

APPROVED AS TO FORM:

CAROL MORRIS, CITY ATTORNEY

PROJECT FUNDING

Are TIB funds distributed proportionally through the project phases? YES Max TIB Ratio **90.0%**

Fill out total costs in F36 to F40. Do not fill in TIB Funds

Enter the Total Project Costs to the nearest dollar in cells F36 to F40

	Phase	Total Cost	TIB Funds	Local Funds
Design Phase	Design Engineering	25,000	No TIB Funds	25,000
	Right of Way		No TIB Funds	
Construction Phase	Construction Engineering	63,250	56,059	7,191
	Construction Other	2,500	2,216	284
	Construction Contract	476,322	422,166	54,156
	TOTAL CONSTRUCTION PHASE	542,072	480,440	61,632
NONELIGIBLE ENGINEERING Engineering exceeding 20% of eligible construction costs is not eligible for TIB reimbursement				0
OTHER NONELIGIBLE COSTS (for example, landscaping greater than 5% of eligible construction costs, new utilities)				0
TOTAL ELIGIBLE COST				542,072
TIB MATCHING RATIO Total TIB Funds/Total Eligible Construction Costs				89%
TIB SCORING RATIO Total TIB Funds/Total Project Cost. Used to calculate overmatch points in Constructability				85%

FUNDING PARTNERS

Source	Public or Private	Commitment Letter or Status	Amount
PACIFIC	Public		86,632
TOTAL			86,632
Funding partners total should equal \$86,632			

Are you seeking other funding for the project? NO

If yes, list other funding being sought: _____

APPLICATION ATTACHMENTS

Include the following attachments with **all** applications

- Excerpt from adopted Six-Year Transportation Improvement Program showing project
- Detailed vicinity map clearly showing project limits
- Detailed project cost estimate signed by a professional engineer registered in Washington State
- Typical roadway section(s)
- Funding commitment letters from all funding partners Number Attached _____
- Crash Analysis worksheet [Link to Request Crash Data from WSDOT](#)
- ~~Intersection configuration worksheet~~
- Excerpt from current agency Comprehensive Plan defining agency CBD & Urban Activity Center(s)
- Written concurrence from WSDOT if project is on or connects to a state highway
- Adopted Bicycle Plan if project includes bicycle facilities
- ~~Development map showing economic development site(s)~~
- ~~Excerpt from current agency Comprehensive Plan defining the economic development project~~
- ~~Bridge sufficiency rating report~~
- Department of Archaeology & Historic Preservation (DAHP) documentation, if completed

CERTIFICATION

Certification is hereby given that the information provided is accurate and the applicable attachments are complete and included as part of the application package

Agency Official Signature

Date Signed

Leanne Guier, Mayor
Printed or Typed Name & Title

PROJECT DESCRIPTION

Describe the existing conditions

The pavement condition is fair, but may soon be damaged beyond preservation. There is inadequate safe pedestrian access from 5th Avenue South to the Civic Center of Pacific (City Hall, Senior Center, Community Center, and small grocery store) at 3rd Avenue SW. Pedestrian use the street as their walking route. Additionally, this is the proposed route for children to walk to the elementary school at the intersection of Milwaukee and Ellingson. The current storm drainage system is incomplete and creates large areas of ponding on the sides of the road.

Describe the proposed improvements

The project will construct approximately 1,200 feet of curb, gutter, and sidewalk between 3rd Avenue SW and 5th Avenue SW. The proposed improvements are the construction of sidewalks to complete the gap between 3rd Avenue SW and 5th Avenue SW on the westerly and easterly sides of the road, where required. In addition, new ADA ramps will be provided.

Describe the project benefits and its impact on the community

This project will provide a safe pedestrian route to the Civic Center and the elementary school for the residents of more than 300 housing units. This project connects the same individuals with safe pedestrian corridor (3rd Avenue SW) to the interurban trail and AIPac Elementary School. In addition, the project will provide stormwater treatment for surface water run-off from Milwaukee Boulevard.

UTILITY CONDITION

Fill in for each utility present or being installed. Fill in row 96 for any others.

Type	Age (years)	Condition	Treatment	Notes (materials, funding, coordination, etc)
Sewer	31 or older	Good	None	The existing sement will be video taped to verify the adequacy of the line. If required, the main will be slipped lined using utility funds.
Storm Drainage	Unknown	Fair	Replace	The existitng drainage system is comprised of ditches, catch basins, and culverts. These will be replaced with new catch basins and ductile iron pipe.
Water	31 or older	Fair	Replace	The City enterprise fund will be used to replace old A/C mains with ductile iron. Some sections have already been replaced.
Power, phone, and cable	Unknown	Good	Replace	Some poles will be reloacted and the utilities adjusted accordingly.

ROADWAY GEOMETRICS & FEATURES

Fill out the segment details below and intersection details in rows 145 to 155

Significant difference in cross section or ADT constitute a new segment. Additional segments can be added on the "Additional Segments" tab. If the project is an intersection only, skip this section

	SEGMENT ONE		SEGMENT TWO	
	Existing	Proposed	Existing	Proposed
Segment Termini	3rd Ave S to 5th Ave S			
Length (in feet)	1,320			
Average Daily Traffic Volume	3,487			
Pavement Width Curb to Curb or Edge to Edge	18 feet	28 feet		
Number of General Purpose Lanes Do not include Transit/HOV or Continuous Lt Turn Lane	2 lanes	2 lanes		
Number of HOV/Transit Lanes Do not include Continuous Left Turn Lane	0 lanes	0 lanes		
Continuous Left Turn Lane Width	0 feet	0 feet		
Is there a median?	No	No		
Shoulder or Parking Width Enter average width (feet) per side	8 feet	8 feet		
Shoulder or Parking Placement	Intermittent	Intermittent		
Shoulder or Parking Surfacing	Unsurfaced	Surfaced		
Parking Type	Parallel	Parallel		
Percentage of the segment that has on street parking (e.g. parking one side is 50%)	50%	75%		
Curb Placement	None	Both Sides		
Bicycle Lane Type	No Bicycle Facilities	No Bicycle Facilities		
Bicycle Lane Width	0 feet	0 feet		
Pedestrian Buffer Width between Curb and Sidewalk	0 feet	0 feet		
Sidewalk Placement	Intermittent	Both Sides		
Sidewalk Width ¹	4 feet	5 feet		

¹ Sidewalk with curb or physical separation on both sides is required by TIB policy
 Minimum width is **five feet** with **no** obstructions
*Please attach justification if the sidewalk does **not** meet these standards*

Segment Termini	SEGMENT ONE (cont'd)		SEGMENT TWO (cont'd)	
	3rd Ave S to 5th Ave S			
	Existing	Proposed	Existing	Proposed
Segment meets ADA standards	No	Yes		
Is there any street lighting present?	Yes	Yes		
How many major driveways (serves more than 50 parking spaces) are present?	0	0		
How many minor driveways (serves less than 50 parking spaces) are present?	14	14		
How many fixed objects are present?	16	11		
What is the average distance (in feet) from the edge of travel way to the fixed objects?	6 feet	8 feet		

Additional segments can be entered on tab 4 "Additional Segments". After printing put any additional segments into the application in order.

Crash Information

(Information automatically generated from Crash Analysis worksheet)

Multiple-vehicle driveway crashes	Fatal and Injury	0	0
	Property damage only	0	0
Multiple-vehicle nondriveway crashes	Fatal and Injury	0	0
	Property damage only	0	0
Single vehicle crashes	Fatal and Injury	0	0
	Property damage only	1	0
Pedestrian or Bicycle related crashes	Pedestrian	0	0
	Bicycle	0	0

INTERSECTION GEOMETRICS & FEATURES

Enter the existing and proposed geometrics for each intersection

	INTERSECTION ONE		INTERSECTION TWO	
	Existing	Proposed	Existing	Proposed
Intersection location	Milwaukee Boulevard and 4th Avenue South		Milwaukee Boulevard and Bent Tree Avenue	
Major Approach Average Daily Volume	3400+		3400+	
Minor Approach Average Daily Traffic Volume	100		50	
Intersection control	Stop controlled minor approaches	Stop controlled minor approaches	Stop controlled minor approaches	Stop controlled minor approaches
Intersection type	4-Leg	4-Leg	3-Leg	3-Leg
Intersection meets ADA standards	No	Yes	No	Yes
Is there intersection lighting present?	Yes	Yes	Yes	Yes
Is there a dedicated left turn lane	No	No	No	No
Is there a dedicated right turn lane	No	No	No	No
Is there protected left turn phasing?	No	No	No	No

Additional intersections can be entered on tab 3 "Additional Intersections". After printing put any additional Intersections into the application in order.

Crash Information

(Information automatically generated from Crash Analysis worksheet)

Multiple-vehicle crashes	Fatal and Injury	0	0
	Property damage only	0	0
Single vehicle crashes	Fatal and Injury	0	0
	Property damage only	0	0
Pedestrian or Bicycle related crashes	Pedestrian	0	0
	Bicycle	0	0

PROJECT DEFICIENCIES

Select Deficiency Type from the scrolling dropdown menu. Describe the existing deficiency within the project limits
Describe the corrective measure(s) that eliminates or mitigates the deficiency.

DEFICIENCY 1 SIGHT DISTANCE

Describe: The narrow road width permits vehicles to park close to the traveled way limiting visibility of pedestrians.

Corrective Measure(s) Create a wider lane width and delineate parking further from the traveled way.

DEFICIENCY 2 OBSTRUCTIONS

Describe: There are numerous mailboxes in the corridor.

Corrective Measure(s) Cluster mailboxes in areas to reduce obstructions.

DEFICIENCY 3 DRAINAGE

Describe: Current drainage infrastructure consists of a few catch basins and culverts. The system provides no water quality.

Corrective Measure(s) The proposed system will construct facilities connected to the other drainage network within the City. In addition, there will be some water quality measures added.

DEFICIENCY 4

Describe:

Corrective Measure(s)

DEFICIENCY 5

Describe:

Corrective Measure(s)

DEFICIENCY 6

Describe:

Corrective Measure(s)

DEFICIENCY 7

Describe:

Corrective Measure(s)

Provides Grade Separation between _____ and _____

MOBILITY

CONGESTION

- Project addresses congestion on the system or specific adjacent route. Please describe below

This project will remove pedestrians out of the travelled way and onto sidewalks. This will reduce the potential for vehicle - pedestrian accidents. The added lane width will increase visibility.

NETWORK DEVELOPMENT

Select the appropriate option from the following list

- Completes corridor

Enter termini of corridor being completed

*Project must meet **ALL** of the following criteria to qualify as **COMPLETES CORRIDOR***

- ▶ Project is last stage of corridor between logical limits
- ▶ Corridor is a minimum of 2 miles in length
- ▶ The entire corridor meets urban standards

- Completes gap between existing improvements

Existing improvements must meet urban standards

- Extends existing improvements

Existing improvements must meet urban standards

- Project does **not** complete or extend any existing improvements

MODAL ACCESS

Select transit facility access provided by project

One bus stop within project limits

Select non motorized path access provided by project

Access to designated paved path

Describe non motorized path access

The Interurban Trail trailhead is located on 3rd Avenue SW between Seattle Boulevard and Frontage Road. 3rd Ave SW has bike lanes and sidewalks connecting Milwaukee Boulevard to the Interurban Trail.

Select freight facility access provided by project

Mark ALL freight-carrying modes accessing the facility

- Airplane Rail Ship Truck

Enter Trucks per Day _____

Project relieves a bottleneck.

CENTRAL BUSINESS DISTRICT/URBAN ACTIVITY CENTER ACCESS

Select CBD/Urban Activity Center Access provided by project

Connects to Central Business District

Briefly describe the CBD/Activity Center access improvement

This project will provide a completed pedestrian corridor from approximately 300 single family residences to the City's Central Business District. The current area consists of the Civic Center Complex (City Hall, Municipal Court, Public Safety, Senior Center, and Community Center), a church and a small grocery store.

SIGNAL MANAGEMENT

- Project adds signal interconnect
 Project connects to Traffic Management Center (TMC)

GROWTH & DEVELOPMENT

You do not need to fill out this section, points will only be given in this section if there is a specific planned development activity.

You selected 'NO' under 'supports a specific economic development site' in cell G19

[Redacted area]

Choose the description that best describes how this project affects the **comprehensive plan**.

[Redacted area]

Choose the description that best describes the status of the **zoning** for the economic development site.

[Redacted area]

Choose the description that best describes the status of the infrastructure tied to the economic development site?

Water at development

[Redacted area]

Sewer at development

[Redacted area]

Power at development

[Redacted area]

Percent of permits issued

[Redacted area]

Describe the development agreement, if one exists:

[Redacted area]

Please provide the following information regarding the ECONOMIC DEVELOPMENT SITE this project supports

Number of dwelling units

[Redacted area]

Total development site acreage

[Redacted area]

Number of jobs created

[Redacted area]

Commercial building square footage

[Redacted area]

Development Type

[Redacted area]

Choose the description that best describes where the economic **development site is located**.

[Redacted area]

Choose the description that best describes the **proximity** of the project to the economic development site.

[Redacted area]

PHYSICAL CONDITION

Does the project fix any of the following issues?

Bridges No If yes, briefly describe:

Bridge Sufficiency Rating

Walls No If yes, briefly describe:

Stormwater conveyance Yes If yes, briefly describe: The current system consists of a few catch basins and culverts. The complete project will add additional collection and conveyance components, as well as water quality features.

Culverts Yes, Poor Condition If yes, briefly describe:

Slope Stability No If yes, briefly describe:

Select Truck Route Classification from dropdown list: [Link to Freight and Goods Map](#)
 Not a TRUCK ROUTE

Number of peak hour buses 2

SUSTAINABILITY

MODAL MEASURES

Select modal measures within the project limits

- Completes gap in HOV system Enter Gap Location _____
- Adds HOV lanes in each direction
- Adds Queue Jump or Transit Only Lane Enter Location(s) _____

Bicycle Facility

Select option that applies _____

ENVIRONMENTAL MEASURES

Select environmental measures within the project limits

- Agency has Adopted Greenhouse Gas Emissions Policy
Enter Policy Number Res. 959 Adoption Date June 28, 2010
- Incorporates low impact drainage or enhanced treatment stormwater controls
- No permanent irrigation or use of non-potable water for irrigation

Describe the measures below:

- Incorporates Hardscaping or native planting

Describe the measures below:

Will project remove all fish barriers within project limits? _____ No

Describe fish barrier work to be done and any additional funding given specifically for the fish barrier.

- Project enhances stream bank condition

Describe any stream bank enhancement.

- Project restores existing impacted sensitive area(s)

Describe the restoration effort.

ENERGY MEASURES

Select energy measures within the project limits

- Replace or install Low Energy Lighting
- Add Solar-powered Signage

Describe the measures below

RECYCLING MEASURES

- In-place pavement recycling or structural retrofit

Describe the measures below

CONSTRUCTION READINESS

Describe where in the process the project is for each component at the time of application

Plans, specs, estimate percent complete	90%
Permits	Submitted
Right of way	None needed
Cultural resources	DAHP Response received
Sensitive areas	No sensitive areas
Utilities	Utility work needed and fully funded
Are federal permits required for this project?	No

ACCELERATED CONSTRUCTION METHODS

- Road will be closed during construction

Describe below any other accelerated construction methods that will be used.

GROWTH MANAGEMENT INFORMATION

Complete the questions below to address Land Use Implications as directed by Revised Code of Washington (RCW) 47.26.282.

Describe how the project supports or revitalizes existing urban development in the downtown

Describe how the project includes or encourages infill/densification of residential or commercial development consistent with your local comprehensive plan?

Describe how the project promotes the use of transit and other multimodal transportation

The completion of the sidewalk will provide a safe pedestrian corridor to the bus stops located near the intersection of Milwaukee Boulevard and 3rd Avenue South for the stakeholders south of 3rd Avenue.

Indicate the project's multimodal transportation components

Mark ALL existing or planned components

- Sidewalk Bicycle Lanes HOV Lanes Access to Transit Center or Passenger Terminal
- Other - Explain in space below

Transportation Improvement Board (TIB)

Growth Management Information

Funding Program	Urban Arterial Program (UAP)
Agency Name	PACIFIC
Project Name	Milwaukee Boulevard ~ 3rd Avenue South to 5th Avenue South
Project Intent	This project will provide a safe pedestrian route to the Civic Center and the elementary school for the residents of more than 300 housing units. This project connects the same individuals with safe pedestrian corridor (3rd Avenue SW) to the interurban trail and AIPac Elementary School. In addition, the project will provide stormwater treatment for surface water run-off from Milwaukee Boulevard.

Describe how the project supports or revitalizes existing urban development in the downtown

Describe how the project promotes the use of transit and other multimodal transportation

The completion of the sidewalk will provide a safe pedestrian corridor to the bus stops located near the intersection of Milwaukee Boulevard and 3rd Avenue South for the stakeholders south of 3rd Avenue.

The project adds the following multimodal components:

Sidewalk

Access to Transit Center or Passenger Terminal

Other Multimodal Components:

Six Year Transportation Improvement Program From 2016 to 2021

Agency: Pacific

County: King

MPO/RTPO: PSRC

Y Inside

N Outside

Functional Class	Priority Number	A. PIN/Project No. C. Project Title D. Road Name or Number E. Begin & End Termini F. Project Description	B. STIP ID G. Structure ID	Hearing	Adopted	Amendment	Resolution No.	Improvement Type	Utility Codes	Total Length	Environmental Type	RW Required
16		Milwaukee Boulevard Rehabilitation & Intersection Ellingson Road to 5th Avenue South Road rehabilitation and sidewalk improvements. Intersection improvements at Milwaukee Blvd & Ellingson Rd intersection. Widen intersection to include dedicated left and right turn lanes, including signal modifications.	WA-05650	06/22/15	07/13/15			03	C G P S T W	0.700	EA	Yes

Funding								
Status	Phase	Phase Start Year (YYYY)	Federal Fund Code	Federal Funds	State Fund Code	State Funds	Local Funds	Total Funds
P	PE	2016	STP	40,000		0	10,000	50,000
P	RW	2016		0		0	50,000	50,000
P	CN	2017	STP	1,038,000		0	162,000	1,200,000
Totals				1,078,000		0	222,000	1,300,000

Expenditure Schedule					
Phase	1st	2nd	3rd	4th	5th & 6th
PE	25,000	25,000	0	0	0
RW	50,000	0	0	0	0
CN	0	600,000	600,000	0	0
Totals	75,000	625,000	600,000	0	0



Vicinity Map
City of Pacific
Milwaukee Boulevard Improvements

100 3rd Avenue Southeast
 Pacific, WA 98047
 jmorgan@ci.pacific.wa.us



Phone: (253)929-1110
 Fax: (253)887-9910

Preliminary Cost Estimate Worksheet

Project: **Milwaukee Boulevard Widening and Overlay**

Date: 27-Feb-08

By: JJM

Item Number	Spec. Sec.	Description	Bid Qty	Units	Unit Price	Total Bid Amount
1	1-04	Minor Changes	1	LS	\$ 10,000.00	\$ 10,000.00
2	1-05	Roadway Surveying	1	LS	\$ 5,000.00	\$ 5,000.00
3	1-07	Warantee Defect Bond	1	LS	\$ 500.00	\$ 500.00
4	1-09	Mobilization	1	LS	\$ 40,000.00	\$ 40,000.00
5	1-10	Temp Traffic Control	1	LS	\$ 10,000.00	\$ 10,000.00
6	2	Asphalt Concrete Removal	500	SY	\$ 9.00	\$ 4,500.00
7	2	Concrete Sidewalk Removal	275	SY	\$ 10.00	\$ 2,750.00
8	2	Concrete Curb and Gutter Removal	500	LF	\$ 5.00	\$ 2,500.00
	2	Storm Pipe Removal	400	LF	\$ 1.00	\$ 400.00
9	4	CSBC	200	TN	\$ 24.00	\$ 4,800.00
10	4	CSTC	200	TN	\$ 25.00	\$ 5,000.00
11	4	Shoulder Ballast	200	TN	\$ 20.00	\$ 4,000.00
12	5-04	Asphalt Pavement Planing	3,200	SY	\$ 7.00	\$ 22,400.00
13	5-04	HMA Overlay	700	TN	\$ 85.00	\$ 59,500.00
14	5-04	HMA for Repair and Widening	200	TN	\$ 125.00	\$ 25,000.00
16	7-01	Storm Pipe, 12-inch Dia	938	LF	\$ 60.00	\$ 56,280.00
17		Catch Basin, Type 1	10	EA	\$ 1,375.00	\$ 13,750.00
18	7-05	Catch Basin Adjustment	8	EA	\$ 350.00	\$ 2,800.00
19	7-05	Water Valve Adjustment	6	EA	\$ 250.00	\$ 1,500.00
20	7-17	Sewer Manhole Adjustment	4	EA	\$ 350.00	\$ 1,400.00
	8	Inlet Protection	10	EA	\$ 100.00	\$ 1,000.00
21	8	Concrete Sidewalk	1,230	SY	\$ 41.00	\$ 50,430.00
22	8	Concrete Curb and Gutter	2,500	LF	\$ 16.50	\$ 41,250.00
22	8	Driveway Approach	160	SY	\$ 73.00	\$ 11,680.00
		Curb Ramp	11	EA	\$ 1,200.00	\$ 13,200.00
23	8-09	Raised Pavement Markers	1	LS	\$ 500.00	\$ 500.00
24	8-22	Stop Bar	80	LF	\$ 10.00	\$ 800.00
25	8-22	Striping (4-inch)	11,700	LF	\$ 0.35	\$ 4,095.00
26	8-22	Crosswalk Striping	462	SF	\$ 9.00	\$ 4,158.00
27	8-22	Landscape Restoration	1	LS	\$ 15,000.00	\$ 15,000.00

Subtotal (Sum of Items 1 thru 27) \$ 414,193.00

Revenue Rule 171

Final Construction Total **\$ 414,193.00**

Contingency - 15% \$62,128.95

Engineering \$ 20,000.00

Inspection \$ 55,000.00

Permits \$ 2,500.00

Project Cost **\$ 553,821.95**

TIB Ask \$ 480,440

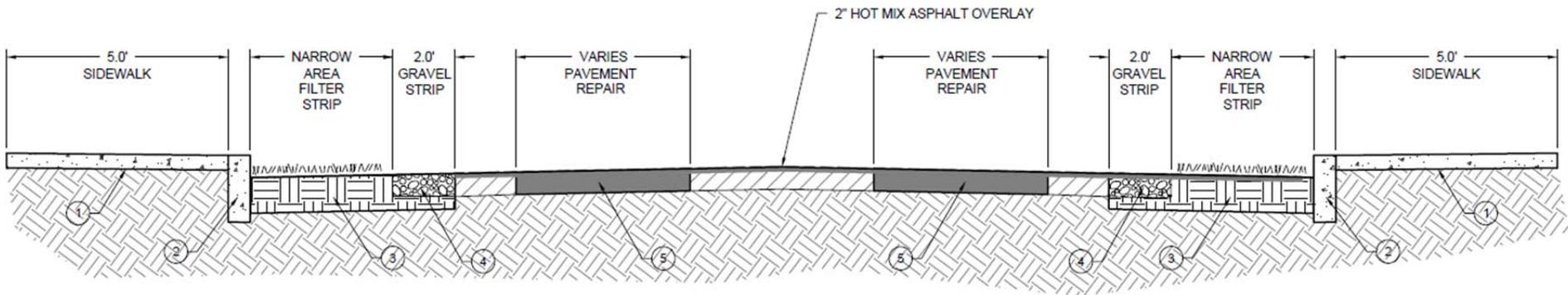
City Match \$ 73,382

This is to certify that the above cost estimate for and by the City of Pacific is based on bid tabs and engineering judgement.

Respectfully submitted,
 City of Pacific

James J. Morgan, P.E.

Date



TYPICAL ROADWAY CROSS SECTION

NOT TO SCALE

1

KEYNOTES

- ① CONCRETE SIDEWALK PER WSDOT STD PLAN F-30.10-02
- ② CONCRETE TRAFFIC CURB PER WSDOT STD PLAN F-10.12-02
- ③ NARROW AREA FILTER STRIP PER DETAIL 
- ④ 6" PERMEABLE BALLAST PER WSDOT 9-03.9(2)
- ⑤ HMA PAVEMENT REPAIR PER DETAIL 
- ⑥ ROUNDABOUT TRUCK APRON CEMENT CONC. CURB & GUTTER

TIB Urban Crash Analysis Worksheet

for Urban Arterial Program (UAP)

Agency **PACIFIC**

Project Name Milwaukee Boulevard - 3rd Avenue South to 5th Avenue South

INSTRUCTIONS

- ♦ Fill out the roadway geometrics and features (segments and intersections) information on application first
- ♦ Use crash data from the three most current years
- ♦ Fill out one line per crash
- ♦ Enter the location from the dropdown the appropriate intersection or segment where the crash occurred
- ♦ Specify if it is a Property Damage Only (PDO) crash or the number of Injuries and Fatalities for each crash
- ♦ Enter the number of Vehicles involved
- ♦ Enter the Primary Countermeasure to eliminate or mitigate the crash

Select Crash Location (Choose from intersections and segments identified in application)	Select Crash Type	Is this a PDO crash?	Enter Number of Injuries	Enter Number of Fatalities	Number of Vehicles involved	Enter Primary Countermeasure
Segment 1:3rd Ave S to 5th Ave S	Vehicle non-driveway	yes	0	0	1	

Fish and Wildlife Habitat Area: These areas are identified as being of critical importance to the maintenance of fish, wildlife, and plant species. The principal Fish and Wildlife Habitat areas within the Pacific planning area are the White/Stuck River floodplain and its associated stream reaches and riverine wetlands, Trout Lake and its associated wetlands, and the steep wooded slopes that form the west wall of the valley floor.

Flood Hazard Areas: These lands within a floodplain are subject to a one percent or greater chance of flooding in any given year. The floodplain consists of two components: the floodway, and the flood fringe.

The floodway is that portion of the floodplain which is subject to inundation by deep and fast moving waters. Development within the floodway is prohibited since these waters have the potential to displace structures.

The flood fringe is that portion of the floodplain outside the floodway which is subject to inundation by relatively slow-moving waters, generally known as the base flood or 100-year flood (one percent chance per year). The White/Stuck River flood fringe is Pacific's principle aquifer recharge area.

Although development within the flood fringe does not pose near the hazard as in the floodway, it is still generally unsuitable for most structural development. In some cases, development might be suitably mitigated to limit structural improvements to higher ground portions of a parcel. There are currently numerous commercial and residential structures within the White River flood fringe.

Wetlands: The GMA defines wetlands as "areas that are inundated or saturated by surface water or ground water at a frequency and duration sufficient to support, and that under normal circumstances do support, a prevalence of vegetation typically adapted for life in saturated soil conditions. Wetlands generally include swamps, marshes, bogs, and similar areas." Artificial wetlands intentionally created for non-wetland sites, such as irrigation and drainage ditches, grass-lined swales, canals, detention facilities, and landscape amenities are not considered to be wetlands. However, wetlands

may include "artificial wetlands intentionally created from non-wetland areas created to mitigate conversion of wetlands, if permitted by the county or city."

Trout Lake and its associated wetlands are bounded by an established single-family residential neighborhood. Less significant wetlands throughout the planning area, that are isolated from the waters of the river and lake systems, may support fish and wildlife habitat.

Geologically Hazardous Areas:

Geologically Hazardous Areas are defined by the GMA as "areas that because of their susceptibility to erosion, landslide, earthquake, or other geologic event, are not suited to the siting of commercial, residential, or industrial development, consistent with public health or safety concerns."

Generally, these are areas in which there is a possibility that a certain type of potentially destructive geologic activity will take place. The geologic hazards likely to impact the Pacific planning area are erosion, landslide, seismic, and volcanic. Specific areas such as the steep hillsides located west of West Valley Highway may be subject to geologic events such as mass wasting (slope failure), debris flows, rock falls, or differential settlement. Steep terrain is a principle component of each of these hazards.

The Natural Environment chapter discusses geologically hazardous areas, including Erosion, Landslide, Seismic, Steep Slopes, Volcanic, Aquifer Recharge and Flood hazard areas.

2.2 Land Use Classifications

Residential Land Use

This category includes all land used for residential purposes, including single family dwellings, multiple-family dwellings, mobile homes, and public uses such as schools, parks, and churches that support residential uses. For a more detailed description of residential land use, see the Housing element.

Total Residential Land Use: The City of Pacific has over 50% of its total land area in residential uses.

Number of Dwelling Units by Type: The King County portion of Pacific had 2,025 housing units in 2000. These included 767 multiple-family units, 1,160 single family homes and 170 mobile homes. The Pierce County portion of the City contained 145 residents in the same year, but residential uses are being phased out in that area.

Low and Medium Density Residential Land Use: Approximately 660 acres, or 43% of all land, and 93% of all residentially zoned land is developed at an average density of four to five dwelling units per acre in Pacific. Single-family land uses are concentrated in the King County portion of Pacific, and Low Density Residential is limited to the West Hill area. Existing residences in the Pierce County portion of Pacific will persist for a time as a nonconforming use, and will eventually be replaced by industrial, commercial, and office park uses.

High Density and High Density (Limited) Residential Land Use: There are 137 acres of multiple-family zoned land in Pacific (9% of all land, and 21% of all residentially zoned land).

High Density Residential land use is concentrated in the northeast area of Pacific, primarily along Ellingson Road. Small areas of High Density (Limited to duplexes and triplexes) Residential exist adjacent to this area and near SR 167 to the west and southwest within King County.

Build-Out Potential: The City has potential for additional residential development within the existing incorporated land area. The actual calculation of the City's capacity once completely developed is presented in the analysis in Section 2.3.

Commercial Land Use

This category includes all land used for retail and wholesale trade, offices, hotels and motels, restaurants, service outlets, automobile service stations, and repair facilities.

Neighborhood Business: This is low intensity land use including scattered neighborhood businesses such as convenience stores and

service stations. A developing commercial node could expand into a city center at the intersection of 3rd Avenue S.E. and Milwaukee Boulevard.

“Neighborhood Center” is a zoning overlay designation that applies to all property generally within 800 feet of the center of this intersection and fronting on either 3rd Avenue S. or Milwaukee Boulevard S. The City Hall complex, which includes the City Offices and Municipal Court, Community Center/Gymnasium, Senior Center, and Volunteer Park Ballfield are located on the southeast corner. A neighborhood grocery is located on the southwest corner. Along 3rd Avenue S.E., to the southeast of the City Hall and Senior Center is a recently completed senior housing complex. A church, gift shop and post office, and the Fire and Police Station are on the north side of 3rd Avenue S.E.

As an overlay district, it is not intended to replace the underlying residential, commercial or other zoning district, and it is specifically not intended to create any new nonconforming uses. Rather it is an alternative land use regulatory scheme that will allow a mix of low intensity commercial uses along with the primarily single family uses. Other than single family residential, the NC Overlay will allow multiple family above first floor non residential uses.

Commercial-Residential Mixed Use: This is a mix of moderate intensity land uses envisioned for areas well served by arterials and with some service by transit. The commercial residential mixed use district is intended to allow and encourage a compatible mix of commercial, retail, service and residential uses in compact, attractive developments within areas currently designated by the Comprehensive Plan and by the zoning for commercial uses only. The purpose of allowing mixing of residential uses with commercial uses is to provide a market incentive for development of infill properties and to encourage development of a denser, compact, livable, and walkable community.

In addition, mixed use development can help the City meet regional housing and population projections by allowing housing in areas that previously did not allow residential uses. The Commercial Residential Mixed Use District has a height limit that allows three stories as incentive for compact, dense development. Likewise, the mixed use district regulations will allow reduced



RECEIVED
CITY OF PACIFIC
MAR 04 2011
COMMUNITY DEVELOPMENT
PUBLIC WORKS DEPARTMENT

STATE OF WASHINGTON

DEPARTMENT OF ARCHAEOLOGY & HISTORIC PRESERVATION

1063 S. Capitol Way, Suite 106 • Olympia, Washington 98501

Mailing address: PO Box 48343 • Olympia, Washington 98504-8343

(360) 586-3065 • Fax Number (360) 586-3067 • Website: www.dahp.wa.gov

March 2, 2011

Mr. James Morgan
Pacific
100 3rd Avenue SE
Pacific, WA 98047

In future correspondence please refer to:

Log: 030211-16-PI

Property: Milwaukee Blvd Sidewalk

Re: No Historic Properties Affected

Dear Mr. Morgan:

We have reviewed the materials forwarded to our office that describe the above referenced project. We find it unlikely that the project as proposed would impact important cultural resources in the project area. You may proceed without further cultural resource assessment or oversight from our department.

These comments are based on the information available at the time of this review and on behalf of the State Historic Preservation Officer in conformance with Governor's Executive Order 05-05. Should additional information become available, our assessment may be revised. We would appreciate receiving any correspondence or comments from concerned tribes or other parties concerning cultural resource issues that you receive as you consult under the requirements of EO 05-05.

Thank you for the opportunity to review and comment. If you have any questions, please contact me.

Sincerely,

Lance Wollwage, Ph.D.
Transportation Archaeologist
(360) 586-3536
lance.wollwage@dahp.wa.gov



Agenda Bill No. 15-106

TO: Mayor Guier and City Council Members
FROM: John Calkins
MEETING DATE: August 10, 2015
SUBJECT: Surplus of Police Department Property

ATTACHMENTS:

- **Resolution No. 2015-277**

Previous Council Review Date: August 3, 2015

Summary: The Police Department has replaced seven desk top computers and five monitors and needs to destroy the seven old computers and monitors. There are two Dodge Chargers that need to be surplused due to poor condition and cost to maintain.

The Police Department seized a stolen dump trailer and the Washington State Patrol has inspected it and licensed the trailer to the Pacific Police Department. The department has no use for the trailer and the money from the sale will be placed in the Police seizure fund.

The method of sale for the dump trailer and surplused cars has not been determined. Previously the methods used were a sealed bid auction done by the police department as well as sale of the surplused items at Whitey's Auction.

Recommended Action: Surplus the computers, monitors, vehicles, and dump trailer.

Motion for Consideration: "I move to. approve Resolution No. 2015-277 authorizing the surplus of the equipment listed in Exhibit A and remove it from the Police Department as the equipment has outlived its useful life and been replaced."

Budget Impact: None

Alternatives: None

**City of Pacific
Washington
RESOLUTION NO. 2015-277**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PACIFIC,
WASHINGTON AUTHORIZING THE SURPLUS OF VEHICLES AND COMPUTERS
FROM THE PACIFIC POLICE DEPARTMENT.**

WHEREAS, the Police Department purchased computers, accessories, and miscellaneous equipment as needed; and

WHEREAS, the Police Department had seized a dump trailer but there is no use for the trailer by the department; and

WHEREAS, the computers, accessories and equipment were used until such time as they were not in working condition; and

WHEREAS, the computers, accessories, and equipment have been replaced or are of no use to the City; and

WHEREAS, the Police Department has prepared an inventory of vehicles and equipment that the City of Pacific no longer has need of;

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
PACIFIC, WASHINGTON**

Section 1. The City Council hereby declares as surplus:

Description	Value	Brand	Model #	Pacific Equip #	Serial #
Police:					
2008 Dodge Charger	\$2,500			Car #81	VIN#2B3KA43H28H280155
2009 Dodge Charger	\$500			Car #82	VIN#2B3KA43T99H506567
2003 Manufactured Dump Trailer	\$3,500				VIN#WA98239981
Computer Tower		OMNIX		PUBLICSAFETY13	
Computer Tower				PAOFC3WSX	
Computer Tower				PAOFC1WSX	
Computer Tower				PADET1WSX	
Computer Tower				PALIEUT1WSX	
Computer Tower				PASPEC1WSX	
Computer Tower				PASGT2WSX	
Monitor		ViewSonic	VG930m		QC2092223374
Monitor		Dell			CN-07GPK9-74261-261-1VKL

Description	Brand	Model #	Pacific Equip #	Serial #
Monitor	ViewSonic	VE710s	Pacific 001814	P1R044900041
Monitor	ViewSonic	VE710s	Pacific 001806	P1R044301745
Monitor	ViewSonic	VE710s	Pacific 001833	P1R04470128

Section 2. The equipment shall be disposed of by the Public Safety Director in a manner most beneficial to the City of Pacific.

Section 3. This Resolution shall take effect and be in full force upon passage and signatures hereon.

PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 10th DAY OF AUGUST, 2015.

Leanne Guier, Mayor

Amy Stevenson-Ness, City Clerk

Carol Morris, City Attorney



Agenda Bill No. 15-112

TO: Mayor Guier and City Council Members
FROM: John Calkins
MEETING DATE: August 10, 2015
SUBJECT: Citizen Donation

ATTACHMENTS: **Donation Letter**
Ordinance No. 2015-1903

Previous Council Review Date: August 3, 2015

Summary: Don Kuzmer, Metals Express, has donated \$500 to spend on community events such as the Bike Rodeo and Open House.

Recommendation/Action: Accept the donation.

Motion for Consideration: "I move to accept a donation in the amount of \$500.00 from Metals Express."

Budget Impact:

Alternatives:

**CITY OF PACIFIC
WASHINGTON**

ORDINANCE NO. 2015-1903

**AN ORDINANCE OF THE CITY OF PACIFIC, WASHINGTON
ACCEPTING A DONATION OF \$500.00 FROM DON KUZMER,
METALS EXPRESS, TO SUPPORT POLICE DEPARTMENT
COMMUNITY EVENTS.**

WHEREAS, Don Kuzmer, owner of Metals Express, has offered to donate \$500 for the purpose of supporting Police Department community events such as the Bike Rodeo and Open House; and

WHEREAS, RCW 35.21.100 authorizes the City Council to accept donations by ordinance and to execute any lawful terms or conditions associated therewith; and

WHEREAS, the events cost money that is sometimes not available, and

WHEREAS, the City Council desires to accept Mr. Kuzmer's donation;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF PACIFIC,
WASHINGTON, DOES ORDAIN AS FOLLOWS:**

Section 1. Acceptance of Donation. The City Council hereby accepts the donation in the amount of \$500 from Mr. Don Kuzmer, Metals Express.

Section 2. This ordinance shall take effect five (5) days after publication of a summary consisting of the title.

**ADOPTED BY THE CITY COUNCIL AT A REGULARLY SCHEDULED MEETING
THEREOF ON THE 10th DAY OF AUGUST, 2015.**

CITY OF PACIFIC

Leanne Guier, Mayor

Amy Stevenson-Ness, City Clerk

Approved to as form:

Carol Morris, City Attorney

Agenda Bills

Agenda Item No.	<u>Consent Agenda 10A</u>	Meeting Date:	<u>August 10, 2015</u>
Subject:	<u>Claim Voucher & Payroll Approval</u>	Prepared by:	<u>Richard Gould Finance Director</u>

Summary:

Approval of Payroll for the period of July 16, 2015 through July 31, 2015; Claims Vouchers for July 28, 2015 through August 10, 2015.

Payroll Auto Deposit	\$	75,765.95
Payroll Checks #4896 – 4897 (Payroll Ch# 4895 replaced lost Ch# 4892)		1,448.50
EFT'S		\$72,120.51
<hr/>		
Claim Checks 45442 – 45504		\$205,691.34
<hr/>		
Total Expenditures	\$	<u>\$355,026.30</u>

Recommendation: Approval of payment for Payroll and Claims

Motion: move to approve the Consent Agenda including approval of Payroll and Claims Vouchers.

Attachments:

Check Registers and Payroll Expense itemization.

CHECK REGISTER

City Of Pacific
MCAG #: 0423

07/28/2015 To: 08/10/2015

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
4654	08/05/2015	Payroll	1	EFT		176.75	July 16 - 31 Payroll
4655	08/05/2015	Payroll	1	EFT		2,747.55	July 16 - 31 Payroll
4656	08/05/2015	Payroll	1	EFT		2,164.34	July 16 - 31 Payroll
4657	08/05/2015	Payroll	1	EFT		4,054.11	July 16 - 31 Payroll
4658	08/05/2015	Payroll	1	EFT		2,192.15	July 16 - 31 Payroll
4659	08/05/2015	Payroll	1	EFT		2,149.73	July 16 - 31 Payroll
4661	08/05/2015	Payroll	1	EFT		1,230.43	July 16 - 31 Payroll
4662	08/05/2015	Payroll	1	EFT		2,474.80	July 16 - 31 Payroll
4663	08/05/2015	Payroll	1	EFT		92.08	July 16 - 31 Payroll
4664	08/05/2015	Payroll	1	EFT		3,192.58	July 16 - 31 Payroll
4665	08/05/2015	Payroll	1	EFT		318.14	July 16 - 31 Payroll
4666	08/05/2015	Payroll	1	EFT		970.02	July 16 - 31 Payroll
4667	08/05/2015	Payroll	1	EFT		1,078.39	July 16 - 31 Payroll
4668	08/05/2015	Payroll	1	EFT		2,499.81	July 16 - 31 Payroll
4669	08/05/2015	Payroll	1	EFT		46.04	July 16 - 31 Payroll
4670	08/05/2015	Payroll	1	EFT		92.08	July 16 - 31 Payroll
4671	08/05/2015	Payroll	1	EFT		2,238.42	July 16 - 31 Payroll
4672	08/05/2015	Payroll	1	EFT		81.68	July 16 - 31 Payroll
4673	08/05/2015	Payroll	1	EFT		205.85	July 16 - 31 Payroll
4674	08/05/2015	Payroll	1	EFT		1,386.77	July 16 - 31 Payroll
4675	08/05/2015	Payroll	1	EFT		1,436.38	July 16 - 31 Payroll
4676	08/05/2015	Payroll	1	EFT		1,279.54	July 16 - 31 Payroll
4677	08/05/2015	Payroll	1	EFT		2,826.09	July 16 - 31 Payroll
4678	08/05/2015	Payroll	1	EFT		1,623.48	July 16 - 31 Payroll
4679	08/05/2015	Payroll	1	EFT		1,017.97	July 16 - 31 Payroll
4680	08/05/2015	Payroll	1	EFT		2,400.92	July 16 - 31 Payroll
4681	08/05/2015	Payroll	1	EFT		2,554.17	July 16 - 31 Payroll
4682	08/05/2015	Payroll	1	EFT		1,277.65	July 16 - 31 Payroll
4683	08/05/2015	Payroll	1	EFT		92.08	July 16 - 31 Payroll
4684	08/05/2015	Payroll	1	EFT		497.42	July 16 - 31 Payroll
4685	08/05/2015	Payroll	1	EFT		1,859.69	July 16 - 31 Payroll
4686	08/05/2015	Payroll	1	EFT		1,716.89	July 16 - 31 Payroll
4687	08/05/2015	Payroll	1	EFT		1,523.11	July 16 - 31 Payroll
4688	08/05/2015	Payroll	1	EFT		1,929.85	July 16 - 31 Payroll
4689	08/05/2015	Payroll	1	EFT		1,038.76	July 16 - 31 Payroll
4690	08/05/2015	Payroll	1	EFT		8,626.41	July 16 - 31 Payroll
4691	08/05/2015	Payroll	1	EFT		1,551.69	July 16 - 31 Payroll
4693	08/05/2015	Payroll	1	EFT		2,125.74	July 16 - 31 Payroll
4694	08/05/2015	Payroll	1	EFT		1,840.68	July 16 - 31 Payroll
4695	08/05/2015	Payroll	1	EFT		1,123.81	July 16 - 31 Payroll
4696	08/05/2015	Payroll	1	EFT		1,533.52	July 16 - 31 Payroll
4697	08/05/2015	Payroll	1	EFT		92.08	July 16 - 31 Payroll
4698	08/05/2015	Payroll	1	EFT		2,207.19	July 16 - 31 Payroll
4699	08/05/2015	Payroll	1	EFT		1,303.87	July 16 - 31 Payroll
4700	08/05/2015	Payroll	1	EFT		1,401.26	July 16 - 31 Payroll
4701	08/05/2015	Payroll	1	EFT		1,493.98	July 16 - 31 Payroll
4705	08/05/2015	Payroll	1	EFT	AFLAC	719.30	07/20/2015 To 08/05/2015 - AFLAC ACC Pre; 07/20/2015 To 08/05/2015 - AFLAC CAN Pre; 07/20/2015 To 08/05/2015 - AFLAC STD Post; 07/20/2015 To 08/05/2015 - AFLAC PSI Pre; 07/20/2015 To 08/05/2015 - AFL
4706	08/05/2015	Payroll	1	EFT	INTERNAL REVENUE SERVICE	31,510.52	941 Deposit For 08/05/2015 - 08/05/2015

CHECK REGISTER

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
4707	08/05/2015	Payroll	1	EFT	ASSOC OF WASHINGTON CITIES	9,517.95	07/20/2015 To 08/05/2015 - Medical - Directors
4793	08/06/2015	Payroll	1	EFT	WA ST DEPT RETIREMENT SYSTEM	625.00	08/05/2015 To 08/05/2015 - DCP - DRS
4794	08/06/2015	Payroll	1	EFT	WA STATE SUPPORT REGISTRY	229.00	08/05/2015 To 08/05/2015 - Child Support
4795	08/06/2015	Payroll	1	EFT	WA ST DEPT RETIREMENT SYSTEM	19,670.53	07/20/2015 To 08/05/2015 - PERS 2; 07/20/2015 To 08/05/2015 - PERS 3
4796	08/06/2015	Payroll	1	EFT	WA ST DEPT RETIREMENT SYSTEM		TO BE RE-ENTERED AFTER AMOUNT IS CORRECTED
4797	08/06/2015	Payroll	1	EFT	WA ST DEPT RETIREMENT SYSTEM	9,848.21	07/20/2015 To 08/05/2015 - LEOFF 2
4660	08/05/2015	Payroll	1	4896		1,402.46	July 16 - 31 Payroll
4692	08/05/2015	Payroll	1	4897		46.04	July 16 - 31 Payroll
4508	07/28/2015	Claims	1	45442	CUSHMAN LAW OFFICES TRUST FBO WEST	10,000.00	WEST V. PACIFIC - FINAL SETTLEMENT
4708	08/05/2015	Payroll	1	45443	AMERICAN LEGAL SERVICES	57.92	07/20/2015 To 08/05/2015 - Legal Fee
4709	08/05/2015	Payroll	1	45444	TEAMSTERS LOCAL 117	2,221.80	07/20/2015 To 08/05/2015 - Union Dues; 07/20/2015 To 08/05/2015 - Initiation Fees
4710	08/04/2015	Claims	1	45445	WA ST DEPT OF LICENSING	47.75	PW: REGISTRATION/PLATES FOR NEW PW TRUCK
4732	08/10/2015	Claims	1	45446	AHBL INC	653.56	
4733	08/10/2015	Claims	1	45447	CUSTOM SECURITY ALARM CENTER	149.85	POLICE: ALARM MONITORING
4734	08/10/2015	Claims	1	45448	ALGONA COURTS	5,330.55	ALGONA COURTS JULY 2015
4735	08/10/2015	Claims	1	45449	ALPINE PRODUCTS INC	164.47	PW: PAINT
4736	08/10/2015	Claims	1	45450	AUS WEST LOCKBOX	81.34	POLICE & CITY HALL: DOOR MATS
4737	08/10/2015	Claims	1	45451	AUTO ADDITIONS, INC.	24,819.77	POLICE: NEW POLICE VEHICLE SET-UP
4738	08/10/2015	Claims	1	45452	GAIL BENNETT	495.00	JULY 2015 CIVIL SERVICE COMMISSION SECRETARY
4739	08/10/2015	Claims	1	45453	BHC CONSULTANTS, LLC	2,277.10	CD: BUILDING CODE & CONSTRUCTION COMPLIANCE SERVICES
4740	08/10/2015	Claims	1	45454	BLUMENTHAL UNIFORMS	809.37	POLICE: MISC. HOLSTERS; POLICE: R. STEPHENS; POLICE: T. CARTER
4741	08/10/2015	Claims	1	45455	BUD CLARY CHEVROLET	26,386.21	PW: NEW PW TRUCK (1 OF 2)
4742	08/10/2015	Claims	1	45456	CDW GOVERNMENT	2,103.93	FINANCE: MALWAREBYTES
4743	08/10/2015	Claims	1	45457	CENTURYLINK	1,227.55	
4744	08/10/2015	Claims	1	45458	CENTURYLINK	2.33	
4745	08/10/2015	Claims	1	45459	CHUCKALS OFFICE PRODUCTS INC	81.91	CD: STAMPS
4746	08/10/2015	Claims	1	45460	CITIES INSURANCE ASSOCIATION	1,000.00	DEDUCTIBLE REIMBURSEMENT - CITY OF PACIFIC V. CY SUN (CLAIM #38425)

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
4747	08/10/2015	Claims	1	45461	COLUMBIA BANK	3,907.11	
					CARDMEMBER SERVICE		
4748	08/10/2015	Claims	1	45462	COPIERS NORTHWEST INC	1,370.02	COPY MACHINE LEASES & EXPENSES (INVOICE #1239172, 07/30/15)
4749	08/10/2015	Claims	1	45463	DATEC INC	10,501.62	POLICE: TOUGHBOOKS FOR NEW POLICE VEHICLES
4750	08/10/2015	Claims	1	45464	FERGUSON ENTERPRISES, INC.	2,259.99	PW
4751	08/10/2015	Claims	1	45465	CITY OF FIFE	110.06	POLICE: MAIL 2015 JAIL SERVICES
4752	08/10/2015	Claims	1	45466	FIRESTONE COMPLETE AUTO CARE AUBURN	578.96	POLICE: CAR 91 MAINTENANCE/REPAIRS
4753	08/10/2015	Claims	1	45467	FORMSOURCE INC	106.83	COURT: ENVELOPES
4754	08/10/2015	Claims	1	45468	GRAINGER	400.69	PW: TRASH BAGS FOR PARKS & CITY HALL
4755	08/10/2015	Claims	1	45469	GREEN EFFECTS	350.40	PW: BACKFLOW TESTS
4756	08/10/2015	Claims	1	45470	H D FOWLER CO INC	215.07	PW: METER BOX COVER
4757	08/10/2015	Claims	1	45471	HONEY BUCKET	72.00	PW: HONEY BUCKET RENTAL
4758	08/10/2015	Claims	1	45472	HYDRAULIC INSTALL REPAIR INC	275.22	PW: MOWER REPAIRS & PARTS
4759	08/10/2015	Claims	1	45473	INTERCOM LANGUAGE SERVICES	283.13	COURT: INTERPRETER SERVICES
4760	08/10/2015	Claims	1	45474	KC FINANCE LIQUOR EXCISE	362.00	2015 Q2 LIQUOR PROFITS & EXCISE TAX
4761	08/10/2015	Claims	1	45475	KC RADIO COMMUNICATION SERVICE	265.54	POLICE: REMOTE SPEAKER MIC REPAIRS
4762	08/10/2015	Claims	1	45476	KING COUNTY DIRECTORS' ASSOC	294.60	FINANCE: OFFICE SUPPLIES; PW: OFFICE SUPPLIES
4763	08/10/2015	Claims	1	45477	LES SCHWAB TIRE CENTER	14.78	PW: VEHICLE MAINTENANCE
4764	08/10/2015	Claims	1	45478	LOWE'S COMPANIES, INC	50.97	PW: SUPPLIES
4765	08/10/2015	Claims	1	45479	EDWIN MASSEY JR	115.00	POLICE: REIMB. FOR RED STICKER PARKING VIOLATION LABELS
4766	08/10/2015	Claims	1	45480	MORRIS LAW P.C.	4,800.00	JULY 2015 CITY ATTORNEY SERVICES
4767	08/10/2015	Claims	1	45481	MOTION & FLOW CONTROL PRODUCTS, INC.	71.88	PW
4768	08/10/2015	Claims	1	45482	PETROCARD SYSTEMS INC	2,819.75	FUEL CHARGES: INV. #C964287, 07/31/15
4769	08/10/2015	Claims	1	45483	PROSECUTING ATTORNEYS OFFICE	235.54	ALGONA COURTS JULY 2015; Pacific Court July 2015
4770	08/10/2015	Claims	1	45484	PUGET SOUND ENERGY	13,819.34	
4771	08/10/2015	Claims	1	45485	PUMPTECH INC	396.49	PW: WEST CEDAR GLEN (SEWER SUPPLIES)
4772	08/10/2015	Claims	1	45486	SAM'S CLUB/GEMB	476.91	POLICE: SAM'S CLUB CREDIT CARD
4773	08/10/2015	Claims	1	45487	SAM'S CLUB	170.98	SENIOR: SUPPLIES

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
4774	08/10/2015	Claims	1	45488	SCORE	5,830.00	POLICE: FEB. 2015 OUTSIDE HEALTH SERVICES; POLICE: JUNE 2015 INMATE SERVICES
4775	08/10/2015	Claims	1	45489	CITY OF SUMNER	1,849.79	AUG. 2015 METRO ANIMAL SERVICES
4776	08/10/2015	Claims	1	45490	T M G SERVICES INC	728.45	PW: MAG DRIVE ASSEMBLY
4777	08/10/2015	Claims	1	45491	TERMINIX PROCESSING CENTER	60.23	PW: PEST CONTROL
4778	08/10/2015	Claims	1	45492	TOTAL AUTO CARE	484.46	POLICE: OIL CHANGE, REPLACE SPARK PLUGS
4779	08/10/2015	Claims	1	45493	UNIVAR USA INC	9,513.96	PW: CAUSTIC SODA
4780	08/10/2015	Claims	1	45494	VALLEY COMMUNICATIONS	1,010.68	POLICE: JULY 2015 800 MHz (44 UNITS)
4781	08/10/2015	Claims	1	45495	VERIZON WIRELESS	1,757.16	POLICE: CELL PHONE; INV. #9749722964, 07/26/15
4782	08/10/2015	Claims	1	45496	WA ST DEPT LABOR & INDUSTRIES	86.00	BOILER INSPECTIONS
4783	08/10/2015	Claims	1	45497	WA ST TREASURER	15,281.96	ALGONA COURT JULY 2015; Pacific Court July 2015
4784	08/10/2015	Claims	1	45498	WASHINGTON TRACTOR	6.84	PW: PARTS
4785	08/10/2015	Claims	1	45499	WATER MANAGEMENT LAB INC	147.00	PW: COLIFORM
4786	08/10/2015	Claims	1	45500	WELLS FARGO FINANCIAL LEASING	218.94	PW: PLOTTER
4787	08/10/2015	Claims	1	45501	KRISTA C WHITE-SWAIN	1,350.00	COURT: JULY 2015
4788	08/10/2015	Claims	1	45502	XTREME GRAPHIX, INC.	1,044.48	POLICE: GRAPHICS FOR NEW POLICE VEHICLES
4789	08/06/2015	Payroll	1	45503	NW ADMIN TRANSFER ACCOUNT	42,129.00	07/20/2015 To 08/05/2015 - Medical- Clerical Union; 07/20/2015 To 08/05/2015 - Medical - Police
4790	08/06/2015	Payroll	1	45504	WESTERN CONFERENCE OF TEAMSTERS PENSION	1,957.10	07/20/2015 To 08/05/2015 - Union Pension

001 General Fund	188,554.82
098 General Fund Equipment Reserve	36,365.87
101 Street	11,969.23
301 Roads Capital Improvements	653.56
401 Water	37,516.09
402 Sewer	16,523.13
409 Storm	14,465.97
499 Utilities Equipment Reserve	26,386.21
640 Algona Court	12,167.16
800 Payroll EE Benefit Clearing	10,424.26

<hr style="border: none; border-top: 1px solid black;"/>	Claims:	159,325.52
	355,026.30 Payroll:	195,700.78

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Trans	Date	Type	Acct #	Chk #	Claimant	Amount	Memo
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Voucher Approval

We, the undersigned Council members of the City of Pacific, do hereby certify that the Vouchers specified were reviewed and were approved for payment at the Regular Council Meeting

on: _____.

Council Member: _____

Council Member: _____

Council Member: _____

Reviewed for Accuracy

Finance Director: _____



City Council Minutes

Regular Meeting
July 13, 2015
6:30 p.m.

CALL TO ORDER/PLEDGE OF ALLEGIANCE

Mayor Guier called the regularly-scheduled meeting to order at 6:30 p.m. and led the Pledge of Allegiance.

ROLL CALL

Present: Council Members Garberding, Kave, Oliveira, Steiger, Council President Walker, Mayor Pro Tem Putnam, and Mayor Guier

Absent: Council Member Jones

Council Member Steiger moved to excused Council Member Jones. Seconded by Council Member Garberding.

Voice vote was taken and carried 6-0.

STAFF PRESENT

Public Safety Director John Calkins, Community Development Manager Jack Dodge, Public Works Manager Lance Newkirk, City Administrator Richard Gould, and City Attorney Carol Morris, City Clerk Amy Stevenson-Ness.

ADDITIONS TO/APPROVAL OF AGENDA

Mr. Calkins removed item 8E from the agenda.

The amended agenda was approved unanimously by Council.

PRESENTATION

Mrs. Glenda White, former post mistress for the post office in the City of Pacific, presented Mayor Guier with the last letter that was postmarked at the Pacific post office on May 8, 2015.

Mayor Guier presented Mrs. White with a plaque recognizing her service to the citizens of the City of Pacific and thanked her for her years of service.

EXECUTIVE SESSION

Potential litigation per RCW 42.30.110(1)(i) for 15 minutes.

At 6:40 p.m., Mayor Guier announced an executive session for Potential litigation per RCW 42.30.110(1)(i) for 15 minutes.

At 6:55 p.m., Mayor Guier extended the executive session for five minutes.

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

AUDIENCE COMMENT

Speaking before Council:

Derek Brandis, Chair of Auburn Area Chamber of Commerce	New chair of the chamber. Provided information on dates of Chamber events. Wants to make sure the City of Pacific is included in the Chamber.
Don Thomson, 416 2 nd Ave SE, Pacific	Stated Chamber sound system is bad and needs more microphones. Offered to volunteer his time to figure out what needs to be done to the sound system.
Lisa Wilson, 1145 Broadway Plaza, Tacoma McGladry's CPA firm for Murrey's	Stated her firm was hired by Murrey's to compare their proposal with Waste Management. The calculations were reviewed for accuracy and the difference calculated was a \$1.9 million savings with Murrey's.
Mark Gingrich, Murrey's/DM Disposal	Stated Pierce County businesses will receive an 18% increase when using Waste Management. Murrey's can continue to serve Pierce County businesses.

REPORTS

A. Mayor

Mayor Guier reported:

- Pacific Days was a great success. Partnerships did an amazing job with the volunteers. Thanked Darcie Thach and Joanne Futch for their hard work with the pancake breakfast and for taking part. Thanked Council Members, Oliveira, Garberding, Putnam, and Walker for participating in the parade. She will be inviting Partnerships to the July 27 meeting for recognition.

- The State budget has been approved. Money was earmarked for the City campus feasibility study. The City also received \$1.8 million for interurban trail completion. Thanked Representatives Gregory and Kochmar.

B. Finance/City Administrator

City Administrator Gould reported:

- Union negotiations will be held on July 22 with the Uniformed union. This will be the last mediation meeting before being sent to arbitration.
- Public Works/Clerical negotiations were on July 9. There is lots of ground to cover. The next meeting will be in the beginning of August and an Executive Session will be on July 27.
- Staff is working on preparing an RFP for the sound system and website.
- He attended the AWC annual conference with Mayor Guier June 24-26. He outlined key items of the conference and reported that the majority attending are city council members.

C. Court

June reports are provided with the packet.

D. Community/Senior/Youth/Services

- No report

E. Public Works Department

Public Works Manager Lance Newkirk reported:

- The Frontage Road speed limit change has been completed.
- Nuisance vegetation/tree – He is still engaged with the property owner and is trying to figure out a solution that doesn't incur more cost. He is working on a cost sharing arrangement.
- Nuisance vegetation – A citizen concern was received regarding branches/overhanging items on Ellingson. The issue was taken care of.
- As of last week, the traffic back up on Stewart was due to sewer blockage. It was noted that the contractor had paved over manhole lids. The contractor has corrected the problem.
- Gave a shout out to the Public Works crew for their support of Pacific Days. Water Manager Jim Schunke manned a booth which gives the city credit toward the NPDES. Over 71 residents stopped and asked questions at the booth.

F. Community Development Department

Community Development Manager Jack Dodge reported:

- The Growth Management Act grant for the comprehensive plan has closed out.
- The Department of Commerce and Puget Sound Regional Council have comments on transportation plan; comp plan out of date and out of compliance; will be working with state to bring up to date.
- Had submitted applications for Conservation Futures from King County. Both grant requests received recommendation for 50% grant funds.
- CFT grant for Lane Morgan property seeking short plat proceeding

G. Public Safety Department

Public Safety Director Calkins reported:

- Thought Pacific Days was outstanding with lots of citizens attending.
- Bike Auction was held. The department got rid of all bicycles. The Police Explorers were in the parade.
- The Fourth of July report was presented for review. It was approached as zero tolerance. It was the quietest 4th in Pacific in 11 years.

H. City Council Members

Council Member Steiger reminded everyone that as a common courtesy to citizens attending to meeting, to speak directly into the microphones.

I. Boards and Committees

i. Finance Committee

Council Member Kave said they will be meeting on July 23, 2015.

ii. Governance Committee

Council Member Oliveira stated the meeting on July 7, 2015, was cancelled. The next meeting will be held on August 4, 2015, at 6:30 p.m.

iii. Human Services Committee

Council Member Oliveira reported the committee participated in the pancake breakfast. The next meeting will be held on July 28, 2015, at 6:30. They will be looking at an end of summer/fall barbeque.

iv. Public Safety Committee

Council Member Garberding reported the meeting will be held on July 14 at 6:30 p.m.

v. Public Works Committee

Council Member Steiger reported a meeting was held on July 1, 2015. He reported that Ted Lee left the City of Sumner.

vi. Technology Committee

Council Member Walker reported the committee will meet on July 23, 2015, at 5:00 p.m.

vii. Park Board

Kate Hull, Park Board Chair, provided a thank you to everyone for their help with Pacific Days. The board members handed out glossy pocket trail guides that were paid for by Don Blackwell.

There will be a Park Tour on July 25 at 9:00 a.m. that will start at city hall.

viii. Planning Commission

Mr. Dodge reported:

He will be reviewing conditions of the subdivision code and discussing the sign code.

The next meeting will be on July 28th.

ix. Pierce County Regional Council (PCRC)

Mr. Newkirk stated the Transportation Committee meeting was held on July 9, 2015.

Items discussed were:

Recommend Authorizing a Change in Transportation 2040 Project Status for Sound Transit East Link Light Rail Extension and Bellevue Way HOV Lanes and Transit Priority
Recommend Approval of 2015 Rural Town Centers and Corridors Program Funding

The next meeting will be held on September 10, 2015.

x. Sound Cities Association (SCA)

Mayor Guier reported she was unable to attend in the meeting

xi. South County Area Transportation Board (SCATBd)
Mr. Newkirk stated there is nothing to report

xii. Valley Regional Fire Association (VRFA)
Council Member Walker reported the meeting will be on July 14.

OLD BUSINESS

A. Motion approving the Findings of Fact from the Solid Waste Public Hearing held on June 22, 2015.

Mr. Gould advised part of the process of selecting a solid waste carrier is for the City Council to adopt Findings of Fact regarding the RFP and selection process.

COUNCIL MEMBER KAVE MOVED to adopt the findings of fact regarding the solid waste collection request for proposal process. Seconded by Council Member Steiger.

Speaking before Council:

Don Thomson	Why a 10-year contract to lock citizens into paying for service. Being locked in, Citizens have no control.
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COUNCIL MEMBER PUTNAM MOVED to strike Item E from the findings of fact. Seconded by Council Member Oliveira.

Roll Call vote on the amendment to the motion was taken resulting as follows:

Ayes: Garberding, Kave, Oliveira, Putnam, Steiger, Walker

Nays:Kave

Absent: Jones

The motion carried 5-1.

Voice vote was taken on the amended motion. The motion carried 6-0.

B. Resolution No. 2015-271: Authorizing the execution of Amendment No. 1 to an agreement with KPG, Inc. for additional construction management services for the Stewart Road Project, in an amount not to exceed \$198,119 for a total contract not to exceed \$577,776.79.

Mr. Newkirk stated this amendment will result in continuity of service and not delay the Stewart Road project.

COUNCIL MEMBER PUTNAM MOVED to approve Resolution No. 2015-271 authorizing the execution of Amendment No. 1 to an agreement with KPG, Inc. for additional construction management services for the Stewart Road Project, in an amount not to exceed \$198,119 for a total contract not to exceed \$577,776.79. Seconded by Council Member Walker.

Roll call vote was taken resulting as follows:

Ayes: Garberding, Kave, Oliveira, Putnam, Steiger, Walker

Nays:

Absent: Jones

The motion carried 6-0.

C. Resolution No. 2015-272: Authorizing the execution of an agreement with KPG, Inc., in the amount of \$10,320, for surveying services associated with the Stewart Road Trail.

Mr. Newkirk advised this is to set boundaries to get the project further along.

COUNCIL MEMBER PUTNAM MOVED to approve Resolution No. 2015-272 authorizing the execution of an agreement with KPG, Inc. in the amount of \$10,230, for surveying services associated with the Stewart Road Trail. Seconded by Council Member Oliveira.

Roll call vote was taken resulting as follows:

Ayes: Garberding, Kave, Oliveira, Putnam, Steiger, Walker

Nays:

Absent: Jones

The motion carried 6-0.

D. Resolution No. 2015-273: Authorizing the execution of an agreement with Robinson Noble, Inc., in an amount not to exceed \$84,440.00, for engineering services for groundwater treatment and monitoring during construction at Stewart Road SE and Valentine Ave SE.

Mr. Newkirk stated this is related to the Valentine Avenue construction project. The City of Pacific will be applying for reimbursement for this project. There were underground fuel tanks and contaminated soil removed. The contract will monitor the utility phase going through Valentine and Stewart to monitor the groundwater.

COUNCIL MEMBER PUTNAM MOVED to approve Resolution No. 2015-273 authorizing the execution of an agreement with Robinson Noble, Inc., in an amount not to exceed \$84,440.00, for engineering services for groundwater treatment and monitoring during construction at Stewart Road SE and Valentine Ave SE. Seconded by Council Member Oliveira.

Roll call vote was taken resulting as follows:

Ayes: Garberding, Kave, Oliveira, Putnam, Steiger, Walker

Nays:

Absent: Jones

The motion carried 6-0.

- E. Resolution No. 2015-274:** Authorizing the execution of an Interlocal Agreement with the Cities of Sumner and Algona to participate in the Police Explorer Program.

This item was removed from the agenda.

- F. Resolution No. 2015-275:** Setting a public hearing for July 27, 2015, at approximately 6:30 p.m. to take public input regarding the proposed contract with Waste Management, Inc.

COUNCIL MEMBER PUTNAM MOVED to approve Resolution No. 2015-275 setting a public hearing for July 27, 2015, at approximately 6:30 p.m. to take public input regarding the proposed contract with Waste Management, Inc. Seconded by Council Member Kave.

Roll call vote was taken resulting as follows:

Ayes: Garberding, Kave, Oliveira, Putnam, Steiger, Walker

Nays:

Absent: Jones

The motion carried 6-0.

NEW BUSINESS

- A. Discussion:** Purpose of Governance Committee

Mayor Guier stated there was confusion as to what should go to the Governance Committee. The consensus from council was to keep the governance committee intact and to look at ordinances that are currently in place or need amendment. The was brought forward to clarify and avoid confusion.

CONSENT AGENDA

- A.** Payroll and Voucher Approval
- B.** Minutes of the workshop of June 1, and June 15, 2015, and the meeting of June 22, 2015.

COUNCIL MEMBER PUTNAM MOVED to approve the Consent Agenda. Seconded by Council Member Walker.

Voice vote was taken and carried 6-0.

ADJOURN

Being no further business, Mayor Guier adjourned the meeting at 8:04 p.m.