



# CITY OF MERCER ISLAND

## CITY COUNCIL REGULAR HYBRID MEETING

Tuesday, November 07, 2023 at 5:00 PM

### MERCER ISLAND CITY COUNCIL:

Mayor Salim Nice, Deputy Mayor David Rosenbaum,  
Councilmembers: Lisa Anderl, Jake Jacobson,  
Craig Reynolds, Wendy Weiker, and Ted Weinberg

### LOCATION & CONTACT:

Mercer Island Community & Event Center and via Zoom  
8236 SE 24th Street | Mercer Island, WA 98040  
206.275.7793 | [www.mercerisland.gov](http://www.mercerisland.gov)

We strive to create an inclusive and accessible experience. Those requiring accommodation for meetings should notify the City Clerk's Office 3 days prior to the meeting at 206.275.7793 or by emailing [cityclerk@mercerisland.gov](mailto:cityclerk@mercerisland.gov).

The hybrid meeting will be live streamed on the City Council's [YouTube Channel](#)

**Registering to Speak for Appearances:** Individuals wishing to speak live during Appearances (public comment period) or during the Public Hearing must register with the City Clerk at **206.275.7793** or [cityclerk@mercerisland.gov](mailto:cityclerk@mercerisland.gov) before 4 PM on the day of the Council meeting.

Please reference "Appearances" on your correspondence and state if you would like to speak either in person at the Mercer Island Community & Event Center or remotely using Zoom. If providing your comments using Zoom, staff will be prepared to permit temporary video access when you enter the live Council meeting. Please remember to activate the video option on your phone or computer, ensure your room is well lit, and kindly ensure that your background is appropriate for all audience ages. Screen sharing will not be permitted, but documents may be emailed to [council@mercerisland.gov](mailto:council@mercerisland.gov).

Each speaker will be allowed three (3) minutes to speak. A timer will be visible to online to speakers, City Council, and meeting participants. Please be advised that there is a time delay between the Zoom broadcast and the YouTube or Channel 21 broadcast.

**Join by Telephone at 5:00 PM (Appearances will start sometime after 5:00 PM):** To listen to the meeting via telephone, please call **253.215.8782** and enter Webinar ID **895 3002 5645** and Password **730224** if prompted.

**Join by Internet at 5:00 PM (Appearances will start sometime after 5:00 PM):** To watch the meeting over the internet via your computer, follow these steps:

- 1) Click this [link](#)
- 2) If the Zoom app is not installed on your computer, you will be prompted to download it.
- 3) If prompted for Webinar ID, enter **895 3002 5645**; Enter Password **730224**
- 4) The City Clerk will call on you by name or refer to your email address when it is your turn to speak. Please confirm that your audio works prior to participating.

**Join in person at Mercer Island Community & Event Center at 5:00 PM (Appearances will start sometime after 5:00 PM):**  
8236 SE 24<sup>th</sup> Street, Mercer Island, WA 98040

**Submitting Written Comments:** Email written comments to the City Council at [council@mercerisland.gov](mailto:council@mercerisland.gov).

## MEETING AGENDA - AMENDED

CALL TO ORDER & ROLL CALL, 5PM

PLEDGE OF ALLEGIANCE

AGENDA APPROVAL

STUDY SESSION

**1. AB 6370: Preview of the Declaration of Intent for Seeking Reimbursement for Water Infrastructure Improvements**

**Recommended Action:** Receive Report. No action necessary.

**CITY MANAGER REPORT**

**APPEARANCES**

(This is the opportunity for anyone to speak to the City Council on any item. As it is election season, however, please be reminded that state law (specifically, RCW 42.17A.555) prohibits the use of City facilities for campaign-related purposes with limited exceptions. Accordingly, please do not make campaign-related comments during this time.)

**CONSENT AGENDA**

**2. AB 6366: October 20, 2023 Payroll Certification**

**Recommended Action:** Approve the October 20, 2023 Payroll Certification in the amount of \$1,032,523.93 and authorize the Mayor to sign the certification on behalf of the entire City Council.

**3. Certification of Claims:**

**A. Check Register | 217465-217556 | 10/13/2023 | \$385,272.31**

**B. Check Register | 217557-217624 | 10/20/2023 | \$408,871.44**

**C. Check Register | 217626-217693 | 10/27/2023 | \$362,847.58**

**Recommended Action:** Certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

**4. City Council Meeting Minutes of October 17, 2023 Regular Hybrid Meeting**

**Recommended Action:** Approve the minutes of the October 3, 2023 Regular Hybrid Meeting.

**5. AB 6358: Shop Small Month, Proclamation No. 319**

**Recommended Action:** Proclaim November 2023 Shop Small Month in Mercer Island.

**6. AB 6362: Interlocal Agreement and Lease with City of Newcastle for Municipal Court Operation**

**Recommended Action:**

1. Authorize the City Manager to execute the interlocal agreement with the City of Newcastle for use of the Council Chamber for Mercer Island Municipal Court proceedings, substantially in the form attached as Exhibit 1.

2. Authorize the City Manager to execute the three-year lease with the City of Newcastle for Suite 301 in the Newcastle Professional Center located at 12835 Newcastle Way, Newcastle, Washington for Mercer Island Municipal Court administrative offices, substantially in the form attached as Exhibit 2.

3. Appropriate \$163,000 from ARPA funds for the lease costs through 163,000December 2024 and tenant and technology improvements.

**7. AB 6367: Second Reading and Adoption of Stormwater Management Program Amendments (Ord. No. 23C-14)**

**Recommended Action:** Adopt Ordinance No. 23C-14 amending stormwater management standards.

**8. AB 6368: ARCH 2024 Work Program and Budget Approval**

**Recommended Action:** Approve the ARCH 2024 Work Plan and Administrative Budget, including Mercer Island's contribution of \$76,611.

**9. AB 6371: Approve 2024 Legislative Priorities**

**Recommended Action:** Adopt the City of Mercer Island 2024 State Legislative Priorities, substantially in the form attached as Exhibit 1 to AB 6371.

## **REGULAR BUSINESS**

### **10. AB 6363: An Ordinance Amending MICC Ch. 9.50 (First Reading Ord. No. 23C-16)**

**Recommended Action:** Set Ordinance No. 23C-16 for second reading and adoption at the November 21, 2023 City Council Meeting.

### **11. AB 6365: Code Amendments Relating to City Fire Department (Ordinance. No. 23C-17, First Reading)**

**Recommended Action:** Set Ordinance No. 23C-17 for second reading and adoption at the November 21, 2023 Meeting.

### **12. AB 6354: King County Solid Waste Rate Restructure**

**Recommended Action:** Authorize the City Manager to sign Contract Amendment #1 to the 2019-2029 Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract between the City of Mercer Island and Recology King County, Inc., substantially in the form attached as Exhibit 2 to AB 6354.

## **OTHER BUSINESS**

### **13. Planning Schedule**

### **14. Councilmember Absences & Reports**

### **EXECUTIVE SESSION - Approximately 30 Minutes – Added 11/3/2023**

### **15. Pending or Potential Litigation**

Executive Session to discuss with legal counsel pending or potential litigation pursuant to RCW 42.30.110(1)(i)

## **ADJOURNMENT**



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6370**  
**November 7, 2023**  
**Study Session**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6370: Preview of the Declaration of Intent for Seeking Reimbursement for Water Infrastructure Improvements	<input checked="" type="checkbox"/> Discussion Only <input type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Receive report. No action necessary.	

<b>DEPARTMENT:</b>	Finance
<b>STAFF:</b>	Matthew Mornick, Finance Director Jason Kintner, Chief of Operations Patrick Yamashita, Deputy Public Works Director
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	n/a
<b>CITY COUNCIL PRIORITY:</b>	4. Focus efforts and actions to be an environmentally and fiscally sustainable, connected, and diverse community.

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to provide background on capital investments for the City's water distribution system, the recommendation to use bond proceeds to help pay for these critical investments, and the steps needed to extend the timeframe in which bond proceeds can be used by declaring the intent to seek reimbursement.

- The City is in a period of significant capital reinvestment as major components of the City's water distribution system reach the end of their useful life. Between 2023 and 2028, the water utility requires \$51.6 M in escalated capital spending.
- On November 21, the City Council will declare via resolution the City's intention to reimburse itself for costs incurred on qualifying water capital projects prior to the date of an upcoming bond issuance. This action is referred to as a "declaration of intent."
- Next year, the City expects to issue \$16 M of tax-exempt limited tax general obligation bonds. This declaration "starts the clock," equipping the City to use funds from, for example, a June 2024 bond issuance to pay for costs incurred on qualifying water capital projects dating back to January 2023.

Staff will present information on the water distribution system financing strategy, answer questions related to the declaration of intent, the scheduled capital investments, and the plan to pay for these investments.



Staff will return at the November 21, 2023 City Council meeting with a resolution declaring the City's intent to seek reimbursements on costs incurred prior to a bond issuance, scheduled for Q2 2024.

## BACKGROUND

### WATER UTILITY CAPITAL INVESTMENTS

In December 2022, the City Council adopted a six-year Capital Improvement Program (CIP) as part of the 2023-2024 biennial budget. The [2023-2028 CIP](#) outlines the City's strategic financial plan to acquire, expand, or rehabilitate public infrastructure, including the City-owned and operated municipal water system.

Most of the Island's water distribution system was constructed 50 to 75 years ago. Though the City has made investments to effectively operate and maintain the water utility, significant system components are reaching the end of their useful life and require escalated capital spending over the next six years.

Recent use of federal funding accelerated design work for some of the 2023-2024 adopted utility capital projects. Investments related to project management, materials, and construction on major capital improvements will be funded by both current water utility charges and outside funding sources.

Historically, the Utility Board consistently seeks to balance the many infrastructure investment needs with maintaining a similar year-over-year water utility rate adjustments so not to put an undue burden on current water utility customers. For the next six years, this approach requires using outside funding for capital projects that cost more than \$2.5 M and have a useful life, at minimum, greater than 20 years.

In October of this year, the Utility Board unanimously approved a water utility rate adjustment of 8% for fiscal year 2024. Staff and the Utility Board Chairman will provide background on this recommended rate adjustment at the November 21, 2023 City Council meeting.

This rate proposal assumes a portion of the scheduled capital projects in the 2023-2028 CIP will rely on debt proceeds that amount to \$16 M in 2024 – as well as an estimated \$8.1 M in 2025 and \$6.1 M in 2027 – to offset the more than \$51.6 M in capital reinvestments for the water utility over the next six years.

Debt financing spreads costs incurred in a relatively short period over the useful life of the updated infrastructure, avoiding spikes in annual rate adjustments, and creating generational equity, whereby generations of rate payers who benefit from these investments help pay down the associated costs.

The estimated \$16 M issuance in 2024 will provide critical funding support for the following projects:

- **Water Reservoir Improvements (WU0103)** to the south and north tanks will protect the structural integrity and create a safer working environment. Improvements include seal welding roof plates and rafters, replacing exterior ladders with spiral staircases, adding a guardrail around the tank roof perimeter, and replacing interior linings and overcoating exteriors.

Work began in Q3 2023 following material procurement and permitting. Because only one reservoir can be taken out of service at a time and restricted during high water demand season, this project will take until Q2 2025 to be completed. Total project costs are estimated at \$5.6 M in the current biennium.

- **2023 Water System Improvements (WU0130)** aims to install over 6,600 linear feet of new eight-inch ductile iron water main at six different locations on the northern portion of Mercer Island. Water services

and fire hydrants in these areas will also be replaced. Construction began this September and is scheduled for completion Q1 2024. Total project costs are estimated at \$4.7 M in the current biennium.

- **Asbestos Cement (AC) Water Main Replacements** (WU0135-WU0139) is a new ongoing program to systematically replace approximately five miles of antiquated AC water mains with ductile iron water mains from 2023-2028. The replacement program reduces the potential for catastrophic system failure, unexpected service disruptions, and large damage claims to the City.

Staggered capital reinvestment for aging water mains is being accelerated as AC water main ruptures have increased relative to prior years. Between January 2020 and October 2023, 22% of all water main breaks occurred on AC pipe. In the four years prior, there were no breaks on AC water mains.

Over the 2023-2028 CIP planning period, total project costs are estimated at \$18.7 M.

- **Pressure Reducing Valve (PRV) Station Replacements** (WU0140) is an ongoing program to systematically replace PRV stations throughout the island. Most stations are below the City's current operational standards. There is a total of 85 PRV stations in the City's water distribution system. With routine maintenance, the life span of a new PRV station is typically 50 to 60 years.

The initial design phase of the project is well underway. Design will continue through the first half of 2024. Total project costs are estimated at \$2.4 M in the current biennium, with an additional \$4.4 M between 2025-2028.

## MECHANICS OF A BOND ISSUANCE

When seeking outside funding for significant infrastructure related projects, it is common practice for public utilities to issue debt as revenue bonds. The City also has the option to issue debt as limited tax general obligations (LTGO). Staff recommends the latter option. LTGO bonds are general obligations of the City, payable from and secured by the City's full faith and credit, and other legally available sources, such as utility revenues. By issuing LTGO bonds, the City can take advantage of its LTGO credit rating which results in more competitive borrowing rates but use the revenue of the utility system to repay the debt.

The City's LTGO general obligation rating by Moody's is currently Aaa which is the highest rating category and was affirmed in May 2023. Issuing utility bonds as LTGO does impact the City's LTGO debt capacity. For cities with a considerable amount of general obligation debt, this could be an issue. This is not the case for the City of Mercer Island.

As prescribed by State statutes and the City's Financial Management Policies, based on 1.5% of the City's 2023 assessed valuation of \$22.5 B, the City's remaining available debt capacity is \$332 M. This includes the City's current outstanding general obligation debt of \$4.1 M related to the 2009 LGTO Sewer Lake Line and 2011 LTGO First Hill Water Improvements. The final payment on the Sewer Lake Line bond is scheduled for December 2029, with the First Hill balance scheduled to be paid in full by December 2030.

## ISSUE/DISCUSSION

### DECLARATION OF INTENT TO SEEK REIMBURSEMENT

At the November 21 City Council meeting, staff will seek the City Council's approval to declare via resolution the City's intention to reimburse itself for costs incurred on qualifying water capital projects prior to the date tax-exempt bonds are issued.

For rate modeling purposes, determining when to seek outside funding is based on when qualifying water infrastructure improvements are scheduled in the six-year CIP. In practice, staff closely manage cash-flow needs for capital projects against the requirement that bond proceeds be spent within three years of receipt. This three-year timeframe can prove limiting given the number and magnitude of water capital projects scheduled in the 2023-2028 CIP.

The City can reimburse itself for costs incurred prior to the date a bond is issued and proceeds are received by adopting a resolution declaring the intent to seek reimbursement. This is advantageous given large-scale capital projects are susceptible to project delays. Though work is proceeding on schedule, reasons for delay may include construction material delays, supply-chain challenges, extended permitting timelines, and limited construction windows tied to favorable weather conditions, among other factors.

### Eligible Expenditures

To use tax-exempt bond proceeds to reimburse the City for hard costs (e.g., construction) paid prior to the bond issuance, the City must declare its “official intent” to repay itself. The declaration must be made no more than 60 days after the construction cost has been paid. Design, engineering, and permitting or “soft” costs are not restricted by the 60-day timeframe, so long as they do not exceed 20% of the total bond proceeds.

Once official intent is established via an adopted resolution by the City Council, the “clock starts” for purposes of the City seeking reimbursements on costs related to qualifying water capital projects.

### Reimbursement Period

The reimbursement window is 18-months from when the associated bond is issued, effectively extending the timeframe to use bond proceeds from three years to four-and-a-half years as illustrated in figure 1. Should circumstances change, the declaration does not obligate the City to issue a bond.

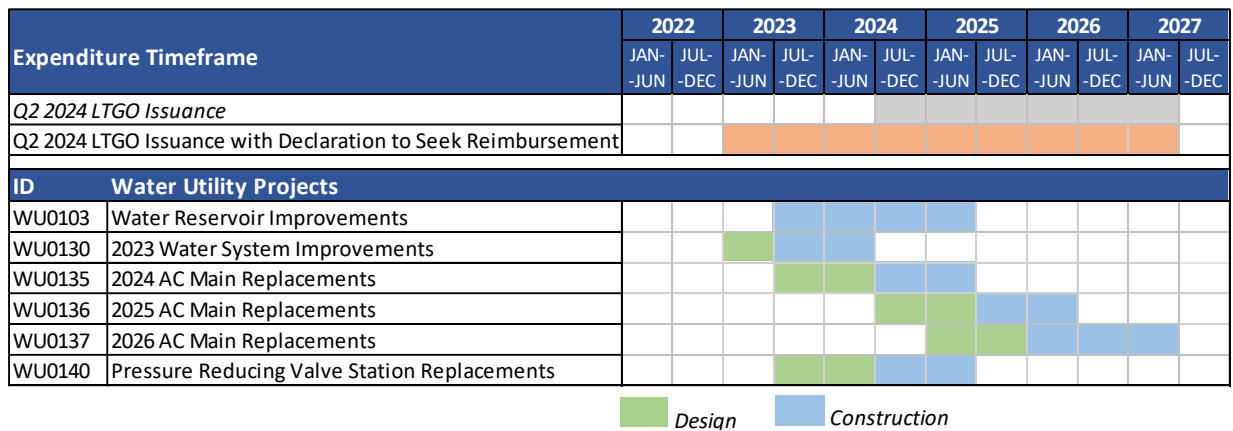


Figure 1

Staff from Public Works and Finance are closely tracking the Water Fund operating balance alongside current and upcoming capital projects that qualify for outside funding. The City began incurring construction costs for the Water Reservoir Improvements (WU0103) and the 2023 Water System Improvements (WU0130) projects this fall. Staff projects the Water Fund operating balance will remain net positive through 2023, which positions the City to conduct a \$16 M bond issuance in the first half of 2024.

**NEXT STEPS**

Staff will present information on the water distribution system financing strategy, answer questions related to the declaration of intent, the scheduled capital investments, and the plan to pay for these investments. Staff will return at the November 21, 2023 City Council meeting with a resolution to declare the City's intent to seek reimbursements on costs incurred prior to a bond issuance to support the water utility, scheduled in Q2 2024.

**RECOMMENDED ACTION**

Receive Report. No action necessary.



# AB 6370

## Study Session – Water Infrastructure Improvements and the Declaration of Intent

Nov 7, 2023

Item 1.



# Agenda

Item 1.

- 1. Water Utility by the Numbers**
- 2. Scheduled Capital Investments**
- 3. Financing Strategy**
- 4. Declaration of Intent**
- 5. Questions**



# City Water System

Item 1.

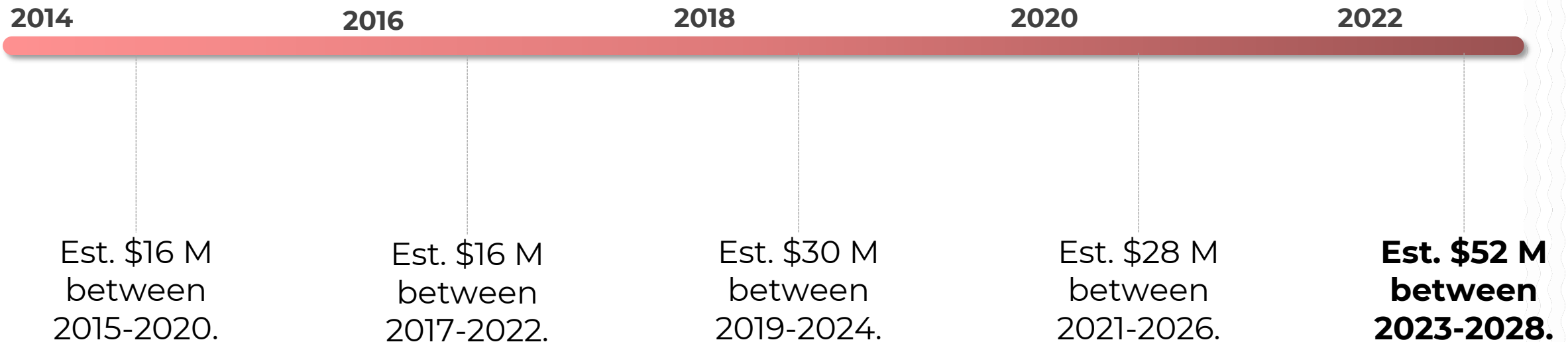
## By the numbers:

- ❑ Serves **entire island** except Shorewood Apartments.
- ❑ Over **7,800 customers**, 95% are residential.
- ❑ **121 miles** of pipeline.
- ❑ **Two** 4-million-gallon storage tanks.
- ❑ **Two** pump stations.
- ❑ Water purchased from SPU, from the Cedar and Tolt River Watersheds.

# Water Utility Investments

Item 1.

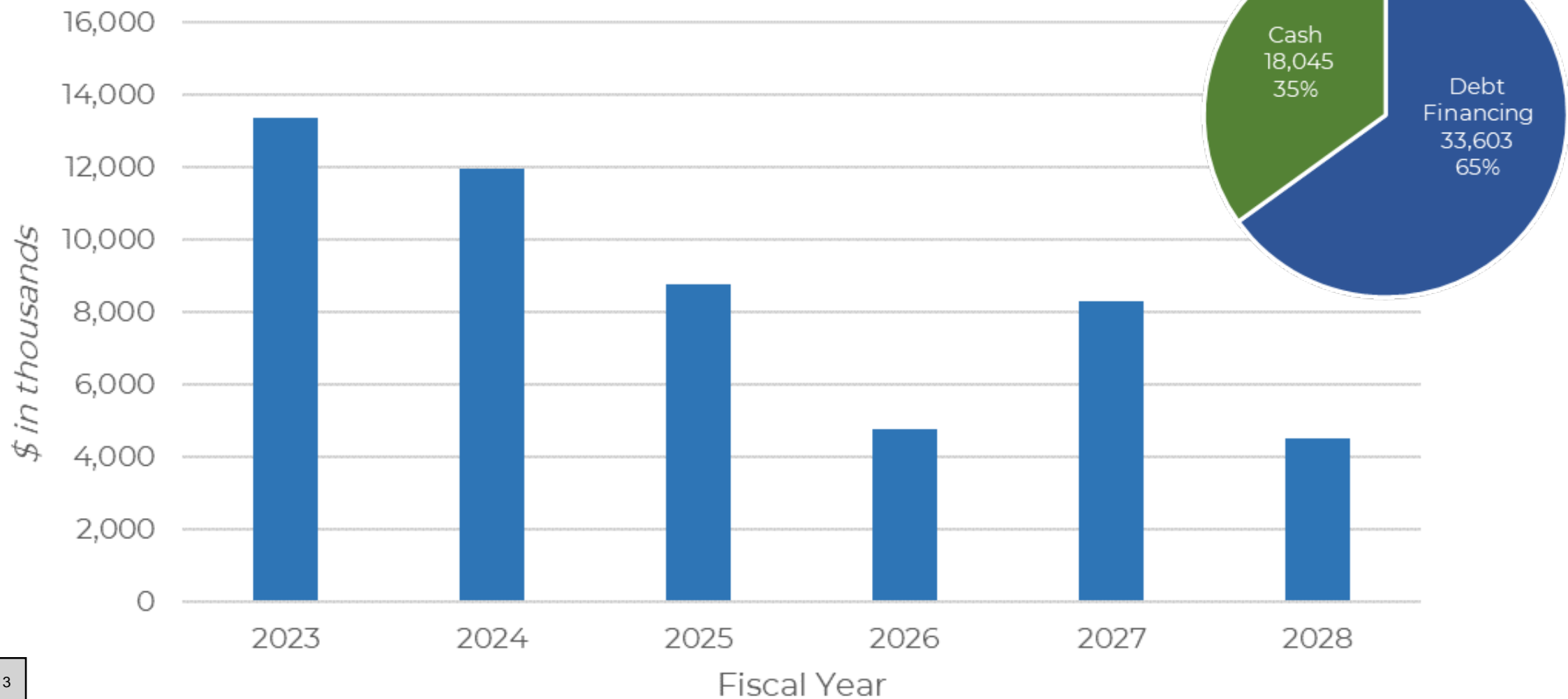
- ❑ The City is in a period of significant capital investment.
- ❑ Between 2023 and 2028, the water utility **requires \$51.6 M** in escalated capital spending. In prior six-year CIPs:





# Water Utility Projects

Projected Capital Investments



# Financing Strategy

Item 1.

- ❑ Investments paid for by **current & future** water rates.
- ❑ Historically “**pay as you go**” basis for capital improvements.
- ❑ Use **debt financing** to spread the costs out over time.
  - ❑ Avoids spikes in annual rate adjustments – predictability.
  - ❑ Creates generational equity.

# Financing Strategy

- ❑ Recommended 2024 water rate adjustment is **8%**.
- ❑ Estimate 8% annual rate increase thru 2028.
- ❑ Meets Water Utility revenue needs on a **stand-alone** basis:
  - ❑ Annual operation and maintenance expenses.
  - ❑ Long-term capital investments.
  - ❑ Principal and interest payments from debt service.

# Declaration of Intent

- ❑ **Declaration of Intent** to seek reimbursements.
  - ❑ City can reimburse itself for costs incurred prior to issuance.
- ❑ June 2024, anticipate \$16 M in LTGO bonds.
  - ❑ Extends timeframe to use funds from 3 years to 4 ½ years.
  - ❑ Helps manage cash flow needs of the Water Fund.

# Declaration of Intent

Item 1.

Water Utility Projects Expenditure Timeframe		2022		2023		2024		2025		2026		2027	
		JAN- -JUN	JUL- -DEC	JAN- -JUN	JUL- -DEC	JAN- -JUN	JUL- -DEC	JAN- -JUN	JUL- -DEC	JAN- -JUN	JUL- -DEC	JAN- -JUN	JUL- -DEC
WU0103	Water Reservoir Improvements												
WU0130	2023 Water System Improvements												
WU0135	2024 AC Main Replacements												
WU0136	2025 AC Main Replacements												
WU0137	2026 AC Main Replacements												
WU0140	Pressure Reducing Valve Station Replacements												

*Design**Construction*

- ❑ Recoup hard costs 60-days from declaration. No restriction on soft costs.
- ❑ Does not obligate City to issue a bond if circumstances change.



# Questions



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6366**  
**November 7, 2023**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6366: October 20, 2023 Payroll Certification	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Approve the October 20, 2023 Payroll Certification in the amount of \$1,032,523.93.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Administrative Services
<b>STAFF:</b>	Ali Spietz, Chief of Administration Nicole Vannatter, Human Resources Manager
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. October 20, 2023 Payroll Certification 2. FTE/LTE Counts
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

This agenda bill is to approve the payroll certification for the City of Mercer Island for the period from September 30, 2023 through October 13, 2023 in the amount of \$1,032,523.93 (see Exhibit 1).

### BACKGROUND

[RCW 42.24.080](#) requires that all claims presented against the City by performing labor must be certified by the appropriate official to ensure that the labor was performed as described, and that the claims are just, due, and unpaid obligations against the City, before payment can be made. [RCW 42.24.180](#) allows the payment of claims to occur prior to City Council approval to expedite processing of the payment of claims, provided, however, that review and approval of the claims' documentation occurs at the next regularly scheduled public meeting. The Payroll Certification details the total payment to employees for labor performed and benefits payments made for each payroll. The City is on a bi-weekly payroll schedule with payments every other Friday.

## ISSUE/DISCUSSION

Each payroll varies depending on several factors (i.e., number of employees, pay changes, leave cash outs, overtime, etc.). In addition to regular pay for employees, this payroll has variants that are outlined below.

### Additional payments:

Description	Amount
Leave cash outs for current employees	\$6,311.10
Leave cash outs for terminated employees	\$0.00
Service and recognition awards	\$15,609.90
Overtime earnings (see chart for overtime hours by department).	\$85,789.88
<b>Total</b>	<b>\$107,710.88</b>

### Overtime hours by department:

Department	Hours
Administrative Services	
City Attorney's Office	
City Manager's Office	
Community Planning & Development	
Finance	
Fire	654.50
Municipal Court	
Police	179.25
Public Works	177.00
Thrift Shop	
Youth & Family Services	
<b>Total Overtime Hours</b>	<b>1,010.75</b>

## NEXT STEPS

### FTE/LTE COUNTS

The table in Exhibit 2 shows the budgeted versus actual counts for Full Time Equivalents (FTEs) and Limited Term Equivalents (LTEs) for the current payroll. Casual labor employees (temporary and seasonal) are not included in the counts.

### Casual Labor

In addition to FTE and LTE employees, the City utilizes casual labor to address workload needs that exceed the capacity or expertise of the City's regular staff and that are time limited or seasonal. Casual labor is used primarily to address seasonal workload needs and short-term workload issues created by special projects or position vacancies. Compared to an LTE position, a casual labor position has limited benefits and is filled for a shorter period of time (1-3 months, 6 months, or 9 months). The departments/divisions that utilize casual labor the most are Parks Maintenance, Recreation, Public Works, and the Thrift Store.

## RECOMMENDED ACTION

Approve the October 20, 2023 Payroll Certification in the amount of \$1,032,523.93 and authorize the Mayor to sign the certification on behalf of the entire City Council.



## CITY OF MERCER ISLAND PAYROLL CERTIFICATION

Item 2.

PAYROLL PERIOD ENDING 10.13.2023

PAYROLL DATED 10.20.2023

Net Cash	\$	684,509.25
Net Voids/Manuals	\$	-
<b>Net Total</b>	<b>\$</b>	<b>684,509.25</b>
Federal Tax Deposit	\$	116,983.91
Social Security and Medicare Taxes	\$	59,557.35
Medicare Taxes Only (Fire Fighter Employees)	\$	3,044.13
State Tax (Oregon, Massachusetts and North Carolina)	\$	14.07
Family/Medical Leave Tax (Massachusetts)	\$	1.68
Public Employees' Retirement System (PERS Plan 2)	\$	32,161.15
Public Employees' Retirement System (PERS Plan 3)	\$	7,973.90
Public Employees' Retirement System (PERSJM)	\$	587.22
Public Safety Employees' Retirement System (PSERS)	\$	236.44
Law Enforcement Officers' & Fire Fighters' Retirement System (LEOFF Plan2)	\$	33,523.69
Regence & LEOFF Trust Medical Insurance Deductions	\$	13,525.61
Domestic Partner Medical Insurance Deductions	\$	1,947.50
Kaiser Medical Insurance Deductions	\$	1,212.56
Health Care - Flexible Spending Account Contributions	\$	1,818.09
Dependent Care - Flexible Spending Account Contributions	\$	1,153.86
ICMA Roth IRA Contributions	\$	666.23
ICMA 457 Deferred Compensation Contributions	\$	40,940.43
Fire Nationwide 457 Deferred Compensation Contributions	\$	11,610.34
Fire Nationwide Roth IRA Contributions	\$	989.99
ICMA 401K Deferred Compensation Contributions		
Garnishments (Chapter 13)	\$	572.00
Child Support Wage Garnishment	\$	706.03
Mercer Island Employee Association Dues	\$	212.50
AFSCME Union Dues	\$	2,902.25
Police Union Dues	\$	2,413.52
Fire Union Dues	\$	2,060.91
Fire Union Supplemental Dues	\$	162.00
Standard - Supplemental Life Insurance	\$	390.70
Unum - Long Term Care Insurance	\$	612.75
AFLAC - Supplemental Insurance Plans	\$	238.52
Coffee Club Dues	\$	-
Transportation - Flexible Spending Account Contributions	\$	50.00
Fire HRA-VEBA Contributions	\$	6,998.14
Miscellaneous	\$	-
GET		
Oregon Transit Tax and Oregon Benefit Tax	\$	-
Washington Long Term Care	\$	2,747.21
<b>Tax &amp; Benefit Obligations Total</b>	<b>\$</b>	<b>348,014.68</b>

<b>TOTAL GROSS PAYROLL</b>	<b>\$ 1,032,523.93</b>
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I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

## FTE AND LTE COUNTS AS OF 10/13/2023

Full Time Equivalents (FTEs)	2023 Budgeted	2023 Actual
Administrative Services	15.00	15.00
City Attorney's Office	2.00	2.00
City Manager's Office	3.00	3.00
Community Planning & Development	18.00	18.00
Finance	9.00	7.50
Fire	31.50	29.50
Municipal Court	3.10	3.10
Police	37.50	37.50
Public Works	64.80	61.80
Recreation	10.25	9.50
Youth & Family Services	11.43	11.43
Thrift Shop	2.00	2.00
<b>Total FTEs</b>	<b>207.58</b>	<b>200.33</b>
Limited Term Equivalents (LTEs)	2023 Budgeted	2023 Actual
Administrative Services		1.00
City Manager's Office <sup>1</sup>	1.00	1.00
Community Planning & Development <sup>2</sup>	1.00	1.00
Finance	1.00	1.50
Public Works <sup>3</sup>	4.00	4.75
Youth & Family Services	3.03	3.83
Thrift Shop	7.50	6.50
<b>Total LTEs</b>	<b>17.53</b>	<b>19.58</b>
<b>Total FTEs &amp; LTEs</b>	<b>225.11</b>	<b>219.92</b>

**FTE Vacancies:**


1.0 CIP Project Manager  
 1.0 Deputy Fire Chief (contracted out)  
 1.0 Financial Analyst  
 1.0 Fire Chief (contracted out)  
 1.0 Parks Maintenance Team Member  
 0.75 Recreation Assistant  
 1.0 Transportation Engineer  
 0.5 Utility Billing Admin Assistant

**Footnotes:**

- <sup>1</sup> 5/23/2023: Extend 1.0 LTE Management Analyst [AB 6255](#)  
<sup>2</sup> 5/23/2023: New 1.0 LTE Assistant Planner [AB 6255](#)  
<sup>3</sup> 5/23/2023: New 1.0 LTE Support Services Foreman [AB 6255](#)

## CERTIFICATION OF CLAIMS

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



\_\_\_\_\_  
Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

<u>Report</u>	<u>Warrants</u>	<u>Date</u>	<u>Amount</u>
Check Register	217465-217556	10/13/2023	\$385,272.31
			\$385,272.31

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<b>Org Key: 402000 - Water Fund-Admin Key</b>				
P0119516	00217540	SUPPLY SOURCE INC,THE	INVENTORY PURCHASES	1,502.16
P0119428	00217494	GEMPLER'S INC	INVENTORY PURCHASES	552.55
P0119429	00217497	GRAINGER	INVENTORY PURCHASES	529.94
P0119394	00217497	GRAINGER	INVENTORY PURCHASES	372.56
P0119475	00217479	CESSCO INC	INVENTORY PURCHASES	264.32
<b>Org Key: CA1100 - Administration (CA)</b>				
P0119509	00217510	KEATING BUCKLIN & MCCORMACK	Invoice #20838 Professional	1,641.60
P0119480	00217530	RELX INC DBA LEXISNEXIS	Invoice #3094710563 - Legal	378.74
<b>Org Key: CA1200 - Prosecution &amp; Criminal Mngmnt</b>				
P0119478	00217523	MOBERLY AND ROBERTS	Invoice #1127 Professional Ser	7,600.66
P0119510	00217513	Kiviat, Aaron	Invoice #1630 Professional Ser	2,800.00
P0119510	00217513	Kiviat, Aaron	Invoice #1627 Professional Ser	1,700.00
<b>Org Key: CA1300 - Public Records</b>				
P0119479	00217552	WAPRO	Invoice #7521 Public Records	200.00
<b>Org Key: CM1200 - City Clerk</b>				
P0119416	00217483	CivicPlus	2022 Self-Publishing Software	1,101.00
<b>Org Key: CO6500 - Sister City Program</b>				
P0119477	00217483	CivicPlus	Website Annual Fee - Sister Ci	1,650.00
<b>Org Key: CR1100 - Human Resources</b>				
P0119455	00217502	HEALTHFORCE PARTNERS INC	Pre Hire Medical - Ofc. People	565.00
<b>Org Key: CT1100 - Municipal Court</b>				
P0119511	00217542	TSE, BIANCA	Pro Tem Judge 10/9/23 2.5 hrs	125.00
	00217472	BAEZ, DAISY	REIMB: MILEAGE-KL,MI COURT PRO	71.40
	00217500	GREGORY, JEFF	REIMB: MILEAGE-KL,MI COURT PRO	71.40
	00217480	CHANG, SABINA	REIMB: MILEAGE-KL COURT HOUSE	42.84
<b>Org Key: DS1200 - Bldg Plan Review &amp; Inspection</b>				
P0119508	00217476	BUSH ROED & HITCHINGS INC	3rd Party Review; 6950 SE Make	364.00
<b>Org Key: FN2100 - Data Processing</b>				
P0119481	00217539	SUPERION LLC	4TH QTR 11/1/23-1/31/24 ONESOL	13,595.62
P0116068	00217543	TYLER TECHNOLOGIES INC	License Fees Tyler Munis Finan	1,600.00
P0119483	00217506	INVOICE CLOUD INC	PDF TEMPLATE EDIT FOR ONLINE	150.00
P0119422	00217515	METROPRESORT	SEPT 2023 E-SERVICE PORTAL ADM	100.00
<b>Org Key: FN4501 - Utility Billing (Water)</b>				
P0119422	00217515	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	213.48
P0119422	00217515	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	160.46
<b>Org Key: FN4502 - Utility Billing (Sewer)</b>				
P0119422	00217515	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	213.47
P0119422	00217515	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	160.46
<b>Org Key: FN4503 - Utility Billing (Storm)</b>				
P0119422	00217515	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	213.48
P0119422	00217515	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	160.46

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: GB0100 - Building Repairs</i>				
P0119470	00217488	DAILY JOURNAL OF COMMERCE	BC:JOB ORDER CONTRACTING	499.20
<i>Org Key: GGM001 - General Government-Misc</i>				
P0119476	00217475	BRINKS INC	9/1/23-9/30/23 ARMORED TRUCK	711.95
<i>Org Key: GGM004 - Gen Govt-Office Support</i>				
P0119443	00217485	CONFIDENTIAL DATA DISPOSAL	City Shredding Service: Invoice	275.00
P0119443	00217485	CONFIDENTIAL DATA DISPOSAL	City Shredding Service: Invoice	250.00
P0119443	00217485	CONFIDENTIAL DATA DISPOSAL	City Shredding Service: Invoice	250.00
P0119443	00217485	CONFIDENTIAL DATA DISPOSAL	City Shredding Service: Invoice	250.00
P0119443	00217485	CONFIDENTIAL DATA DISPOSAL	City Shredding Service: Invoice	250.00
P0119519	00217511	KELLEY IMAGING SYSTEMS	Copier Service Fees Sept 2023	157.24
<i>Org Key: GT0101 - City Information via Web GIS</i>				
P0119482	00217548	VERTIGIS NORTH AMERICA LTD	GESP SERVICE PACKAGE - 1 YEAR	17,000.00
<i>Org Key: GT0108 - Technology Equipment Replaceme</i>				
P0119411	00217467	CHIP GEORGE INC	3 PD Modems 2023 Replacements	5,817.69
<i>Org Key: IGVO02 - ARCH</i>				
P0119433	00217473	BELLEVUE, CITY OF	ARCH Contributions Q4 2023	17,411.50
<i>Org Key: IS2100 - IGS Network Administration</i>				
P0117328	00217512	KING COUNTY FINANCE	I-NET MONTHLY SERVICES FROM	1,492.00
P0119357	00217478	CDW GOVERNMENT INC	Meraki Additional	133.55
<i>Org Key: MT2100 - Roadway Maintenance</i>				
P0119529	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	802.55
P0119475	00217479	CESSCO INC	61PMMC3-50E 14 CHAIN LOOP	89.40
<i>Org Key: MT2300 - Planter Bed Maintenance</i>				
P0119529	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	1,808.35
<i>Org Key: MT3100 - Water Distribution</i>				
P0119529	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	1,988.64
P0119438	00217521	MI HARDWARE - UTILITY	MISC. HARDWARE FOR THE MONTH O	20.91
<i>Org Key: MT3150 - Water Quality Event</i>				
P0119067	00217532	S&B INC	SENSORS, VP CABLE & SOLUTIONS	4,146.21
P0119426	00217501	HACH COMPANY	DR900 MULTIPARAMETER PORTABLE	2,418.90
P0117166	00217465	AM TEST INC	2023 WATER QUALITY SAMPLES	360.00
P0119426	00217501	HACH COMPANY	INSTRUMENT CARRYING CASE FOR D	209.19
P0119426	00217501	HACH COMPANY	SPADNS 2 (ARSENIC-FREE) FLUORI	60.17
<i>Org Key: MT3300 - Water Associated Costs</i>				
P0119417	00217527	PACIFIC TOPSOIL INC.	DUMPING FEES	1,083.75
<i>Org Key: MT3400 - Sewer Collection</i>				
P0119529	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	1,067.71
P0119458	00217554	WEST COAST WIRE ROPE & RIGGING	1/8 WIRE ASSEMBLY	35.28
P0119393	00217497	GRAINGER	SPIRAL TIP CLEANER SET	18.33
<i>Org Key: MT3500 - Sewer Pumps</i>				
P0119538	00217468	AT&T MOBILITY	PW AT&T Account Number: 287294	2,706.60

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0119434	00217504	HOME DEPOT CREDIT SERVICE	#9 STEP BIT & 4' LED STRIP	132.05
<i>Org Key: MT3600 - Sewer Associated Costs</i>				
P0119418	00217527	PACIFIC TOPSOIL INC.	DUMPING FEES	454.00
P0119417	00217527	PACIFIC TOPSOIL INC.	DUMPING FEES	260.10
<i>Org Key: MT3800 - Storm Drainage</i>				
P0119418	00217527	PACIFIC TOPSOIL INC.	DUMPING FEES	726.40
P0119437	00217520	MI HARDWARE - ROW	MISC. HARDWARE FOR THE MONTH O	118.86
P0119529	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	92.89
<i>Org Key: MT4150 - Support Services - Clearing</i>				
P0119427	00217546	UTILITIES UNDERGROUND LOCATION	2023 UTILITY LOCATES	212.85
P0119513	00217487	CRYSTAL AND SIERRA SPRINGS	PW WATER DELIVERY	102.73
P0119384	00217547	VERIZON WIRELESS	VERIZON JUL 24-AUG23 PARKS	84.22
<i>Org Key: MT4200 - Building Services</i>				
P0119529	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	27,904.26
P0119463	00217469	AUBURN MECHANICAL	HVAC SVC FIRE STATION 92	7,251.19
P0119467	00217469	AUBURN MECHANICAL	ONE TIME MAINT - FIRE STATION	4,919.27
P0119469	00217481	Chinook Building Env Services	FIRE STATION # 91 TRAVEL/LABOR	1,621.22
P0119464	00217469	AUBURN MECHANICAL	FILTER CHANGE PW BUILDING	934.35
P0119491	00217489	EASTSIDE EXTERMINATORS	BI-MONTHLY MI CITY HALL	298.33
P0119468	00217469	AUBURN MECHANICAL	9.8 COMPRESSOR PARTS FIRE STAT	271.07
P0119529	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	204.04
<i>Org Key: MT4210 - Building Landscaping</i>				
P0118700	00217474	BRIGHTHORIZON LAWN CARE	2023-2024 FACILITIES LANDSCAPE	6,754.33
<i>Org Key: MT4270 - ARPA-Asbestos Response</i>				
P0119492	00217499	GREEN LATRINE	Site: S8212, 9601 SE 36th St,	500.00
<i>Org Key: MT4300 - Fleet Services</i>				
P0119424	00217470	AUTONATION INC	FLEET PARTS	3,567.73
P0119517	00217496	GOODYEAR TIRE & RUBBER CO, THE	REPLACE TIRES ON VEC. #437 DUM	3,531.89
P0119423	00217531	RWC GROUP	REPLACE REAR DRUMS & BRAKES ON	2,940.51
P0119425	00217525	NAPA AUTO PARTS	REPAIR PARTS	1,116.58
P0119490	00217535	SEATTLE BOAT COMPANY	MP Fuel - Patrol 11 Invoice #	942.97
P0119420	00217466	AMERIGAS-1400	2023 PROPANE DELIVERY	734.54
P0119450	00217535	SEATTLE BOAT COMPANY	Boat Fuel MP 11 - Invoice #	645.90
P0117940	00217533	SAFELITE AUTO GLASS	REPLACE WINDSHIELD ON VEC. #48	577.03
P0117744	00217533	SAFELITE AUTO GLASS	REPLACE WINDSHIELD ON VEC. #41	297.45
<i>Org Key: MT4420 - Transportation Planner Eng</i>				
P0118253	00217505	IDAX DATA SOULTIONS	IDAX On-Call Traffic Data	610.00
<i>Org Key: MT6100 - Park Maintenance</i>				
P0119528	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	4,704.64
P0119419	00217498	GRANGE SUPPLY INC	POST 3 HOLE & WOOD POST RAILS	1,129.99
P0119384	00217547	VERIZON WIRELESS	VERIZON JUL 24-AUG23 PARKS	444.88
P0118781	00217537	SIGNS OF SEATTLE	8x2.25" Bronze Plaque	330.75
P0118958	00217537	SIGNS OF SEATTLE	8x2.25" bronze plaque	330.75
P0119512	00217504	HOME DEPOT CREDIT SERVICE	LUMBER & 1" DOUBLE CHECK VALVE	343.71

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0119435	00217493	GCP WW HOLDCO LLC	MISC. WORK CLOTHES & RAINGEAR	148.43
P0119497	00217471	BACKFLOWS NORTHWEST INC	Backflow Tests	55.00
P0119439	00217517	MI HARDWARE - MAINT	MISC. HARDWARE FOR THE MONTH O	56.29
P0119518	00217493	GCP WW HOLDCO LLC	RAINGEAR	54.40
P0119435	00217493	GCP WW HOLDCO LLC	MISC. WORK CLOTHES & RAINGEAR	50.00
P0119518	00217493	GCP WW HOLDCO LLC	RAINGEAR	25.00
<i>Org Key: MT6200 - Athletic Field Maintenance</i>				
P0119528	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	9,700.64
P0119514	00217497	GRAINGER	CABLE TIES	332.50
P0119384	00217547	VERIZON WIRELESS	VERIZON JUL 24-AUG23 PARKS	42.11
<i>Org Key: MT6500 - Luther Burbank Park Maint</i>				
P0119465	00217469	AUBURN MECHANICAL	HVAC - Luther Burbank One Time	8,814.61
P0119528	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	5,718.90
P0119506	00217492	FIRE PROTECTION INC	Fire Alarm Monitoring Quarterl	1,816.65
P0119507	00217528	PBS	Professional Services from Jul	279.00
P0119473	00217482	CINTAS	LOC MEDICAL SUPPLIES	253.16
P0119489	00217489	EASTSIDE EXTERMINATORS	Commercial pest re-occurring lu	159.65
P0119436	00217493	GCP WW HOLDCO LLC	MISC. WORK CLOTHES (RAINGEAR)	133.75
P0119436	00217493	GCP WW HOLDCO LLC	SAFETY BOOTS & MISC. WORK CLOT	133.66
P0119384	00217547	VERIZON WIRELESS	VERIZON JUL 24-AUG23 PARKS	82.14
P0119436	00217493	GCP WW HOLDCO LLC	MISC. WORK CLOTHES (RAINGEAR)	25.00
P0119439	00217517	MI HARDWARE - MAINT	MISC. HARDWARE FOR THE MONTH O	3.55
<i>Org Key: MT6800 - Trails Maintenance</i>				
P0119384	00217547	VERIZON WIRELESS	VERIZON JUL 24-AUG23 PARKS	47.11
<i>Org Key: MT6900 - Aubrey Davis Park Maint</i>				
P0119528	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	40,854.58
<i>Org Key: PA0100 - Open Space Management</i>				
P0119384	00217547	VERIZON WIRELESS	VERIZON JUL 24-AUG23 PARKS	47.16
<i>Org Key: PA0136 - Luther Burbank South Shoreline</i>				
P0118094	00217526	NEPTUNE GENERAL CONTRACTORS	22-35 Luther Burbank Park Sout	71,882.09
<i>Org Key: PA0165 - Bike Skills Area</i>				
P0119461	00217495	GEOTECH CONSULTANTS INC	Plan Review & Letter	300.00
<i>Org Key: PO0000 - Police-Revenue</i>				
P0119537	00217550	WA STATE DOL	DATE RANGE05/04/2023 TO 10/02/	1,167.00
<i>Org Key: PO1100 - Administration (PO)</i>				
P0119495	00217549	Vigilant Solutions LLC.	Parking integration for ALPR	12,725.00
P0119452	00217468	AT&T MOBILITY	PD Cell Service - Invoice #	1,301.10
P0119448	00217553	WASPC	Annual Dues - Commander Seifer	75.00
<i>Org Key: PO1700 - Records and Property</i>				
	00217509	JACKSON, TANYA	REIMB: MILEAGE FBI NICS TRAIN'	68.78
<i>Org Key: PO1900 - Jail/Home Monitoring</i>				
P0119453	00217534	SCORE	Jail Housing Invoice # 7206 -	4,169.00
P0119454	00217508	ISSAQUAH JAIL, CITY OF	Jail Housing - invoice # 23000	3,410.00

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0119441	00217508	ISSAQUAH JAIL, CITY OF	Jail Housing Invoice(s): 23000	3,410.00
P0119441	00217508	ISSAQUAH JAIL, CITY OF	Jail Housing Invoice(s): 23000	3,300.00
P0119499	00217534	SCORE	Jail Housing - Health	44.00
<i>Org Key: PO2100 - Patrol Division</i>				
P0119524	00217484	CLEANERS PLUS 1	Uniform Cleaning - July 2023 -	84.83
P0119446	00217491	EQUIFAX INFORMATION SVCS LLC	Monthly Maintenance Fee - Invo	58.36
P0119446	00217491	EQUIFAX INFORMATION SVCS LLC	Monthly Maintenance Fee - Invo	58.36
<i>Org Key: PO2200 - Marine Patrol</i>				
P0119451	00217536	SEATTLE MARINE & FISHING SUPPL	MP Supplies - Invoice # 161462	338.56
P0119449	00217555	WEST MARINE PRO	MP Supplies - Inv # 3437	75.22
<i>Org Key: PO2201 - Dive Team</i>				
P0119527	00217545	UNDERWATER SPORTS INC.	Dive Team Equipment - Invoice	198.95
P0119445	00217519	MI HARDWARE - POLICE	Dive Team Supplies - Invoice #	4.55
<i>Org Key: PO3100 - Investigation Division</i>				
P0119447	00217541	THOMSON REUTERS - WEST	West Investigative Services -	548.97
<i>Org Key: PO4100 - Firearms Training</i>				
P0119244	00217544	ULTIMATE TRAINING MUNITIONS	Firearm Supplies - Invoice # 2	4,333.26
<i>Org Key: PO4300 - Police Training</i>				
P0119526	00217486	CRIMINAL JUSTICE TRAINING COMM	Academy Costs - Ofc. Peoples -	4,947.00
P0119494	00217477	CALIBRE PRESS	Training - Canter, Schmalhofer	1,393.00
P0119444	00217486	CRIMINAL JUSTICE TRAINING COMM	Basic Collision Investigation	100.00
<i>Org Key: PR1100 - Administration (PR)</i>				
P0119382	00217551	WALTER E NELSON CO	Soap	461.69
P0119471	00217482	CINTAS	COMMUNITY CENTER SUPPLIES	218.05
P0119442	00217516	MI HARDWARE - BLDG	MISC. HARDWARE FOR THE MONTH O	138.64
P0119516	00217540	SUPPLY SOURCE INC,THE	PINE-SOL CLEANER (3PK)	104.97
P0119440	00217518	MI HARDWARE - P&R	MISC. HARDWARE FOR THE MONTH O	29.70
<i>Org Key: PR2104 - Special Events</i>				
P0119525	00217556	Wintergreen Corp.	COMMERCIAL C9 COOL WHITE LED	336.77
P0119525	00217556	Wintergreen Corp.	COMMERCIAL C9 GREEN LED CHRIST	94.15
P0119525	00217556	Wintergreen Corp.	15" ALL-IN-ONE LIGHT STAKE (10	68.70
<i>Org Key: PR4100 - Community Center</i>				
P0119529	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	14,497.50
P0118700	00217474	BRIGHT HORIZON LAWN CARE	2023-2024 FACILITIES LANDSCAPE	2,665.45
P0119466	00217469	AUBURN MECHANICAL	ANNEX BUILDING - ONE TIME	2,567.53
P0119387	00217524	MORGAN SOUND INC	Service call 9/29/23 for reset	699.13
P0119488	00217489	EASTSIDE EXTERMINATORS	COMMERCIAL PEST REOCCURRING	292.50
P0119381	00217514	LEGEND DATA SYSTEMS INC	Print cartridge for card print	147.26
<i>Org Key: SP0100 - Residential Street Resurfacing</i>				
P0119418	00217527	PACIFIC TOPSOIL INC.	DUMPING FEES	544.80
P0119417	00217527	PACIFIC TOPSOIL INC.	DUMPING FEES	454.00
<i>Org Key: WU0103 - Water Reservoir Improvements</i>				
P0119505	00217492	FIRE PROTECTION INC	Mercer Island Fire	214.70



Accounts Payable Report by GL Key

PO #	Check #	Vendor:	Transaction Description	Check Amount
Org Key: YF1200 - Thrift Shop				
P0118700	00217474	BRIGHTHORIZON LAWN CARE	2023-2024 FACILITIES LANDSCAPE	1,556.54
P0119498	00217490	EMPYREAN ELEVATOR LLC	Service Call placed by Heath	975.27
P0119529	00217522	MI UTILITY BILLS	SEPT 2023 PMT OF UTILITY BILLS	783.07
P0119520	00217538	Sterling Volunteers	Volunteer Background Checks IN	305.50
P0119493	00217529	QUENCH USA INC	EQUIP 7710 SE 34TH	292.22
P0119474	00217482	CINTAS	LOC MEDICAL SUPPLIES 08.24.23	111.65
	00217503	HENTON, DAVID	REFUND: BACKGROUND CHECK	15.00
Org Key: YF2600 - Family Assistance				
P0119539	00217507	ISLAND SQUARE APARTMENTS	Rental assistance for EA clien	365.00
Total				385,272.31

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00217465	10/13/2023	AM TEST INC 2023 WATER QUALITY SAMPLES	P0117166	135780	09/30/2023	360.00
00217466	10/13/2023	AMERIGAS-1400 2023 PROPANE DELIVERY	P0119420	3155271629	09/24/2023	734.54
00217467	10/13/2023	CHIP GEORGE INC 3 PD Modems 2023 Replacements	P0119411	7428	10/05/2023	5,817.69
00217468	10/13/2023	AT&T MOBILITY PW AT&T Account Number: 287294	P0119452	7975486X09192023	09/11/2023	4,007.70
00217469	10/13/2023	AUBURN MECHANICAL FILTER CHANGE PW BUILDING	P0119466	37541	09/12/2023	24,758.02
00217470	10/13/2023	AUTONATION INC FLEET PARTS	P0119424	553706	09/15/2023	3,567.73
00217471	10/13/2023	BACKFLOWS NORTHWEST INC Backflow Tests	P0119497	192478	08/25/2023	55.00
00217472	10/13/2023	BAEZ, DAISY REIMB: MILEAGE-KL,MI COURT PRO		10112023	10/11/2023	71.40
00217473	10/13/2023	BELLEVUE, CITY OF ARCH Contributions Q4 2023	P0119433	44885	10/01/2023	17,411.50
00217474	10/13/2023	BRIGHT HORIZON LAWN CARE 2023-2024 FACILITIES LANDSCAPE	P0118700	0000766	09/07/2023	10,976.32
00217475	10/13/2023	BRINKS INC 9/1/23-9/30/23 ARMORED TRUCK	P0119476	5998710	09/30/2023	711.95
00217476	10/13/2023	BUSH ROED & HITCHINGS INC 3rd Party Review; 6950 SE Make	P0119508	370839	09/30/2023	364.00
00217477	10/13/2023	CALIBRE PRESS Training - Canter, Schmalhofer	P0119494	85475	10/10/2023	1,393.00
00217478	10/13/2023	CDW GOVERNMENT INC Meraki Additional	P0119357	MG41384	09/28/2023	133.55
00217479	10/13/2023	CESSCO INC INVENTORY PURCHASES	P0119475	21066	09/26/2023	353.72
00217480	10/13/2023	CHANG, SABINA REIMB: MILEAGE-KL COURT HOUSE		10112023	10/11/2023	42.84
00217481	10/13/2023	Chinook Building Env Services FIRE STATION # 91 TRAVEL/LABOR	P0119469	FCS-1964268	09/28/2023	1,621.22
00217482	10/13/2023	CINTAS LOC MEDICAL SUPPLIES	P0119474	5172675529	08/24/2023	582.86
00217483	10/13/2023	CivicPlus 2022 Self-Publishing Software	P0119477	268613	09/20/2023	2,751.00
00217484	10/13/2023	CLEANERS PLUS 1 Uniform Cleaning - July 2023 -	P0119524	73903	08/01/2023	84.83
00217485	10/13/2023	CONFIDENTIAL DATA DISPOSAL City Shredding Service: Invoic	P0119443	221115	09/27/2023	1,275.00
00217486	10/13/2023	CRIMINAL JUSTICE TRAINING COMM Basic Collision Investigation	P0119526	201138592	10/11/2023	5,047.00
00217487	10/13/2023	CRYSTAL AND SIERRA SPRINGS PW WATER DELIVERY	P0119513	14555831 093023	09/30/2023	102.73
00217488	10/13/2023	DAILY JOURNAL OF COMMERCE BC:JOB ORDER CONTRACTING	P0119470	3392327	09/11/2023	499.20
00217489	10/13/2023	EASTSIDE EXTERMINATORS BI-MONTHLY MI CITY HALL	P0119488	741939	08/26/2023	750.48
00217490	10/13/2023	EMPYREAN ELEVATOR LLC Service Call placed by Heath	P0119498	10717	08/25/2023	975.27

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00217491	10/13/2023	EQUIFAX INFORMATION SVCS LLC Monthly Maintenance Fee - Invo	P0119446	2057318645	09/23/2023	116.72
00217492	10/13/2023	FIRE PROTECTION INC Fire Alarm Monitoring Quarterl	P0119505	83562	09/23/2023	2,031.35
00217493	10/13/2023	GCP WW HOLDCO LLC MISC. WORK CLOTHES & RAINGEAR	P0119436	INV2050002608	09/27/2023	570.24
00217494	10/13/2023	GEMPLER'S INC INVENTORY PURCHASES	P0119428	INV0004564223	09/26/2023	552.55
00217495	10/13/2023	GEOTECH CONSULTANTS INC Plan Review & Letter	P0119461	59805	09/07/2023	300.00
00217496	10/13/2023	GOODYEAR TIRE & RUBBER CO, THE REPLACE TIRES ON VEC. #437 DUM	P0119517	195-1167740	10/10/2023	3,531.89
00217497	10/13/2023	GRAINGER INVENTORY PURCHASES	P0119514	9864236972	10/09/2023	1,253.33
00217498	10/13/2023	GRANGE SUPPLY INC POST 3 HOLE & WOOD POST RAILS	P0119419	748664	10/02/2023	1,129.99
00217499	10/13/2023	GREEN LATRINE Site: S8212, 9601 SE 36th St,	P0119492	I37280	09/26/2023	500.00
00217500	10/13/2023	GREGORY, JEFF REIMB: MILEAGE-KL,MI COURT PRO		10102023	10/10/2023	71.40
00217501	10/13/2023	HACH COMPANY DR900 MULTIPARAMETER PORTABLE	P0119426	13746505	09/20/2023	2,688.26
00217502	10/13/2023	HEALTHFORCE PARTNERS INC Pre Hire Medical - Ofc. People	P0119455	23816	04/30/2023	565.00
00217503	10/13/2023	HENTON, DAVID REFUND: BACKGROUND CHECK		10102023	10/10/2023	15.00
00217504	10/13/2023	HOME DEPOT CREDIT SERVICE #9 STEP BIT & 4' LED STRIP	P0119512	0014193	10/09/2023	475.76
00217505	10/13/2023	IDAX DATA SOULTIONS IDAX On-Call Traffic Data	P0118253	INV-0003834	09/30/2023	610.00
00217506	10/13/2023	INVOICE CLOUD INC PDF TEMPLATE EDIT FOR ONLINE	P0119483	IC620172216	09/29/2023	150.00
00217507	10/13/2023	ISLAND SQUARE APARTMENTS Rental assistance for EA clien	P0119539	100223	10/02/2023	365.00
00217508	10/13/2023	ISSAQUAH JAIL, CITY OF Jail Housing Invoice(s): 23000	P0119454	23000402	09/08/2023	10,120.00
00217509	10/13/2023	JACKSON, TANYA REIMB: MILEAGE FBI NICS TRAIN'		10112023	10/11/2023	68.78
00217510	10/13/2023	KEATING BUCKLIN & MCCORMACK Invoice #20838 Professional	P0119509	20838	10/06/2023	1,641.60
00217511	10/13/2023	KELLEY IMAGING SYSTEMS Copier Service Fees Sept 2023	P0119519	IN1445647	10/10/2023	157.24
00217512	10/13/2023	KING COUNTY FINANCE I-NET MONTHLY SERVICES FROM	P0117328	11013992	09/30/2023	1,492.00
00217513	10/13/2023	Kiviat, Aaron Invoice #1630 Professional Ser	P0119510	1627	09/26/2023	4,500.00
00217514	10/13/2023	LEGEND DATA SYSTEMS INC Print cartridge for card print	P0119381	138200	09/26/2023	147.26
00217515	10/13/2023	METROPRESORT SEPT 2023 E-SERVICE PORTAL ADM	P0119422	IN659542	10/04/2023	1,221.81
00217516	10/13/2023	MI HARDWARE - BLDG MISC. HARDWARE FOR THE MONTH O	P0119442	SEPT 2023	09/30/2023	138.64

**Accounts Payable Report by Check Number**


Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00217517	10/13/2023	MI HARDWARE - MAINT MISC. HARDWARE FOR THE MONTH O	P0119439	SEPT 2023	09/30/2023	59.84
00217518	10/13/2023	MI HARDWARE - P&R MISC. HARDWARE FOR THE MONTH O	P0119440	SEPT 2023	09/30/2023	29.70
00217519	10/13/2023	MI HARDWARE - POLICE Dive Team Supplies - Invoice #	P0119445	SEPT 2023	09/30/2023	4.55
00217520	10/13/2023	MI HARDWARE - ROW MISC. HARDWARE FOR THE MONTH O	P0119437	SEPT 2023	09/30/2023	118.86
00217521	10/13/2023	MI HARDWARE - UTILITY MISC. HARDWARE FOR THE MONTH O	P0119438	SEPT 2023	09/30/2023	20.91
00217522	10/13/2023	MI UTILITY BILLS SEPT 2023 PMT OF UTILITY BILLS	P0119529	WATER1-09.23	09/30/2023	110,127.77
00217523	10/13/2023	MOBERLY AND ROBERTS Invoice #1127 Professional Ser	P0119478	1127	10/01/2023	7,600.66
00217524	10/13/2023	MORGAN SOUND INC Service call 9/29/23 for reset	P0119387	MSI115134	09/28/2023	699.13
00217525	10/13/2023	NAPA AUTO PARTS REPAIR PARTS	P0119425	SEPT 2023	09/30/2023	1,116.58
00217526	10/13/2023	NEPTUNE GENERAL CONTRACTORS 22-35 Luther Burbank Park Sout	P0118094	08/16-09/30/2023	09/30/2023	71,882.09
00217527	10/13/2023	PACIFIC TOPSOIL INC. DUMPING FEES	P0119417	R0128131	09/25/2023	3,523.05
00217528	10/13/2023	PBS Professional Services from Jul	P0119507	0041888.001-1	09/20/2023	279.00
00217529	10/13/2023	QUENCH USA INC EQUIP 7710 SE 34TH	P0119493	INV06272093	09/01/2023	292.22
00217530	10/13/2023	RELX INC DBA LEXISNEXIS Invoice #3094710563 - Legal	P0119480	3094710563	09/30/2023	378.74
00217531	10/13/2023	RWC GROUP REPLACE REAR DRUMS & BRAKES ON	P0119423	RA105026073:01	10/05/2023	2,940.51
00217532	10/13/2023	S&B INC SENSORS, VP CABLE & SOLUTIONS	P0119067	26560A	09/30/2023	4,146.21
00217533	10/13/2023	SAFELITE AUTO GLASS REPLACE WINDSHIELD ON VEC. #48	P0117744	01804-642620 REV	04/03/2023	874.48
00217534	10/13/2023	SCORE Jail Housing Invoice # 7206 -	P0119499	7288	10/04/2023	4,213.00
00217535	10/13/2023	SEATTLE BOAT COMPANY Boat Fuel MP 11 - Invoice #	P0119490	993-20369-50489	10/07/2023	1,588.87
00217536	10/13/2023	SEATTLE MARINE & FISHING SUPPL MP Supplies - Invoice # 161462	P0119451	1614627	07/27/2023	338.56
00217537	10/13/2023	SIGNS OF SEATTLE 8x2.25" Bronze Plaque	P0118958	9055	09/28/2023	661.50
00217538	10/13/2023	Sterling Volunteers Volunteer Background Checks IN	P0119520	9578867	09/30/2023	305.50
00217539	10/13/2023	SUPERION LLC 4TH QTR 11/1/23-1/31/24 ONESOL	P0119481	393150	10/02/2023	13,595.62
00217540	10/13/2023	SUPPLY SOURCE INC,THE INVENTORY PURCHASES	P0119516	2307076	10/05/2023	1,607.13
00217541	10/13/2023	THOMSON REUTERS - WEST West Investigative Services -	P0119447	848893445	09/01/2023	548.97
00217542	10/13/2023	TSE, BIANCA Pro Tem Judge 10/9/23 2.5 hrs	P0119511	10092023	10/09/2023	125.00

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00217543	10/13/2023	TYLER TECHNOLOGIES INC License Fees Tyler Munis Finan	P0116068	045-439179	09/27/2023	1,600.00
00217544	10/13/2023	ULTIMATE TRAINING MUNITIONS Firearm Supplies - Invoice # 2	P0119244	216597	06/26/2023	4,333.26
00217545	10/13/2023	UNDERWATER SPORTS INC. Dive Team Equipment - Invoice	P0119527	20026574A	08/18/2023	198.95
00217546	10/13/2023	UTILITIES UNDERGROUND LOCATION 2023 UTILITY LOCATES	P0119427	3090185	09/30/2023	212.85
00217547	10/13/2023	VERIZON WIRELESS VERIZON JUL 24-AUG23 PARKS	P0119384	9942716694	08/23/2023	747.62
00217548	10/13/2023	VERTIGIS NORTH AMERICA LTD GESP SERVICE PACKAGE - 1 YEAR	P0119482	INV-VGNA00005370	08/09/2023	17,000.00
00217549	10/13/2023	Vigilant Solutions LLC. Parking integration for ALPR	P0119495	53438 RI	09/11/2023	12,725.00
00217550	10/13/2023	WA STATE DOL DATE RANGE 05/04/2023 TO 10/02/	P0119537	050423-100223	10/12/2023	1,167.00
00217551	10/13/2023	WALTER E NELSON CO Soap	P0119382	945876	09/25/2023	461.69
00217552	10/13/2023	WAPRO Invoice #7521 Public Records	P0119479	7521	09/25/2023	200.00
00217553	10/13/2023	WASPC Annual Dues - Commander Seifer	P0119448	DUES 2023-00675	09/01/2023	75.00
00217554	10/13/2023	WEST COAST WIRE ROPE & RIGGING 1/8 WIRE ASSEMBLY	P0119458	5611158	10/02/2023	35.28
00217555	10/13/2023	WEST MARINE PRO MP Supplies - Inv # 3437	P0119449	3437	09/13/2023	75.22
00217556	10/13/2023	Wintergreen Corp. COMMERCIAL C9 COOL WHITE LED	P0119525	6431072	11/30/2021	499.62
					Total	<u>385,272.31</u>

## CERTIFICATION OF CLAIMS

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



\_\_\_\_\_  
Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

<u>Report</u>	<u>Warrants</u>	<u>Date</u>	<u>Amount</u>
Check Register	217557-217624	10/20/2023	\$408,871.44
			\$408,871.44

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<b>Org Key: 402000 - Water Fund-Admin Key</b>				
P0119558	00217618	VERITIV OPERATING COMPANY	INVENTORY PURCHASES	1,489.59
	00217624	YEH, DAVID	REFUND: OVERPMT ON 00204120001	571.10
	00217596	OLSON, MICHELE & ERIK	REFUND: OVERPMT ON 00941010003	523.47
	00217595	NATHALIE GAUDREAU	REFUND: OVERPMT ON 00640073602	198.57
	00217557	ABBOTT, HELEN	REFUND: OVERPMT ON 002915800	72.26
<b>Org Key: 814074 - Garnishments</b>				
	00217567	CHAPTER 13 TRUSTEE	PR EARLY WARRANTS-10.20.2023	572.00
<b>Org Key: 814075 - Mercer Island Emp Association</b>				
	00217592	MI EMPLOYEES ASSOC	PR EARLY WARRANTS-10.20.2023	212.50
<b>Org Key: 814076 - City &amp; Counties Local 21M</b>				
	00217622	WSCCCE AFSCME AFL-CIO	PR EARLY WARRANTS-10.20.2023	2,902.25
<b>Org Key: 814077 - Police Association</b>				
	00217601	POLICE ASSOCIATION	PR EARLY WARRANTS-10.20.2023	2,413.52
<b>Org Key: AS1100 - Administrative Services</b>				
P0119555	00217600	PIN CENTER, THE	City lapel pins INV 0923134	569.00
P0119592	00217619	VERIZON WIRELESS	VERIZON AUG 24 - SEPT 23 ANGIE	213.81
<b>Org Key: CA1200 - Prosecution &amp; Criminal Mngmnt</b>				
P0119569	00217593	MOBERLY AND ROBERTS	Invoice #1120 Professional Ser	7,600.66
<b>Org Key: CM1100 - Administration (CM)</b>				
P0119595	00217619	VERIZON WIRELESS	VERIZON AUG 24 - SEP 23 RYAN/N	178.80
<b>Org Key: CM1200 - City Clerk</b>				
P0119596	00217608	SOUND PUBLISHING INC	NTC 2735159 ORD 23C-11 9.13.23	61.84
P0119596	00217608	SOUND PUBLISHING INC	NTC 2735161 ORD 23C-13 9.13.23	59.12
P0119596	00217608	SOUND PUBLISHING INC	NTC 2735160 ORD 23-12 9.13.23	53.67
<b>Org Key: CM1400 - Communications</b>				
P0119556	00217568	CivicPlus	Social Media Backup INV 277351	343.48
<b>Org Key: CR1100 - Human Resources</b>				
P0119542	00217602	PUBLIC SAFETY TESTING INC	Q3 2023 Police Fees INV	508.00
P0119542	00217602	PUBLIC SAFETY TESTING INC	Q3 2023 Fire Fees INV 2023-107	397.00
P0119597	00217611	SUMMIT LAW GROUP	HR Support Professional Servic	36.50
<b>Org Key: CT1100 - Municipal Court</b>				
P0119593	00217619	VERIZON WIRELESS	AUG 24 - SEPT 23 VERIZON JEFF	42.20
<b>Org Key: DS0000 - Development Services-Revenue</b>				
	00217587	LI, WEICHENG	REFUND: OVERPMT ON PRE-APP	1,812.60
<b>Org Key: DS1100 - Administration (DS)</b>				
P0119564	00217594	MORGAN SOUND INC	Mercerdale - Summer Celebratio	2,783.82
P0119571	00217574	ERIC HAINES LLC	2 sets at 45 minutes each as O	800.00
P0119594	00217619	VERIZON WIRELESS	VERIZON AUG 24 - SEPT 23 CPD	661.47
P0119586	00217619	VERIZON WIRELESS	VERIZON AUG 24 - SEP 23 CMI	557.17
P0119586	00217619	VERIZON WIRELESS	VERIZON AUG 24-SEP 23 CMI	185.72
P0119596	00217608	SOUND PUBLISHING INC	NTC 2734839 2024C Annual Docke	14.19

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<b>Org Key: FN2100 - Data Processing</b>				
P0119561	00217591	METROPRESORT	3RD QTR 2023 B&O TAX STATEMENT	280.24
P0119561	00217591	METROPRESORT	3RD QTR 2023 B&O TAX STATEMENT	164.71
<b>Org Key: FN4501 - Utility Billing (Water)</b>				
P0119561	00217591	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	105.17
P0119561	00217591	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	79.58
<b>Org Key: FN4502 - Utility Billing (Sewer)</b>				
P0119561	00217591	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	105.17
P0119561	00217591	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	79.58
<b>Org Key: FN4503 - Utility Billing (Storm)</b>				
P0119561	00217591	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	105.18
P0119561	00217591	METROPRESORT	SEPT 2023 PRNT & MAILING OF UT	79.58
<b>Org Key: FR1100 - Administration (FR)</b>				
P0119599	00217571	CULLIGAN SEATTLE WA	Bottled water service	317.32
P0119587	00217561	ASPECT SOFTWARE INC	monthly minimum in advance	165.15
<b>Org Key: FR2100 - Fire Operations</b>				
P0116737	00217573	EPSCA	44 RADIOS FOR FIRE 2023	1,111.00
P0119585	00217619	VERIZON WIRELESS	VERIZON AUG 24-SEP23 FIRE	727.37
P0117114	00217569	COMCAST	MERCER ISLAND FIRE STATION	118.87
P0119598	00217614	TRUE VALUE CONSTRUCTION DEPT	Fuel/Oil	102.98
P0117114	00217569	COMCAST	MERCER ISLAND FIRE STATION	93.92
P0117114	00217569	COMCAST	MERCER ISLAND FIRE STATION	62.41
<b>Org Key: GB0100 - Building Repairs</b>				
P0119580	00217572	EMPYREAN ELEVATOR LLC	Down Payment: Hall station pus	4,071.50
P0119581	00217572	EMPYREAN ELEVATOR LLC	Final Payment: Hall station pu	4,071.50
P0119472	00217559	Ankrom Moisan Architects Inc.	Mercer Island City Hall + Luth	1,601.25
<b>Org Key: GB0101 - HVAC Repairs</b>				
P0119568	00217562	AUBURN MECHANICAL	Scope Detail: B-01 and B-02 Re	5,485.19
P0119579	00217607	SIEMENS INDUSTRY INC	Building Name: Mercer Island	4,742.55
P0119523	00217589	LINDER ELECTRIC INC	1) Troubleshoot Nederman opera	1,910.57
P0119578	00217607	SIEMENS INDUSTRY INC	Building Name: Mercer Island	1,446.20
P0119549	00217562	AUBURN MECHANICAL	Scope Detail: GP-01 Pulley and	1,329.19
P0115377	00217609	STEMPER ARCHITECTURE COLLAB	PUBLIC WORKS BUILDING EXISTING	794.50
<b>Org Key: GB0107 - Honeywell Site Remediation</b>				
P0117370	00217575	FARALLON CONSULTING LLC	2022 PROJECT MANAGEMENT AND	11,262.78
<b>Org Key: GB0108 - FS91 Site Characterization &amp; F</b>				
P0110294	00217575	FARALLON CONSULTING LLC	PROJECT 1292-003 FS91 SITE	4,964.57
<b>Org Key: GGM001 - General Government-Misc</b>				
P0117114	00217569	COMCAST	CITY OF MERCER ISLAND	111.46
P0117114	00217569	COMCAST	MERCER ISLAND CITY HALL	11.43
<b>Org Key: GGM004 - Gen Govt-Office Support</b>				
P0119536	00217623	Xerox Financial Services	Copier Lease Fees Oct 2023 INV	1,031.64



**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: GGM100 - Emerg Incident Response</i>				
P0118429	00217604	R&M ASBESTOS & DEMO	ASBESTOS TILE & MASTIC REMOVAL	2,993.50
<i>Org Key: IGVO06 - Puget Sound Regional Council</i>				
P0119591	00217603	PUGET SOUND REGIONAL COUNCIL	2024 Membership Dues INV 20240	20,327.00
<i>Org Key: IS2100 - IGS Network Administration</i>				
P0119553	00217605	Ringsquared Telecom LLC	LONG DISTANCE CALLING SEPT 202	171.71
<i>Org Key: MT3000 - Water Service Upsizes and New</i>				
P0119543	00217566	CADMAN INC	5/8"-MINUS ROCK (68.04 TONS)	1,021.35
<i>Org Key: MT3100 - Water Distribution</i>				
P0119559	00217579	H D FOWLER	14" CL 52 DI PIPE, 14" MJ SLEE	3,136.59
P0119543	00217566	CADMAN INC	5/8"-MINUS ROCK (68.04 TONS)	1,021.36
<i>Org Key: MT3150 - Water Quality Event</i>				
P0117166	00217558	AM TEST INC	2023 WATER QUALITY SAMPLES	360.00
<i>Org Key: MT3300 - Water Associated Costs</i>				
	00217581	HUNTER, ALLEN	REIMB: AIRFARE-CONF 11/05-11/08	975.60
<i>Org Key: MT3600 - Sewer Associated Costs</i>				
	00217563	BAKER, DENNIS L	REIMB: PER DIEM-WWCPA SEWER SC	134.00
	00217581	HUNTER, ALLEN	REIMB: PER DIEM-WWCPA SEWER SC	134.00
<i>Org Key: MT3800 - Storm Drainage</i>				
P0119535	00217615	UNITED RENTALS NORTH AMERICA	MINI EXCAVATOR RENTAL	2,243.84
P0119543	00217566	CADMAN INC	5/8"-MINUS ROCK (68.04 TONS)	130.39
<i>Org Key: MT4150 - Support Services - Clearing</i>				
P0119590	00217619	VERIZON WIRELESS	AUG 24 - SEP 23 VERIZON PW	4,290.83
P0117114	00217569	COMCAST	CITY OF MERCER ISLAND	86.41
P0119588	00217619	VERIZON WIRELESS	AUG 24 - SEP 23 PARKS VERIZON	84.22
P0116737	00217573	EPSCA	1 RADIO FOR MAINTENANCE	25.25
<i>Org Key: MT4200 - Building Services</i>				
P0119504	00217576	FIRE PROTECTION INC	Sprinkler Repairs Fire Station	4,331.06
<i>Org Key: MT4270 - ARPA-Asbestos Response</i>				
P0119566	00217562	AUBURN MECHANICAL	Scope Detail: Winterization MI	1,367.45
<i>Org Key: MT4450 - Cust Resp - Clearing Acct</i>				
	00217564	BOROVINA, RAYMOND	REIMB: MILEAGE-SR10545/47/50	63.67
<i>Org Key: MT4501 - Water Administration</i>				
P0119554	00217583	KELLER ROHRBACK	Mountain Sound Transit INVOICE	1,993.74
P0119547	00217583	KELLER ROHRBACK	Mountain Sound Transit INVOICE	1,101.75
<i>Org Key: MT4900 - Solid Waste &amp; Sustainability</i>				
P0119496	00217597	OLYMPIC ENVIRONMENTAL RES	2023OER4 for Mercer Island 202	1,803.58
<i>Org Key: MT6100 - Park Maintenance</i>				
P0119582	00217621	WAVE ELECTRICAL LLC	GROVELAND PARK RESTROOM	2,776.72
P0119588	00217619	VERIZON WIRELESS	AUG 24 - SEP 23 PARKS VERIZON	446.21

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0118934	00217577	FOSSIL INDUSTRIES INC	1/2" Exterior CHPL Graphic.	418.00
<i>Org Key: MT6200 - Athletic Field Maintenance</i>				
P0119588	00217619	VERIZON WIRELESS	AUG 24 - SEP 23 PARKS VERIZON	42.11
<i>Org Key: MT6500 - Luther Burbank Park Maint</i>				
P0119588	00217619	VERIZON WIRELESS	AUG 24 - SEP 23 PARKS VERIZON	82.14
<i>Org Key: MT6800 - Trails Maintenance</i>				
P0119588	00217619	VERIZON WIRELESS	AUG 24 - SEP 23 PARKS VERIZON	47.11
<i>Org Key: MT6900 - Aubrey Davis Park Maint</i>				
P0119546	00217599	PAYBYPHONE TECHNOLOGIES INC	TRANS FEE MONTHLY MIN SEPT 202	260.35
<i>Org Key: PA0100 - Open Space Management</i>				
P0118265	00217560	APPLIED ECOLOGY LLC	23-08B Island Crest Park	19,422.48
P0118269	00217560	APPLIED ECOLOGY LLC	23-08F Upper Luther Burbank Pa	9,669.66
P0119485	00217610	STORM LAKE GROWERS INC	Stormlake Growers- restoration	6,076.42
P0119522	00217620	WABASH FARMS	Wabash Native Plants- restorat	3,051.73
P0119521	00217565	Brandywine Nursery Inc.	Brandywine Nursery- restoratio	504.26
P0119545	00217598	OXBOW FARM & CONSERVATION CTR	Vaccinium Parvifolium / Aruncu	171.59
P0119588	00217619	VERIZON WIRELESS	AUG 24 - SEP 23 PARKS VERIZON	47.16
<i>Org Key: PA0109 - Aubrey Davis Park Trail Safety</i>				
P0112473	00217584	KPG	Aubrey Davis Park Trail Safety	13,099.50
<i>Org Key: PA0129 - Pioneer Park/Engstrom OS Fores</i>				
P0119485	00217610	STORM LAKE GROWERS INC	Stormlake Growers- restoration	1,000.00
P0119522	00217620	WABASH FARMS	Wabash Native Plants- restorat	600.00
<i>Org Key: PA0136 - Luther Burbank South Shoreline</i>				
P0119530	00217578	GEOENGINEERS INC	LUTHER BURBANK SOUTH	13,045.10
P0119485	00217610	STORM LAKE GROWERS INC	Stormlake Growers- restoration	2,600.00
P0119522	00217620	WABASH FARMS	Wabash Native Plants- restorat	1,000.00
P0119521	00217565	Brandywine Nursery Inc.	Brandywine Nursery- restoratio	497.65
<i>Org Key: PA122B - LB Shoreline Access Improvemen</i>				
P0115092	00217617	URBAN FOREST NURSERY INC	two custom grown American Drea	260.64
<i>Org Key: PO1100 - Administration (PO)</i>				
P0119589	00217619	VERIZON WIRELESS	AUG 24 - SEP 23 VERIZON POLICE	282.30
P0119584	00217612	T-MOBILE	Police Mobile Internet	16.11
<i>Org Key: PO1350 - Police Emergency Management</i>				
P0116737	00217573	EPSCA	13 RADIOS FOR EMERGENCY DEPT	328.25
<i>Org Key: PO1650 - Regional Radio Operations</i>				
P0116737	00217573	EPSCA	60 RADIOS FOR POLICE DEPARTMEN	1,515.00
<i>Org Key: PO1800 - Contract Dispatch Police</i>				
P0119540	00217586	LEXIPOL LLC	Lexipol PoliceOne Academy - in	3,162.36
<i>Org Key: PO3100 - Investigation Division</i>				
P0119560	00217613	THOMSON REUTERS - WEST	West Investigative Service -	548.97
<i>Org Key: PR2104 - Special Events</i>				

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0119565	00217594	MORGAN SOUND INC	MUSIC IN THE PARK EQUIP SUMMER	10,761.33
P0119541	00217580	HOME DEPOT CREDIT SERVICE	ZIP TIES & EXTENSION CORDS	360.43
<i>Org Key: PR4100 - Community Center</i>				
P0119548	00217562	AUBURN MECHANICAL	Scope Detail: COMMUNITY CENTER	8,636.24
P0119567	00217562	AUBURN MECHANICAL	Scope Detail: AC down in kitch	1,367.45
P0117114	00217569	COMCAST	MERCER ISLAND COMMUNITY	322.10
<i>Org Key: SP0100 - Residential Street Resurfacing</i>				
P0119551	00217585	KRAZAN & ASSOCIATES INC	Construction Testing & Inspect	1,774.90
<i>Org Key: SU0108 - Comprehensive Pipeline R&amp;R Pro</i>				
P0119149	00217582	INSTA-PIPE INC	Basin 40 CIPP Sewer Lining Pro	123,853.47
P0119534	00217616	UNITED REPROGRAPHICS	PROJECT AWARENESS SIGNS	158.76
<i>Org Key: VCP104 - CIP Streets Salaries</i>				
P0119532	00217616	UNITED REPROGRAPHICS	PROJECT BOOKS	57.06
P0119532	00217616	UNITED REPROGRAPHICS	PROJECT BOOKS	42.71
<i>Org Key: VCP402 - CIP Water Salaries</i>				
P0119532	00217616	UNITED REPROGRAPHICS	PROJECT BOOKS	57.04
P0119532	00217616	UNITED REPROGRAPHICS	PROJECT BOOKS	42.72
<i>Org Key: VCP426 - CIP Sewer Salaries</i>				
P0119532	00217616	UNITED REPROGRAPHICS	PROJECT BOOKS	57.06
P0119532	00217616	UNITED REPROGRAPHICS	PROJECT BOOKS	42.72
<i>Org Key: VCP432 - CIP Storm Drainage Salaries</i>				
P0119532	00217616	UNITED REPROGRAPHICS	PROJECT BOOKS	57.06
P0119532	00217616	UNITED REPROGRAPHICS	PROJECT BOOKS	42.72
<i>Org Key: WU0103 - Water Reservoir Improvements</i>				
P0119533	00217616	UNITED REPROGRAPHICS	"NO PARKING AUTHORIZED VEHICLE	71.67
<i>Org Key: WU0119 - Reservoir Generator Replacemen</i>				
P0117841	00217590	McClure and Sons, Inc.	Reservoir Standby Generator	17,353.52
P0117489	00217570	CONSOR NORTH AMERICA INC	CONSTRUCTION SERVICES AND	3,956.30
<i>Org Key: WU0130 - 2023 Water Sys Improvements</i>				
P0117653	00217579	H D FOWLER	METER SETTERS, BALL CORPS & CU	34,505.71
P0117653	00217579	H D FOWLER	CREDIT FOR MATERIAL NOT RECEIV	-401.02
<i>Org Key: YF2600 - Family Assistance</i>				
P0119601	00217606	SHOREWOOD #14885	Rental assistance for EA clien	1,932.00
<i>Org Key: YF2850 - Federal SPF Grant</i>				
P0119600	00217588	Limerent LLC	HYI creative design, media	2,683.50
Total				408,871.44

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00217557	10/20/2023	ABBOTT, HELEN REFUND: OVERPMT ON 002915800		10122023	10/12/2023	72.26
00217558	10/20/2023	AM TEST INC 2023 WATER QUALITY SAMPLES	P0117166	136122	10/13/2023	360.00
00217559	10/20/2023	Ankrom Moisan Architects Inc. Mercer Island City Hall + Luth	P0119472	88827	09/18/2023	1,601.25
00217560	10/20/2023	APPLIED ECOLOGY LLC 23-08B Island Crest Park	P0118269	1575	10/09/2023	29,092.14
00217561	10/20/2023	ASPECT SOFTWARE INC monthly minimum in advance	P0119587	ASI077907	10/05/2023	165.15
00217562	10/20/2023	AUBURN MECHANICAL Scope Detail: GP-01 Pulley and	P0119567	37814	09/27/2023	18,185.52
00217563	10/20/2023	BAKER, DENNIS L REIMB: PER DIEM-WWCPA SEWER SC		09142023	09/14/2023	134.00
00217564	10/20/2023	BOROVINA, RAYMOND REIMB: MILEAGE-SR10545/47/50		10042023	10/04/2023	63.67
00217565	10/20/2023	Brandywine Nursery Inc. Brandywine Nursery- restoratio	P0119521	723	10/10/2023	1,001.91
00217566	10/20/2023	CADMAN INC 5/8"-MINUS ROCK (68.04 TONS)	P0119543	5935152	10/11/2023	2,173.10
00217567	10/20/2023	CHAPTER 13 TRUSTEE PR EARLY WARRANTS-10.20.2023		PR 10.20.2023	10/20/2023	572.00
00217568	10/20/2023	CivicPlus Social Media Backup INV 277351	P0119556	277351	10/01/2023	343.48
00217569	10/20/2023	COMCAST MERCER ISLAND FIRE STATION	P0117114	092523-102423	09/20/2023	806.60
00217570	10/20/2023	CONSOR NORTH AMERICA INC CONSTRUCTION SERVICES AND	P0117489	W192659WA.01-7	09/18/2023	3,956.30
00217571	10/20/2023	CULLIGAN SEATTLE WA Bottled water service	P0119599	0769724	09/30/2023	317.32
00217572	10/20/2023	EMPYREAN ELEVATOR LLC Down Payment: Hall station pus	P0119581	10730	09/12/2023	8,143.00
00217573	10/20/2023	EPSCA 44 RADIOS FOR FIRE 2023	P0116737	11291	10/02/2023	2,979.50
00217574	10/20/2023	ERIC HAINES LLC 2 sets at 45 minutes each as O	P0119571	10272023	10/12/2023	800.00
00217575	10/20/2023	FARALLON CONSULTING LLC 2022 PROJECT MANAGEMENT AND	P0110294	0049793	10/04/2023	16,227.35
00217576	10/20/2023	FIRE PROTECTION INC Sprinkler Repairs Fire Station	P0119504	83515	09/21/2023	4,331.06
00217577	10/20/2023	FOSSIL INDUSTRIES INC 1/2" Exterior CHPL Graphic.	P0118934	F101944	08/03/2023	418.00
00217578	10/20/2023	GEOENGINEERS INC LUTHER BURBANK SOUTH SHORELINE	P0119530	0192158	10/06/2023	13,045.10
00217579	10/20/2023	H D FOWLER 14" CL 52 DI PIPE, 14" MJ SLEE	P0117653	I6514511	09/14/2023	37,241.28
00217580	10/20/2023	HOME DEPOT CREDIT SERVICE ZIP TIES & EXTENSION CORDS	P0119541	6082620	10/13/2023	360.43
00217581	10/20/2023	HUNTER, ALLEN REIMB: AIRFARE-CONF 11/05-11/08		09152023	09/15/2023	1,109.60
00217582	10/20/2023	INSTA-PIPE INC Basin 40 CIPP Sewer Lining Pro	P0119149	SEPT 2023	09/30/2023	123,853.47

**Accounts Payable Report by Check Number**


Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00217583	10/20/2023	KELLER ROHRBACK Mountain Sound Transit INVOICE	P0119554	194576	09/28/2023	3,095.49
00217584	10/20/2023	KPG Aubrey Davis Park Trail Safety	P0112473	200547	09/22/2023	13,099.50
00217585	10/20/2023	KRAZAN & ASSOCIATES INC Construction Testing & Inspect	P0119551	INV I622630-5832	09/30/2023	1,774.90
00217586	10/20/2023	LEXIPOL LLC Lexipol PoliceOne Academy - in	P0119540	INVPRA118931	09/01/2023	3,162.36
00217587	10/20/2023	LI, WEICHENG REFUND: OVERPMT ON PRE-APP		10162023	10/16/2023	1,812.60
00217588	10/20/2023	Limerent LLC HYI creative design, media	P0119600	550	10/05/2023	2,683.50
00217589	10/20/2023	LINDER ELECTRIC INC 1) Troubleshoot Nederman opera	P0119523	37835	09/12/2023	1,910.57
00217590	10/20/2023	McClure and Sons, Inc. Reservoir Standby Generator	P0117841	SEPT 2023	09/30/2023	17,353.52
00217591	10/20/2023	METROPRESORT 3RD QTR 2023 B&O TAX STATEMENT	P0119561	IN659735	10/11/2023	999.21
00217592	10/20/2023	MI EMPLOYEES ASSOC PR EARLY WARRANTS-10.20.2023		PR 10.20.2023	10/20/2023	212.50
00217593	10/20/2023	MOBERLY AND ROBERTS Invoice #1120 Professional Ser	P0119569	1120	09/01/2023	7,600.66
00217594	10/20/2023	MORGAN SOUND INC Mercerdale - Summer Celebratio	P0119565	MSI115339	10/15/2023	13,545.15
00217595	10/20/2023	NATHALIE GAUDREAULT REFUND: OVERPMT ON 00640073602		10122023	10/12/2023	198.57
00217596	10/20/2023	OLSON, MICHELE & ERIK REFUND: OVERPMT ON 00941010003		10112023	10/11/2023	523.47
00217597	10/20/2023	OLYMPIC ENVIRONMENTAL RES 2023OER4 for Mercer Island 202	P0119496	2023OER4	10/02/2023	1,803.58
00217598	10/20/2023	OXBOW FARM & CONSERVATION CTR Vaccinium Parvifolium / Aruncu	P0119545	7304	10/10/2023	171.59
00217599	10/20/2023	PAYBYPHONE TECHNOLOGIES INC TRANS FEE MONTHLY MIN SEPT 202	P0119546	INVPBP-US363	09/30/2023	260.35
00217600	10/20/2023	PIN CENTER, THE City lapel pins INV 0923134	P0119555	0923134	09/28/2023	569.00
00217601	10/20/2023	POLICE ASSOCIATION PR EARLY WARRANTS-10.20.2023		PR 10.20.2023	10/20/2023	2,413.52
00217602	10/20/2023	PUBLIC SAFETY TESTING INC Q3 2023 Fire Fees INV 2023-107	P0119542	2023-1077	10/12/2023	905.00
00217603	10/20/2023	PUGET SOUND REGIONAL COUNCIL 2024 Membership Dues INV 20240	P0119591	R0128730	09/29/2023	20,327.00
00217604	10/20/2023	R&M ASBESTOS & DEMO ASBESTOS TILE & MASTIC REMOVAL	P0118429	INV-7111RETAINAG E	05/25/2023	2,993.50
00217605	10/20/2023	Ringsquared Telecom LLC LONG DISTANCE CALLING SEPT 202	P0119553	IN146671	10/03/2023	171.71
00217606	10/20/2023	SHOREWOOD #14885 Rental assistance for EA clien	P0119601	RENT-NOV 2023	10/17/2023	1,932.00
00217607	10/20/2023	SIEMENS INDUSTRY INC Building Name: Mercer Island	P0119579	5330817112	03/26/2023	6,188.75
00217608	10/20/2023	SOUND PUBLISHING INC NTC 2735159 ORD 23C-11 9.13.23	P0119596	8115003	09/30/2023	188.82

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00217609	10/20/2023	STEMPER ARCHITECTURE COLLAB PUBLIC WORKS BUILDING EXISTING	P0115377	22345-PART 2	08/21/2023	794.50
00217610	10/20/2023	STORM LAKE GROWERS INC Stormlake Growers- restoration	P0119485	23-644	10/05/2023	9,676.42
00217611	10/20/2023	SUMMIT LAW GROUP HR Support Professional Service	P0119597	148787	10/17/2023	36.50
00217612	10/20/2023	T-MOBILE Police Mobile Internet	P0119584	09212023	09/21/2023	16.11
00217613	10/20/2023	THOMSON REUTERS - WEST West Investigative Service -	P0119560	849053553	10/01/2023	548.97
00217614	10/20/2023	TRUE VALUE CONSTRUCTION DEPT Fuel/Oil	P0119598	146259	10/14/2023	102.98
00217615	10/20/2023	UNITED RENTALS NORTH AMERICA MINI EXCAVATOR RENTAL	P0119535	218193564-007	10/10/2023	2,243.84
00217616	10/20/2023	UNITED REPROGRAPHICS PROJECT AWARENESS SIGNS	P0119533	9117120-IN	09/30/2023	629.52
00217617	10/20/2023	URBAN FOREST NURSERY INC two custom grown American Drea	P0115092	9183-FALL 2023	07/11/2023	260.64
00217618	10/20/2023	VERITIV OPERATING COMPANY INVENTORY PURCHASES	P0119558	655-22087835	10/03/2023	1,489.59
00217619	10/20/2023	VERIZON WIRELESS VERIZON AUG 24 - SEPT 23 ANGIE	P0119589	9945125215	09/23/2023	7,888.62
00217620	10/20/2023	WABASH FARMS Wabash Native Plants- restorat	P0119522	3392	10/09/2023	4,651.73
00217621	10/20/2023	WAVE ELECTRICAL LLC GROVELAND PARK RESTROOM POWER	P0119582	23156	08/07/2023	2,776.72
00217622	10/20/2023	WSCCCE AFSCME AFL-CIO PR EARLY WARRANTS-10.20.2023		PR 10.20.2023	10/20/2023	2,902.25
00217623	10/20/2023	Xerox Financial Services Copier Lease Fees Oct 2023 INV	P0119536	4892738	10/12/2023	1,031.64
00217624	10/20/2023	YEH, DAVID REFUND: OVERPMT ON 00204120001		10122023	10/12/2023	571.10
					Total	408,871.44

## CERTIFICATION OF CLAIMS

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered, or the labor performed as described herein, that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the City of Mercer Island, and that I am authorized to authenticate and certify to said claim.



\_\_\_\_\_  
Finance Director

I, the undersigned, do hereby certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

<u>Report</u>	<u>Warrants</u>	<u>Date</u>	<u>Amount</u>
Check Register	217626-217693	10/27/2023	\$362,847.58
			\$362,847.58

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<b>Org Key: 001000 - General Fund-Admin Key</b>				
P0119662	00217670	MERCER ISLAND HIGH SCHOOL	MICEC Rental FA-6884 completed	100.00
<b>Org Key: 402000 - Water Fund-Admin Key</b>				
P0119616	00217644	GEMPLER'S INC	INVENTORY PURCHASES	1,429.09
	00217659	LAKESHORE CORPORATION	REFUND: OVERPMT 0010771750006	846.74
P0119609	00217647	GRAINGER	INVENTORY PURCHASES	691.58
P0119611	00217641	EXCEL SUPPLY COMPANY	INVENTORY PURCHASES	638.54
P0119644	00217627	A.M. LEONARD INC	INVENTORY PURCHASES	647.84
P0119616	00217644	GEMPLER'S INC	INVENTORY PURCHASES	478.94
P0119563	00217634	CESSCO INC	INVENTORY PURCHASES	389.10
P0119614	00217690	USABlueBook	INVENTORY PURCHASES	204.40
P0119614	00217690	USABlueBook	INVENTORY PURCHASES	178.03
P0119632	00217642	FORESTRY SUPPLIERS INC	INVENTORY PURCHASES	93.00
P0119606	00217647	GRAINGER	INVENTORY PURCHASES	71.35
P0119616	00217644	GEMPLER'S INC	INVENTORY PURCHASES	50.64
P0119609	00217647	GRAINGER	INVENTORY PURCHASES	31.40
	00217636	CHENG, AMY	REFUND: OVERPMT 00292075002	28.46
<b>Org Key: CA1100 - Administration (CA)</b>				
P0119623	00217664	Madrona Law Group, PLLC	Invoice 12196 Professional Ser	4,779.00
P0119623	00217664	Madrona Law Group, PLLC	Invoice #12200 Professional	4,136.63
P0119623	00217664	Madrona Law Group, PLLC	Invoice #12202 Professional	1,944.00
P0119623	00217664	Madrona Law Group, PLLC	Invoice #12193 Professional	1,383.00
P0119623	00217664	Madrona Law Group, PLLC	Invoice #12199 Professional	891.00
P0119623	00217664	Madrona Law Group, PLLC	Invoice #12201 Professional	81.00
P0119623	00217664	Madrona Law Group, PLLC	Invoice #12198 Professional	81.00
P0119623	00217664	Madrona Law Group, PLLC	Invoice #12192 Professional	54.00
P0119623	00217664	Madrona Law Group, PLLC	Invoice #12197 Professional	4.13
<b>Org Key: CA1200 - Prosecution &amp; Criminal Mngmnt</b>				
P0119622	00217655	Kiviat, Aaron	Invoice #1631 Professional Ser	1,400.00
P0119621	00217655	Kiviat, Aaron	Invoice #1632 Professional Ser	1,400.00
<b>Org Key: CM1100 - Administration (CM)</b>				
P0119659	00217675	Northwest Studio	Facilities Assessment Project	17,941.95
<b>Org Key: CO6100 - City Council</b>				
	00217673	NICE, SALIM	REIMB: MILEAGE AWC MAYORS EXCH	168.99
	00217673	NICE, SALIM	REIMB: MILEAGE MEETING GOV.	40.61
<b>Org Key: CR1100 - Human Resources</b>				
P0119615	00217677	PUBLIC SAFETY TESTING INC	Sept 2023 Police Fees INV 2023	374.00
P0119655	00217676	OCCUPATIONAL HEALTH CTRS OF WA	DOT PHYSICALS INV 80893453	250.00
P0119607	00217637	CINTAS	FIRST AID SUPPLIES	236.65
P0119648	00217676	OCCUPATIONAL HEALTH CTRS OF WA	DOT PHYSICALS INV 80823150	157.00
<b>Org Key: CT1100 - Municipal Court</b>				
	00217649	GREGORY, JEFF	REIMB: MILEAGE MI/KL/NC COURT	85.67
	00217631	BAEZ, DAISY	REIMB: MILEAGE MI COURT	57.12
	00217635	CHANG, SABINA	REIMB: MILEAGE KL COURT	28.56
<b>Org Key: DS1300 - Land Use Planning Svc</b>				



**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00217665	MANAHAN, GRACE	REIMB: LODGING APA CONFERENCE	646.68
<i>Org Key: FN1100 - Administration (FN)</i>				
P0119650	00217684	STATE AUDITOR'S OFFICE	2022 Federal Audit	2,022.40
P0119635	00217646	Government Finance	MuniCast Forecasting and Trend	1,995.00
<i>Org Key: FN2100 - Data Processing</i>				
P0116068	00217686	TYLER TECHNOLOGIES INC	License Fees Tyler Munis Finan	55,097.16
<i>Org Key: FN4501 - Utility Billing (Water)</i>				
P0119657	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	91.80
P0119658	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	86.82
P0119657	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	69.34
P0119658	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	65.65
<i>Org Key: FN4502 - Utility Billing (Sewer)</i>				
P0119657	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	91.81
P0119658	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	86.82
P0119657	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	69.34
P0119658	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	65.65
<i>Org Key: FN4503 - Utility Billing (Storm)</i>				
P0119657	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	91.81
P0119658	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	86.83
P0119657	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	69.34
P0119658	00217671	METROPRESORT	OCT 2023 PRNT & MAILING OF UTI	65.66
<i>Org Key: FR2100 - Fire Operations</i>				
P0119649	00217674	NORCOM 911	Code3 Software Fee 2023	841.56
P0119617	00217658	KROESENS UNIFORM COMPANY	Uniform ops	259.03
<i>Org Key: GGM004 - Gen Govt-Office Support</i>				
P0119618	00217680	RICOH USA INC (FIRE)	Copier Rental	278.77
<i>Org Key: GGM005 - Genera Govt-L1 Retiree Costs</i>				
	00217662	LEOFF HEALTH & WELFARE TRUST	LEOFF-POLICE RETIREES	7,851.60
	00217661	LEOFF HEALTH & WELFARE TRUST	LEOFF-FIRE RETIREES	1,635.75
P0119641	00217651	HAGSTROM, CRAIG	Hearing Aids	1,599.99
P0119640	00217682	RUCKER, MANORD J	LEOFF1 Retiree Medical Expense	522.94
P0119620	00217632	BOOTH, GLENDON D	LEOFF1 Retiree Medical Expense	308.99
P0119624	00217643	FORSMAN, LOWELL	Leoff1 Retiree Medical Expense	94.00
<i>Org Key: GGM100 - Emerg Incident Response</i>				
P0119646	00217652	HEARTLAND LLC	Invoice #1352Sep2023 Professio	20,082.50
<i>Org Key: GGX620 - Custodial Disbursements</i>				
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	3,636.53
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	3,357.10
P0119573	00217691	WA ST TREASURER'S OFFICE	AUG23 Newcastle Court Remit	3,095.55
P0119576	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 NC Court Fees	2,988.60
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	1,968.36
P0119573	00217691	WA ST TREASURER'S OFFICE	AUG23 Newcastle Court Remit	1,838.27
P0119576	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 NC Court Fees	1,783.44
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	1,613.29

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
P0119573	00217691	WA ST TREASURER'S OFFICE	AUG23 Newcastle Court Remit	1,578.88
P0119576	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 NC Court Fees	1,539.17
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	1,530.39
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	1,441.35
P0119573	00217691	WA ST TREASURER'S OFFICE	AUG23 Newcastle Court Remit	1,062.52
P0119576	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 NC Court Fees	991.29
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	933.39
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	835.69
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	831.00
P0119573	00217691	WA ST TREASURER'S OFFICE	AUG23 Newcastle Court Remit	343.31
P0119573	00217691	WA ST TREASURER'S OFFICE	AUG23 Newcastle Court Remit	337.09
P0119576	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 NC Court Fees	335.93
P0119576	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 NC Court Fees	326.21
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	307.91
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	289.05
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	280.79
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	277.76
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	277.74
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	262.42
P0119573	00217691	WA ST TREASURER'S OFFICE	AUG23 Newcastle Court Remit	241.27
P0119576	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 NC Court Fees	136.03
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	49.63
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	33.33
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	33.33
P0119574	00217691	WA ST TREASURER'S OFFICE	Remit SEPT23 MI Court Fees	32.93
P0119573	00217691	WA ST TREASURER'S OFFICE	AUG23 Newcastle Court Remit	13.96
P0119575	00217691	WA ST TREASURER'S OFFICE	Remit AUG23 MI Court Fees	5.99
<b>Org Key: GX9996 - Employee Benefits-Police</b>				
	00217662	LEOFF HEALTH & WELFARE TRUST	LEOFF-POLICE	53,566.28
	00217662	LEOFF HEALTH & WELFARE TRUST	LEOFF-POLICE SUPPORT	3,436.09
<b>Org Key: GX9997 - Employee Benefits-Fire</b>				
	00217661	LEOFF HEALTH & WELFARE TRUST	LEOFF-FIRE ACTIVE	54,269.17
<b>Org Key: MT2100 - Roadway Maintenance</b>				
P0119645	00217685	TRAFFIC SAFETY SUPPLY	"SE 65TH ST" STREET SIGN	76.11
<b>Org Key: MT2255 - Urban Forest Management (ROW)</b>				
P0119632	00217642	FORESTRY SUPPLIERS INC	SPEED SPADE & SINGLE BAG	130.02
<b>Org Key: MT2500 - ROW Administration</b>				
P0119626	00217683	SOUND SAFETY PRODUCTS	MISC. WORK CLOTHES	237.78
<b>Org Key: MT3100 - Water Distribution</b>				
P0119614	00217690	USABlueBook	RETRIEVING MAGNETS	452.66
	00217663	LEYDE, CASEY	REIMB: MILEAGE SR10549/WO48722	94.84
<b>Org Key: MT3150 - Water Quality Event</b>				
P0117166	00217628	AM TEST INC	2023 WATER QUALITY SAMPLES	60.00
<b>Org Key: MT3300 - Water Associated Costs</b>				
	00217678	PULU, ANDRU	REIMB: MILEAGE WO48722/WO48853	89.08

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
	00217630	AUCKLAND, JOSH	REIMB: MILEAGE WO48511	48.34
	00217681	Robinson, Cody	REIMB: MILEAGE WO48722	48.08
<i>Org Key: MT3400 - Sewer Collection</i>				
P0119643	00217650	H D FOWLER	6" & 8" PVC SEWER PIPE & 6"	593.74
<i>Org Key: MT3500 - Sewer Pumps</i>				
P0117659	00217640	EVOQUA WATER TECHNOLOGIES LLC	ANNUAL BIOXIDE	6,040.91
<i>Org Key: MT3600 - Sewer Associated Costs</i>				
P0119631	00217648	GREEN RIVER COMM COLLEGE/WETRC	CONFINED SPACE TRAINING FOR CH	240.00
	00217666	MARTIN, ERIC	REIMB: MILEAGE WO48722	14.41
<i>Org Key: MT4200 - Building Services</i>				
P0119610	00217653	HOME DEPOT CREDIT SERVICE	SHELVES & SURGE PROTECT STRIP	88.04
<i>Org Key: MT4300 - Fleet Services</i>				
P0119661	00217668	MERCER ISLAND CHEVRON	MI CHEVRON - SEPTEMBER 2023	14,240.90
P0119604	00217672	NELSON PETROLEUM	2023 DIESEL DELIVERY	3,118.05
P0119572	00217672	NELSON PETROLEUM	2023 DIESEL DELIVERY	3,102.81
P0119605	00217645	GOODYEAR TIRE & RUBBER CO, THE	2023 TIRE INVENTORY	2,928.14
<i>Org Key: MT4420 - Transportation Planner Eng</i>				
P0119625	00217689	UNITED REPROGRAPHICS	4) WET PAINT ON ROAD MAGNETS	239.96
<i>Org Key: MT4501 - Water Administration</i>				
P0119627	00217692	WATER DISTRICT 125	SPU CONTRACT CONSULTING SVCS	5,000.00
<i>Org Key: MT6100 - Park Maintenance</i>				
P0119577	00217653	HOME DEPOT CREDIT SERVICE	LUMBER, PAINT & SHELVES	185.91
<i>Org Key: MT6500 - Luther Burbank Park Maint</i>				
P0119637	00217653	HOME DEPOT CREDIT SERVICE	BRASS NIPPLES & BUSHINGS	50.07
<i>Org Key: PA0100 - Open Space Management</i>				
P0119638	00217654	INSIDE PASSAGE	CITY OF MERCER ISLAND PW	320.08
P0119628	00217692	WATER DISTRICT 125	CUSTOMER DEPOSIT - 25%	223.00
<i>Org Key: PA0124 - Luther Burbank Boiler Bldg Roo</i>				
P0114464	00217633	CARDINAL ARCHITECTURE PC	LUTHER BURBANK PARK BOILER BUI	2,387.10
<i>Org Key: PA0129 - Pioneer Park/Engstrom OS Fores</i>				
P0119638	00217654	INSIDE PASSAGE	CITY OF MERCER ISLAND PW	320.09
<i>Org Key: PA124A - LB Boiler Annex &amp; Deck</i>				
P0114464	00217633	CARDINAL ARCHITECTURE PC	LUTHER BURBANK PARK BOILER BUI	850.20
<i>Org Key: PA124B - LB Boiler Bldg City Portion</i>				
P0114464	00217633	CARDINAL ARCHITECTURE PC	LUTHER BURBANK PARK BOILER BUI	32.70
<i>Org Key: PO1350 - Police Emergency Management</i>				
P0119629	00217669	MERCER ISLAND GUILD OF	2024 EM Directory Ad (inv. 166	450.00
P0119630	00217679	REMOTE SATELLITE SYSTEMS INT'L	EMAC Satellite Phone Service (	69.95
<i>Org Key: PO2450 - Special Operations Team</i>				
P0119602	00217638	CRIMINAL JUSTICE TRAINING COMM	SWAT Training - Ofc. Smith -	800.00

**Accounts Payable Report by GL Key**

PO #	Check #	Vendor:	Transaction Description	Check Amount
<i>Org Key: PR1100 - Administration (PR)</i>				
P0119500	00217667	MCNAMARA SIGNS	Recreation Division a-board an	5,174.70
P0119503	00217687	ULINE	office chair	429.25
P0119501	00217669	MERCER ISLAND GUILD OF	MI Directory	115.00
P0119500	00217667	MCNAMARA SIGNS	Delivery Fee	71.57
P0119385	00217626	29 ELEVEN INC	Nathan Yang's name badge	20.92
<i>Org Key: PR2104 - Special Events</i>				
P0119636	00217693	WHEELHOUSE PROMOTIONS & EVENTS	Holiday Ornaments <100 units>	988.26
P0119642	00217688	UNITED RENTALS NORTH AMERICA	ARTICULATING BOOM 60-64' RENTA	1,047.94
P0119642	00217688	UNITED RENTALS NORTH AMERICA	ARTICULATING BOOM 60-64' RENTA	997.71
P0119610	00217653	HOME DEPOT CREDIT SERVICE	GFCI W/POWER BLOCK	89.11
<i>Org Key: PR4100 - Community Center</i>				
P0119502	00217660	LEGEND DATA SYSTEMS INC	Print cartridge for membership	147.26
<i>Org Key: SP0100 - Residential Street Resurfacing</i>				
P0119562	00217639	EJ USA INC	6" X 24" RINGS & COVER "SEWER"	6,017.74
<i>Org Key: SP0118 - ADA Compliance Plan Implementa</i>				
P0119275	00217656	KPFF CONSULTING ENGINEERS	ADA Transition Plan Implementa	15,614.30
<i>Org Key: SP0137 - Traffic Signal Safety Improvem</i>				
P0118271	00217657	KPG	Traffic Signal Safety Improvem	3,892.74
<i>Org Key: WU0130 - 2023 Water Sys Improvements</i>				
P0119531	00217629	Atwell LLC	2023 Water System Improvements	4,276.41
Total				<u>362,847.58</u>

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00217626	10/27/2023	29 ELEVEN INC Nathan Yang's name badge	P0119385	224905	10/06/2023	20.92
00217627	10/27/2023	A.M. LEONARD INC INVENTORY PURCHASES	P0119644	CI23053245/SO231	10/18/2023	647.84
00217628	10/27/2023	AM TEST INC 2023 WATER QUALITY SAMPLES	P0117166	136144	10/19/2023	60.00
00217629	10/27/2023	Atwell LLC 2023 Water System Improvements	P0119531	0318213	09/28/2023	4,276.41
00217630	10/27/2023	AUCKLAND, JOSH REIMB: MILEAGE WO48511		10032023	10/03/2023	48.34
00217631	10/27/2023	BAEZ, DAISY REIMB: MILEAGE MI COURT		10162023	10/16/2023	57.12
00217632	10/27/2023	BOOTH, GLENDON D LEOFF1 Retiree Medical Expense	P0119620	LEOFF1 10232023	10/23/2023	308.99
00217633	10/27/2023	CARDINAL ARCHITECTURE PC LUTHER BURBANK PARK BOILER BUI	P0114464	2140-16	09/30/2023	3,270.00
00217634	10/27/2023	CESSCO INC INVENTORY PURCHASES	P0119563	21196	10/10/2023	389.10
00217635	10/27/2023	CHANG, SABINA REIMB: MILEAGE KL COURT		10252023	10/25/2023	28.56
00217636	10/27/2023	CHENG, AMY REFUND: OVERPMT 00292075002		10132023	10/13/2023	28.46
00217637	10/27/2023	CINTAS FIRST AID SUPPLIES	P0119607	5180130436	10/17/2023	236.65
00217638	10/27/2023	CRIMINAL JUSTICE TRAINING COMM SWAT Training - Ofc. Smith -	P0119602	201138046	05/22/2023	800.00
00217639	10/27/2023	EJ USA INC 6" X 24" RINGS & COVER "SEWER"	P0119562	110230074905	10/07/2023	6,017.74
00217640	10/27/2023	EVOQUA WATER TECHNOLOGIES LLC ANNUAL BIOXIDE	P0117659	906136581	10/11/2023	6,040.91
00217641	10/27/2023	EXCEL SUPPLY COMPANY INVENTORY PURCHASES	P0119611	144350	10/17/2023	638.54
00217642	10/27/2023	FORESTRY SUPPLIERS INC INVENTORY PURCHASES	P0119632	464848-00	10/12/2023	223.02
00217643	10/27/2023	FORSMAN, LOWELL Leoff1 Retiree Medical Expense	P0119624	LEOFF1 10232023	10/23/2023	94.00
00217644	10/27/2023	GEMPLER'S INC INVENTORY PURCHASES	P0119616	INV0004565940	10/17/2023	1,958.67
00217645	10/27/2023	GOODYEAR TIRE & RUBBER CO, THE 2023 TIRE INVENTORY	P0119605	195-1167810	10/16/2023	2,928.14
00217646	10/27/2023	Government Finance MuniCast Forecasting and Trend	P0119635	MI-1023-01	10/18/2023	1,995.00
00217647	10/27/2023	GRAINGER INVENTORY PURCHASES	P0119609	9872564159	10/16/2023	794.33
00217648	10/27/2023	GREEN RIVER COMM COLLEGE/WETRC CONFINED SPACE TRAINING FOR CH	P0119631	225132	10/23/2023	240.00
00217649	10/27/2023	GREGORY, JEFF REIMB: MILEAGE MI/KL/NC COURT		10102023-OCT	10/10/2023	85.67
00217650	10/27/2023	H D FOWLER 6" & 8" PVC SEWER PIPE & 6"	P0119643	I6549715	10/20/2023	593.74
00217651	10/27/2023	HAGSTROM, CRAIG Hearing Aids	P0119641	09212023	09/21/2023	1,599.99

**Accounts Payable Report by Check Number**

Check No	Check Date	Vendor Name/Description	PO #	Invoice #	Invoice Date	Check Amount
00217652	10/27/2023	HEARTLAND LLC Invoice #1352Sep2023 Professio	P0119646	1352SEP2023	10/17/2023	20,082.50
00217653	10/27/2023	HOME DEPOT CREDIT SERVICE SHELVES & SURGE PROTECT STRIP	P0119610	9083502	10/20/2023	413.13
00217654	10/27/2023	INSIDE PASSAGE CITY OF MERCER ISLAND PW	P0119638	7386	10/07/2023	640.17
00217655	10/27/2023	Kiviat, Aaron Invoice #1631 Professional Ser	P0119621	1632	10/18/2023	2,800.00
00217656	10/27/2023	KPFF CONSULTING ENGINEERS ADA Transition Plan Implementa	P0119275	491775	10/13/2023	15,614.30
00217657	10/27/2023	KPG Traffic Signal Safety Improvem	P0118271	200381	09/20/2023	3,892.74
00217658	10/27/2023	KROESENS UNIFORM COMPANY Uniform ops	P0119617	2975	10/20/2023	259.03
00217659	10/27/2023	LAKESHORE CORPORATION REFUND: OVERPMT 0010771750006		10202023	10/20/2023	846.74
00217660	10/27/2023	LEGEND DATA SYSTEMS INC Print cartridge for membership	P0119502	138235	10/03/2023	147.26
00217661	10/27/2023	LEOFF HEALTH & WELFARE TRUST LEOFF-FIRE RETIREES		LEOFF NOV-23	10/25/2023	55,904.92
00217662	10/27/2023	LEOFF HEALTH & WELFARE TRUST LEOFF-POLICE RETIREES		LEOFF NOV-23	10/25/2023	64,853.97
00217663	10/27/2023	LEYDE, CASEY REIMB: MILEAGE SR10549/WO48722		10132023	10/13/2023	94.84
00217664	10/27/2023	Madrona Law Group, PPLC Invoice #12192 Professional	P0119623	12198	10/05/2023	13,353.76
00217665	10/27/2023	MANAHAN, GRACE REIMB: LODGING APA CONFERENCE		10172023	10/17/2023	646.68
00217666	10/27/2023	MARTIN, ERIC REIMB: MILEAGE WO48722		10132023	10/13/2023	14.41
00217667	10/27/2023	MCNAMARA SIGNS Delivery Fee	P0119500	40994	09/29/2023	5,246.27
00217668	10/27/2023	MERCER ISLAND CHEVRON MI CHEVRON - SEPTEMBER 2023	P0119661	SEPT2023	10/27/2023	14,240.90
00217669	10/27/2023	MERCER ISLAND GUILD OF 2024 EM Directory Ad (inv. 166	P0119501	16612	10/03/2023	565.00
00217670	10/27/2023	MERCER ISLAND HIGH SCHOOL MICEC Rental FA-6884 completed	P0119662	FA-6884	10/26/2023	100.00
00217671	10/27/2023	METROPRESORT OCT 2023 PRNT & MAILING OF UTI	P0119658	IN659962	10/18/2023	940.87
00217672	10/27/2023	NELSON PETROLEUM 2023 DIESEL DELIVERY	P0119572	0847102-IN	10/11/2023	6,220.86
00217673	10/27/2023	NICE, SALIM REIMB: MILEAGE MEETING GOV.		10202023	10/20/2023	209.60
00217674	10/27/2023	NORCOM 911 Code3 Software Fee 2023	P0119649	0001516	10/16/2023	841.56
00217675	10/27/2023	Northwest Studio Facilities Assessment Project	P0119659	2304-02	07/24/2023	17,941.95
00217676	10/27/2023	OCCUPATIONAL HEALTH CTRS OF WA DOT PHYSICALS INV 80893453	P0119648	80823150	10/10/2023	407.00
00217677	10/27/2023	PUBLIC SAFETY TESTING INC Sept 2023 Police Fees INV 2023	P0119615	2023-1208	10/19/2023	374.00

**Accounts Payable Report by Check Number**

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00217678	10/27/2023	PULU, ANDRU REIMB: MILEAGE WO48722/WO48853		10182023	10/18/2023	89.08
00217679	10/27/2023	REMOTE SATELLITE SYSTEMS INT'L EMAC Satellite Phone Service (	P0119630	00125155	10/10/2023	69.95
00217680	10/27/2023	RICOH USA INC (FIRE) Copier Rental	P0119618	107712122	10/20/2023	278.77
00217681	10/27/2023	Robinson, Cody REIMB: MILEAGE WO48722		10182023	10/18/2023	48.08
00217682	10/27/2023	RUCKER, MANORD J LEOFF1 Retiree Medical Expense	P0119640	LEOFF1 10232023	10/23/2023	522.94
00217683	10/27/2023	SOUND SAFETY PRODUCTS MISC. WORK CLOTHES	P0119626	272004/3	10/23/2023	237.78
00217684	10/27/2023	STATE AUDITOR'S OFFICE 2022 Federal Audit	P0119650	L157008	10/10/2023	2,022.40
00217685	10/27/2023	TRAFFIC SAFETY SUPPLY "SE 65TH ST" STREET SIGN	P0119645	INV064443	10/23/2023	76.11
00217686	10/27/2023	TYLER TECHNOLOGIES INC License Fees Tyler Munis Finan	P0116068	045-430255	08/01/2023	55,097.16
00217687	10/27/2023	ULINE office chair	P0119503	168715368	09/20/2023	429.25
00217688	10/27/2023	UNITED RENTALS NORTH AMERICA ARTICULATING BOOM 60-64' RENTA	P0119642	226188067-001	10/23/2023	2,045.65
00217689	10/27/2023	UNITED REPROGRAPHICS 4) WET PAINT ON ROAD MAGNETS	P0119625	9117367-IN	10/17/2023	239.96
00217690	10/27/2023	USABlueBook INVENTORY PURCHASES	P0119614	INV00158526	10/09/2023	835.09
00217691	10/27/2023	WA ST TREASURER'S OFFICE Remit AUG23 MI Court Fees	P0119576	NC-SEPT 2023	10/20/2023	34,609.50
00217692	10/27/2023	WATER DISTRICT 125 SPU CONTRACT CONSULTING SVCS	P0119628	24-229 DEPOSIT	10/13/2023	5,223.00
00217693	10/27/2023	WHEELHOUSE PROMOTIONS & EVENTS Holiday Ornaments <100 units>	P0119636	1192	10/02/2023	988.26
					Total	362,847.58



# CITY COUNCIL MINUTES REGULAR HYBRID MEETING OCTOBER 17, 2023

Item 4.

## CALL TO ORDER & ROLL CALL

Mayor Salim Nice called the Regular Hybrid Meeting to order at 5:01 pm from a remote location.

Mayor Salim Nice, Deputy Mayor Rosenbaum and Councilmembers Lisa Anderl, Jake Jacobson, Craig Reynolds, Wendy Weiker, and Ted Weinberg participated remotely using Zoom.

## PLEDGE OF ALLEGIANCE

The City Council delivered the Pledge of Allegiance.

## AGENDA APPROVAL

It was moved by Jacobson; seconded by Reynolds to:

**Approve the agenda.**

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Weinberg)

## STUDY SESSION

### AB 6361: Water System Reliability Action Plan Check-In with Confluence Engineering

Chief of Operations Jason Kintner introduced the staff and consultants working on the Water Systems Reliability Action Plan.

Chris McMeen from Confluence Engineering presented background information regarding the April water emergency, including the data that was gathered during the event and action items that are under consideration. He presented the evaluation criteria categories, discussed potential early action items of enhanced secondary groundwater supply, enhanced water storage, and enhanced planning for future projects, and looked at the next steps in the development of an action plan.

City Council asked questions of staff and the consultants.

## APPEARANCES

Kian Bradley, Mercer Island, spoke about the draft 2024 Legislative Priorities.

## SPECIAL BUSINESS

### AB 6364: Condemning Attacks Against State of Israel, Proclamation No. 320

Mayor Nice read Proclamation No. 320 condemning attacks against the State of Israel.

It was moved by Jacobson; seconded by Anderl to:

**Approve Proclamation No. 320 to condemn the attacks against the State of Israel and pledge unwavering support to the Jewish population on Mercer Island, ensuring that Mercer Island remains a place of safety, unity, and support.**

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Weinberg)



Deputy Mayor Rosenbaum read the statement that he and Mayor Nice issued on October 10, 2023 related to the terrorist attacks in Israel.

It was moved by Rosenbaum; seconded by Reynolds to:

**Adopt the statement issued by Mayor Salim Nice and Deputy Mayor Dave Rosenbaum on October 10, 2023 related to the terrorist attacks in Israel and approve its use in Citywide communications.**

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Weinberg)

## CITY MANAGER REPORT

City Manager Jessi Bon reported on the following items:

- **Accessing City Services:** Reminder on how to access City Services through the Customer Service Team.
- **Council, Boards & Commission Meetings:** Upcoming City Council meeting on November 7. Upcoming board and commission meetings Arts Council on October 18, Open Space Conservancy Trust on October 25, Design Commission on November 1, and Parks & Recreation Commission on November 2.
- **City Services Updates:** Update on City Hall Closure plans have been made to support staff in retrieving personal items and sorting work materials related to decommissioning City Hall, Work continues transitioning the Slater room into the new Council Chambers, however, there has been a delay, but are still hopeful that the first meeting will occur before the end of the year. Utility & ROW Teams responded to a watermain break in the 4600 block of West Mercer Way, Stormwater Staff repaired a damaged manhole structure along West Mercer Way, ROW Team improved access necessary for tree contractors to conduction work, Bike Skills Area construction continues, Water System Improvement in East Seattle neighborhood beginning this week, work continues on the Reservoir Improvement project, and the Fentanyl Awareness Forum had a great turnout.
- **Upcoming Events:** Arbor Day Event on October 21, Sister City Reception on October 26, Hallo-Weekend events Town Center Trick-or-Treating October 27, Pumpkin Walk on October 29.
- **News:** Thank you to Quinn Shavey and eight volunteers who installed a section of split rail fence at the Bike Skills Area for his eagle scout project, MIPD, YFS, and Recreation staff participated in MISD's New Family Welcome Event.

## CONSENT AGENDA

### AB 6343: October 6, 2023 Payroll Certification

**Recommended Action:** Approve the October 6, 2023 Payroll Certification in the amount of \$1,009,134.92 and authorize the Mayor to sign the certification on behalf of the entire City Council.

#### Certification of Claims:

- A. Check Register | 217331-217420 | 9/29/2023 | \$526,543.77
- B. Check Register | 217421-217464 | 10/6/2023 | \$1,601,675.27
- C. EFT Payments | August 2023 | \$3,043,579.89
- D. EFT Payments | September 2023 | \$2,767,754.92

**Recommended Action:** Certify that the City Council has reviewed the documentation supporting claims paid and approved all checks or warrants issued in payment of claims.

### City Council Meeting Minutes of October 3, 2023 Regular Hybrid Meeting

**Recommended Action:** Approve the City Council Meeting minutes of the October 3, 2023 Regular Hybrid Meeting.

### AB 6352: Luther Burbank Park Aquatic Lands Lease

**Recommended Action:** Authorize the City Manager to take the necessary actions to (1) terminate the

Eastside Public Safety Communications Agency (EPSCA) Interlocal Agreement; (2) dissolve EPSCA; and (3) effectuate the termination and dissolution in best interest of the City.

It was moved by Reynolds; seconded by Weinberg to:

**Approve the Consent Agenda as presented, and the recommended actions contained therein.**

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Weinberg)

## PUBLIC HEARING

### **AB 6350: Stormwater Management Program Amendments (Ord. No. 23C-14 First Reading)**

Mayor Nice opened the Public Hearing at 6:29 PM. There being no public comment, Mayor Nice closed the Public Hearing at 6:29 PM.

Chief of Operations Jason Kintner introduced ROW & Stormwater Manager Brian Hartvigson who spoke about the proposed amendments to the stormwater management program. Rebecca Dugopolski with Hererra Environmental Consulting presented information about the National Pollutant Discharge Elimination System Phase II Municipal Stormwater Permit (NPDES Permit) and the 2019 Department of Ecology updated Stormwater Management Manual for Western Washington. She reviewed the proposed amendments and discussed the process and next steps for Ordinance No. 23C-14.

City Council asked questions of staff and the consultant.

It was moved by Reynolds; seconded by Weinberg to:

**Move to set Ordinance No. 123C-14 for second reading and adoption at the November 7, 2023, City Council meeting.**

PASSED: 7-0

FOR: 7 (Anderl, Jacobson, Nice, Reynolds, Rosenbaum, Weiker, and Weinberg)

## REGULAR BUSINESS

### **AB 6355: Ratification of King County Ordinance No. 19660 – an Amendment to the 2021 King County Countywide Planning Policies (CPPs)**

CPD Director Jeff Thomas provided background on the ratification of the King County Countywide Planning Policies and introduced CPD Deputy Director Alison Van Gorp who presented the purpose of an amendment to the King County Countywide Planning Policies to be ratified with Resolution No. 1651 and discussed the ratification process.

City Clerk Andrea Larson read Resolution No. 1651 into the record.

City Council asked questions of staff.

It was moved by Weiker; seconded by Reynolds to:

**Approve Resolution No. 1651 ratifying amendments to the King County Countywide Planning Policies.**

PASSED: 6-0-1

FOR: 6 (Anderl, Nice, Reynolds, Rosenbaum, Weiker, and Weinberg)

ABSTAIN: 1 (Jacobson)

### **AB 6357: 2023-2024 Mid-Biennial Budget Revenue Forecast**

Finance Director Matt Mornick presented the 2023-2024 Mid-Biennial Budget revenue forecast. He discussed the economic outlook, presented an overview of the General Fund revenue forecast, Real Estate Excise Tax, YFS Fund revenue forecast, and discussed next steps that will be discussed at the November 21 City Council Meeting.

City Council discussed and asked questions of staff.

#### **AB 6360: Review 2024 Draft Legislative Strategy**

Senior Management Analyst Merrill Thomas-Schadt presented an overview of the 2023 Legislative Priorities, discussed the 2024 Legislative Session logistics, and spoke about the other organizations that the City collaborates with when making legislative asks. Management Analyst Robbie Cunningham-Adams discussed a potential transit orientated development bill that may be introduced during the legislative session and presented Climate Commitment Act funding that may be available in 2024 for projects and initiatives that align with the City's Climate Action Plan for electric vehicle infrastructure and for a compact electric sweeper. He presented an overview of how the draft 2024 Legislative Priorities are categorized.

City Council discussed the draft 2024 Legislative Priorities and provided feedback.

The City Council was in recess from 8:06 PM – 8:11PM.

#### **AB 6359: Town Center Parking Study – Review Draft Document**

CIP Project Manager Sarah Bluvas presented an overview of the Town Center Parking Study. She reviewed the goals of the study, discussed the structure of the draft plan, and spoke about the public comment process. She presented an overview of the comments received and major themes that emerged from the comments, provided an update on the early action items including parking counts, wayfinding tools, and working with the City Attorney's Office to look at parking citation fees.

City Manager Jessi Bon reviewed the potential amendments to the Town Center Parking Plan to receive initial feedback from the Council.

City Council discussed the plan and asked questions.

It was moved by Weinberg; seconded by Weiker to:

**Set adoption of the Town Center Parking Plan for November 21, 2023.**

PASSED: 5-2

FOR: 5 (Nice, Reynolds, Rosenbaum, Weiker, and Weinberg)

AGAINST 2 (Anderl and Jacobson)

#### **OTHER BUSINESS**

##### **Planning Schedule**

City Manager Jessi Bon spoke about the November 7 City Council meeting.

##### **Councilmember Absences and Reports**

Councilmember Jacobson spoke about Utility Board meeting to review proposed water and sewer rates.

Councilmember Reynolds encouraged everyone to check out the Bike Skills Area. He thanked Public Works staff who worked on the water main break.

Deputy Mayor Rosenbaum noted that the SCA PIC met last week and discussed 2024 legislative priorities.

Councilmember Weiker noted that K4C met last week and the SCA Annual Meeting is on October 25.

Councilmember Weinberg spoke about the Superintendent's Advisory Council meeting on October 11, the K4C meeting last week, and the Sustainability Committee meeting on October 16.

#### **ADJOURNMENT**

The Regular Hybrid Council Meeting adjourned at 9:25 pm.

\_\_\_\_\_  
Salim Nice, Mayor

Attest:

\_\_\_\_\_  
Andrea Larson, City Clerk



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6358**  
**November 7, 2023**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6358: Shop Small Month, Proclamation No. 319	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Proclaim November 2023 as Shop Small Month in Mercer Island.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	City Council
<b>STAFF:</b>	Jeff Thomas, Community Planning and Development Director Deborah Estrada, Administrative Coordinator/Deputy City Clerk
<b>COUNCIL LIAISON:</b>	Dave Rosenbaum
<b>EXHIBITS:</b>	1. Shop Small Month, Proclamation No. 319
<b>CITY COUNCIL PRIORITY:</b>	1. Develop data-driven economic development and retail plans and strategies to activate Town Center and other business areas.

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to proclaim November 2023 as Shop Small Month in Mercer Island, Proclamation No. 319 (Exhibit 1).

### ISSUE/DISCUSSION

The Shop Small movement gained momentum in 2011 when the United States Senate unanimously passed a resolution to designate the Saturday after Thanksgiving as “Small Business Saturday.”

In 2021, the City Council issued its first “Small Business Saturday” proclamation ([AB 5974](#)). In 2022, the City Council expanded its recognition and issued a “Shop Small” proclamation ([AB 6173](#)) to recognize and support the hundreds of small, locally, and independently owned businesses that contribute to the health and vitality of Mercer Island.

In a post-COVID economy, consumers are more than eager to jump on board and support the local small business community. For every dollar spent at a small business, American Express estimates an average of \$0.68 stays in that business's local community. This has the potential to boost sales during the 2023 holiday season, with many small businesses still working to make up the revenue they've lost throughout the Pandemic.

During Shop Small Month, the City will run a social media campaign to encourage Islanders to shop small and locally leading up to the holiday season. The Mercer Island Chamber of Commerce has organized “Thankful for Local” BINGO. Participants will earn stamps at participating businesses and can submit winning cards for a weekly drawing and a grand prize winner will be announced December 1.

Staff is also partnering with the Mercer Island Chamber of Commerce, the Mercer Island Visual Arts League, and others to activate Town Center during the Illuminate MI lights festival, scheduled for Friday, December 1, through the end of the year. Details about Illuminate MI events will be shared with the community at [www.mercerisland.gov/illuminatemi](http://www.mercerisland.gov/illuminatemi).

## RECOMMENDED ACTION

Proclaim November 2023 Shop Small Month in Mercer Island.



# City of Mercer Island, Washington

## *Proclamation*

**WHEREAS**, the City of Mercer Island celebrates our small businesses and the contributions they make to our local economy and community.

Small businesses create jobs, boost our local economy, and contribute to our Town Center and other areas that are active, vibrant, and healthy.

Mercer Island features more than 200 businesses in Town Center and other business districts that provide a range of goods and services to the community.

The City of Mercer Island wishes to promote economic recovery and growth by encouraging community members to think local first when purchasing goods and services.

**NOW, THEREFORE**, I, Salim Nice, Mayor of the City of Mercer Island, do hereby proclaim November 2023 as

## **SHOP SMALL MONTH**

**APPROVED**, this 7th day of November 2023.

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Mayor Salim Nice

Proclamation No. 319





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6362**  
**November 7, 2023**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6362: Interlocal Agreement and Lease Agreement with City of Newcastle for Municipal Court Operations	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Authorize the City Manager to execute the interlocal agreement and lease agreement with the City of Newcastle for Municipal Court Operations and appropriate \$163,000 through December 2024 for these expenses.	

<b>DEPARTMENT:</b>	Administrative Services
<b>STAFF:</b>	Ali Spietz, Chief of Administration
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Interlocal Agreement with Newcastle for Use of Council Chambers for Municipal Court Proceedings 2. Lease Agreement with Newcastle for Municipal Court Administrative Offices
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to authorize the City Manager to execute an interlocal agreement with the City of Newcastle for use of their Council Chambers for Mercer Island Municipal Court proceedings and to execute a lease with the City of Newcastle for Mercer Island Municipal Court administrative office space.

- With the permanent closure of Mercer Island City Hall, the Mercer Island Municipal Court has been holding court proceedings at the City of Kirkland Court Facility and administrative offices have been temporarily relocated to the meeting room at Mercer Island Fire Station 91. This split operation is not suitable for long-term needs.
- The City of Newcastle City Hall Council Chambers is available for use by the Mercer Island Municipal Court for court proceedings.
- Newcastle also has office space available to lease for Mercer Island Municipal Court administrative offices on the third floor of their City Hall.
- Staff have negotiated the terms of the interlocal agreement and lease agreement through December 2026.



- The estimated cost for the lease of the office space from November 2023 through December 2024 is \$63,000 and will be funded with ARPA Funds.
- The estimated cost for tenant improvements is \$100,000 and will also be funded using ARPA funds.
- The City Council is requested to appropriate \$163,000 for rent and operating expenses from November 2023 through December 2024, construction costs for tenant improvements, and technology equipment.

## BACKGROUND

City Hall was temporarily closed in April due to the discovery of asbestos in the building and the Mercer Island Municipal Court was required to cancel court proceedings until an alternate location could be found.

In May, Court staff relocated their administrative office to the meeting room at Mercer Island Fire Station 91 and the City reached out to the City of Kirkland to inquire about using their court facility to hold court proceedings. The City negotiated an agreement for temporary, emergency use of Kirkland's court facility for Municipal Court proceedings through September 30, 2023.

Following the July 18, 2023 City Council meeting, where Councilmembers indicated that the costs of abatement of City Hall outweighed the benefits of re-opening the building, staff began to look for alternative locations for the Mercer Island Municipal Court. To bridge the gap between temporary and mid- to long-term solutions, staff negotiated an extension with the City of Kirkland through the end of the year, which the City Council approved on September 19, 2023 ([AB 6344](#)).

Up until now, court staff have been splitting their time between two facilities – court proceedings are held in Kirkland, while the Mercer Island court administrative offices are temporarily housed at Mercer Island Fire Station 91. The split location is not suitable for court operations and the meeting room at Fire Station 91 is woefully undersized and inadequate to meet ongoing court needs.

Mercer Island City staff reached out to the City of Kirkland to inquire about longer term use of their facility. Unfortunately, the Mercer Island Court space needs exceed the space that Kirkland has available for longer term use.

Staff then inquired with the City of Newcastle about available space and willingness to accommodate Mercer Island Court operations. They agreed and the two staff teams have been working on the terms of the agreement for the past several months.

## ISSUE/DISCUSSION

The City of Newcastle owns the Newcastle Professional Center, the building in which their City Hall is located. The City of Newcastle utilizes the second floor for City Hall operations and the first and third floors have suites available for lease. Newcastle's Council Chambers is located on the second floor, which is where Mercer Island will hold court proceedings. Suite 301, located on the third floor of the building, will be leased for Mercer Island Court administrative offices.

### INTERLOCAL AGREEMENT FOR USE OF THE CITY OF NEWCASTLE CITY HALL COUNCIL CHAMBERS

The proposed interlocal agreement (Exhibit 1) will enable Mercer Island to use the Newcastle City Hall Council Chambers for court proceedings. Newcastle is not charging a fee to use this space.

Mercer Island will use the Council Chambers at Newcastle City Hall for court proceedings on the following days and times:

- The second Monday of each month from 8:30 am to 3:00 pm (for Newcastle cases).
- Every Tuesday of each month from 8:30 am to 3:00 pm (for Mercer Island cases).
- The third Wednesday and/or Thursday of each month from 8:00 am to 4:30 pm (depending on court calendar/holidays/etc.) for jury trials, when needed.

Under this arrangement, Mercer Island is responsible for:

- Setting up the room for court proceedings, resetting the room for City of Newcastle Council Chambers use, and is responsible for the cleanliness of the Council Chambers after each use.
- Providing the security needed for use of the Council Chambers during court proceedings.
- Any costs related to damages caused to the Council Chambers, restrooms, or other portions of Newcastle City Hall related to Mercer Island's court use.

In addition, Mercer Island IT staff will oversee the installation of technology equipment in the Newcastle Council Chambers for Mercer Island court proceedings.

The interlocal agreement will go into effect upon the signatures of both parties and will terminate December 31, 2026, unless either party gives 180-day written notice to terminate the agreement.

#### **LEASE AGREEMENT FOR SUITE 301**

The proposed lease agreement between Newcastle and Mercer Island for Suite 301 on the third floor of the Newcastle Professional Center has an initial term lease of November 8, 2023 to December 31, 2026. Suite 301 includes 1,298 rentable square feet of general office space for municipal and governmental agency purposes.

The base rent for the office space is as follows:

Lease Year	Sq Ft	Per Sq Ft Base Rent	Annual Base Rent	Monthly Base Rent
1	1,298	\$27.01	\$35,058.98	\$2,921.58
2	1,298	\$27.28	\$35,409.44	\$2,950.79
3	1,298	\$27.55	\$35,759.90	\$2,979.99

Since this is a triple net (NNN) lease, Mercer Island will pay its pro-rata share of 8.03% in operating expenses as required by Section 6 of the lease. A NNN lease is a commercial lease where the lessee pays rent and utilities as well as three other types of property expenses: insurance, maintenance, and taxes. The monthly NNN for Suite 301 is estimated at \$1,518.

As a municipal corporation that is exempt from property taxes pursuant to RCW 84.36.010, Mercer Island is exempt from all leasehold excise taxes. Under the lease, Newcastle will not charge or collect any leasehold excise tax or property taxes as additional rent from Mercer Island, unless required by law.

Newcastle has a contract with the garbage company and is exempt from paying this charge, therefore, there is no garbage charge (estimated at \$10,000/year) for this location, but garbage service is provided.

Mercer Island contractors will be installing a secure service window (currently located in Mercer Island City Hall) in the suite wall and adding keyless entry. Mercer Island IT staff and contractors will be installing

required network cabling to connect to Mercer Island's technology. The estimated one-time cost for the tenant improvement and technology costs is \$100,000. The lease allows for these improvements to be removed upon termination. Staff anticipate this work being completed before the end of November, which allows court staff to transition to the new facility during the month of December. Court operations will begin at Newcastle in January 2024.

## NEXT STEPS

Following City Council approval, the City Manager will execute the interlocal agreement and lease agreement. The Newcastle City Council is also reviewing the interlocal agreement on November 7. Once the agreements have been executed, staff will coordinate tenant improvements for the office space, moving records and furniture, and information technology connections and upgrades so that court proceedings may begin in January 2024.

The ongoing costs associated with the lease of the Newcastle facilities will be included in the City's 2025-2026 biennial budget and ARPA funds can be used to cover these expenses through 2026 as long as they are obligated for such use by the end of 2024.

## RECOMMENDED ACTION

1. Authorize the City Manager to execute the interlocal agreement with the City of Newcastle for use of the Council Chamber for Mercer Island Municipal Court proceedings, substantially in the form attached as Exhibit 1.
2. Authorize the City Manager to execute the three-year lease with the City of Newcastle for Suite 301 in the Newcastle Professional Center located at 12835 Newcastle Way, Newcastle, Washington for Mercer Island Municipal Court administrative offices, substantially in the form attached as Exhibit 2.
3. Appropriate \$163,000 from ARPA funds for the lease costs through December 2024 and associated tenant and technology improvements.

**INTERLOCAL AGREEMENT  
BETWEEN THE CITY OF NEWCASTLE AND THE CITY OF MERCER ISLAND  
FOR USE OF THE CITY OF NEWCASTLE CITY HALL COUNCIL CHAMBERS**

THIS INTERLOCAL AGREEMENT ("Agreement") is entered into by and between the City of Newcastle ("Newcastle") and the City of Mercer Island ("Mercer Island"), municipal corporations of the State of Washington ("City") (individual "Party" or collectively, "Parties") pursuant to and as authorized by the Interlocal Cooperation Act (Chapter 39.34 RCW).

WHEREAS, the Mercer Island Municipal Court ("MIMC") needs a temporary location to hold court proceedings; and

WHEREAS, Newcastle City Hall Council Chambers are available for MIMC proceedings.

NOW, THEREFORE, the Parties mutually agreed as follows:

1. **Purpose.** The purpose of the Agreement is to enable Mercer Island to use Newcastle City Hall Council Chambers for MIMC proceedings to the mutual advantage of the Parties and the benefit of their communities.
2. **Newcastle's Obligations.** Newcastle will make available to Mercer Island its Council Chambers at Newcastle City Hall for MIMC proceedings as described in Exhibit A.
3. **Mercer Island's Obligations.** Mercer Island will conduct MIMC proceedings at Newcastle City Hall described in Exhibit A.
4. **Term/Termination.** This Agreement shall commence on November 1, 2023 and terminate on December 31, 2026. Provided, however, that Newcastle or Mercer Island may terminate the Agreement upon giving one hundred eighty (180) days written notice to the other Party.
5. **Indemnification.**
  - a. Mercer Island will protect, defend, indemnify, and save harmless Newcastle, its officers, employees, and agents from and against any and all costs, claims, actions, liabilities, judgments or awards and damages (including attorney's fees and costs) arising out of or in any way resulting from the negligent acts or omissions of Mercer Island, its officers, employees, and agents in connection with this Agreement.
  - b. Newcastle will protect, defend, indemnify, and save harmless Mercer Island, its officers, employees, and agents from and against any and all costs, claims, actions, liabilities, judgments or awards and damages (including attorney's fees and costs) arising out of or in any way resulting from the negligent acts or omissions of Newcastle, its officers, its employees, and agents in connection with this Agreement.
  - c. These indemnification paragraphs shall survive the expiration or earlier termination of this Agreement.
6. **Insurance.** The City of Mercer Island shall maintain in full force throughout the duration of this Agreement comprehensive general liability insurance with a minimum coverage of \$1,000,000 per occurrence/\$2,000,000 aggregate for personal injury and property damage and name the

City of Newcastle as an additional insured thereon. This requirement shall be deemed satisfied by evidence of the City of Mercer Island's membership in a municipal self- insurance pool, including evidence of limits of coverage, exclusions, and limits of liability, satisfactory to the City of Newcastle.

The City of Newcastle shall maintain in full force throughout the duration of this Agreement comprehensive general liability insurance with a minimum coverage of \$1,000,000 per occurrence/\$2,000,000 aggregate for personal injury and property damage and name the City of Mercer Island as an additional insured thereon. This requirement shall be deemed satisfied by evidence of the City of Newcastle's membership in a municipal self- insurance pool, including evidence of limits of coverage, exclusions, and limits of liability, satisfactory to the City of Mercer Island.

7. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. Any provisions of this Agreement that are declared invalid, void, or illegal by a court of competent jurisdiction shall in no way affect, impair, or invalidate any other provision hereof, and such other provisions shall remain in full force and effect.
8. **Assignability.** The rights, duties, and obligations of either party to this Agreement may not be assigned to any third party without the prior written consent of the other party, which consent shall not be unreasonably withheld.
9. **No Third-Party Rights.** Except as expressly provided herein, nothing in this Agreement shall be construed to permit anyone other than the Parties hereto and their successors and assigns to rely upon the covenants and agreements herein contained nor to give any such third party a cause of action (as a third-party beneficiary or otherwise) on account of any nonperformance hereunder.
10. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties. Either party may request changes in the Agreement. Proposed changes that are mutually agreed upon shall be incorporated by written amendment hereto.
11. **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Washington. In the event of any suit or other proceeding instituted to enforce any term of this Agreement, the venue shall be King County, Washington.
12. **Filing Requirement.** This Agreement shall be posted by the Parties on their websites in accordance with RCW 39.34.040.
13. **Administration of Agreement.** Each party shall designate an official responsible for the administration of this Agreement and negotiate with regard thereto.

In the case of Newcastle, that official shall be the City Manager or their designee.

In the case of Mercer Island, that official shall be the City Manager or their designee.

These officials shall communicate from time to time, as they deem necessary to discuss the services and performance of this Agreement and other relevant matters. No separate administrative agency is created by this Agreement.

IN WITNESS WHEREOF the parties have executed this Agreement this \_\_\_\_ day of November 2023.

CITY OF NEWCASTLE

CITY OF MERCER ISLAND

\_\_\_\_\_  
Scott Pingel, City Manager

\_\_\_\_\_  
Jessi Bon, City Manager

APPROVED AS TO FORM:

APPROVED AS TO FORM:

\_\_\_\_\_  
Curtis Chambers, City Attorney

\_\_\_\_\_  
Bio Park, City Attorney

**Exhibit A**

The Mercer Island Municipal Court will use the Council Chambers at Newcastle City Hall for court proceedings on the following days and times:

- The second Monday of each month from 8:30 am to 3:00 pm (for Newcastle cases)
- Every Tuesday of each month from 8:30 am to 3:00 pm (for Mercer Island cases)
- The third Wednesday and/or Thursday of each month from 8:00 am to 4:30 pm (depending on court calendar/holidays/etc.) (for jury trials, when needed)

Mercer Island is responsible for setting up the room for court proceedings and resetting the room for Council Chambers use. Mercer Island is responsible for the cleanliness of the Council Chambers after each use.

Mercer Island will install a City of Mercer Island workstation in the Council Chambers for use by the Court Clerk, along with a Zoom server, which will connect to the Council Chambers audio/video system for sound amplification and recording.

Mercer Island will install/run network cabling to the Zoom server and Court workstation from Newcastle server room.

Mercer Island is responsible for all security needed for its use of the Council Chambers. Newcastle has the right, but not the obligation, to have its own security in the Council Chambers at any time it deems necessary.

Mercer Island shall pay for all costs related to damages caused to the Council Chambers, restrooms, or other portions of City Hall that are utilized related to Mercer Island's use of the Council Chambers.

**CITY OF NEWCASTLE**

**LEASE AGREEMENT**  
**Landlord**

**and**

**CITY OF MERCER ISLAND**  
**Tenant**

**Suite 301**



## 1. LEASE DATA; DEFINITIONS

**1.1 Lease Commencement Date:** The Lease Commencement Date as defined herein shall be November 8, 2023.

**1.2 Landlord:** City of Newcastle, a Washington municipal corporation, or its successors and/or assigns.

**1.3 Tenant:** City of Mercer Island, a Washington municipal corporation, or its successors and/or assigns.

**1.4 Building; Building Manager:** Newcastle Professional Center located at 12835 Newcastle Way, Newcastle, Washington (the "Building"); Landlord's Building Manager: Highpointe, Inc., 18506 NW Montreux Dr., Issaquah, WA 98027.

**1.5 Land/Legal Description:** See **Exhibit B**, which is attached hereto and incorporated by reference herein.

**1.6 Premises:** Suite Number 301 on the third (3rd) floor of the Building (the Premises"). It is hereby agreed between the parties hereto that the Premises contains One Thousand Two-hundred and Ninety-eight (1,298) **rentable square feet** of floor area. A floor plan of the Premises is outlined on **Exhibit A**, which is attached hereto and incorporated by reference herein.

**1.7 Tenant's Proportionate Share:** Tenant's Proportionate Share is a fraction, the numerator of which is One Thousand Two-hundred and Ninety-eight (1,298) rentable square feet, the square footage of the Premises and the denominator of which is Sixteen Thousand One Hundred Sixty-Four (16,164) rentable square feet, the agreed square footage of the Building. It is hereby agreed between the parties hereto that the *Tenant's Proportionate Share* shall be **Eight and three hundredths (8.03%) percent**.

**1.8 Initial Lease Term:** The "Initial Lease Term" shall commence upon November 8, 2023 (the "Commencement Date"). The Initial Lease Term shall expire on December 31, 2026, (the "Expiration Date").

**1.9 Rent Commencement Date:** Except as may otherwise be provided herein, the Rent Commencement Date shall be November 8, 2023.

**1.10 Base Rent:** Tenant agrees to pay Landlord, or to such other parties Landlord may hereinafter designate, as minimum rent ("Base Rent"), without offset or deduction, the following sums:

Lease Year	Sq Ft	Per Sq Ft Base Rent	Annual Base Rent	Monthly Base Rent
<b>1</b>	1,298	\$27.01	\$35,058.98	\$2,921.58
<b>2</b>	1,298	\$27.28	\$35,409.44	\$2,950.79
<b>3</b>	1,298	\$27.55	\$35,759.90	\$2,979.99

Tenants expressly acknowledges and agrees that this is a triple net (NNN) lease. At all times hereto, Tenant shall pay its *pro rata* share of Operating Expense as required by Section 6 of this Lease.

**1.11 Permitted Use:** General Office Space, municipal and governmental agency purposes.

**1.12 Notice and Payment Addresses:** Unless otherwise specified in writing, Landlord's notice/payment address shall be its Building Manager, and Tenant's notice address shall be the Premises.

**1.13 Parking:** Parking is provided on an unreserved, "first-come, first-serve" basis.

**1.14 Project:** The term "Project" shall mean the building(s) and other improvements located on the land from time to time and commonly known as the Newcastle Professional Center.

## 2 GRANT.

Subject to the terms of this Lease, Landlord leases to Tenant, and Tenant leases from Landlord, the Premises specified in Subsection 1.6 herein together with rights of ingress and egress over and across the Projects common areas.

## 3 RENT.

**3.1 Payment.** Tenant shall pay the Base Rent specified in Subsection 1.10, the Additional Rent specified in Section 6 below, and all other charges due under this Lease, without demand, deduction, or offset, in advance, on or before the first day of each month. Rent shall be paid to Landlord's Building Manager, or to such other person or place as may be designated by Landlord from time to time. For purposes of this Lease, Base Rent, Additional Rent, and all other amounts payable by Tenant to Landlord are collectively referred to in this Lease as "Rent," and are deemed to constitute rent for the purpose of all applicable laws. Rent for any partial month shall be prorated.

**3.2 Late Charge/Interest.** If any payment is not received by Landlord within ten (10) days after the due date, Tenant shall pay Landlord, in addition to the Rent due, a Late Charge equal to five percent (5%) of the delinquent amount. In addition, if payment is not received by Landlord within ten (10) days after the due date, then the delinquent amount will bear interest at a rate equal to one and one-half percent (1.5%) per month, or the highest rate permitted by law, whichever is less, calculated from the due date to the date full payment is received by Landlord.

**3.3 Acceptance of Partial Payment.** Landlord's acceptance (through negotiation of Tenant's check or otherwise) of less than the full amount of Rent or other sums due will not be deemed an accord and satisfaction unless Landlord specifically agrees in writing to the contrary.

## 4 USES.

**4.1 Permitted Use.** The Premises may be used only for the Permitted Use specified in Subsection 1.11, and for no other purpose without Landlord's prior written consent.

**4.2 Compliance with Laws.** No act shall be done in or about the Premises that is unlawful or that will increase insurance rates on the Building. Tenant shall not commit or permit any waste, or any public or private nuisance, or other act which disturbs other tenants in the Building. Tenant shall comply with all laws, regulations, ordinances, codes or conditions relating to its use of the Premises and shall observe Landlord's rules and regulations for the Building.

**4.3 Signage.** So long as Tenant occupies the Premises, Tenant, at **Landlord's** expense, shall have the right to have its business name displayed on the Building directory located in the first floor Building lobby and the entry door, where the Premises are located, all in the Building's standard size, typeface, materials, and locations, which shall be determined by Landlord. Tenant shall not place or display any other sign, notice, picture, placard or poster, or any advertising material whatsoever, visible either directly or indirectly (as an outline or shadow on a glass pane) from anywhere outside the Premises without first obtaining Landlord's prior written consent. Any consent by Landlord shall be upon the condition that Tenant will remove the signage/advertising promptly on Landlord's request, and in any event at the expiration or sooner termination of this Lease; that Tenant shall repair any damage to the Premises or the Building caused thereby and that any such signage/advertising comply with Landlord's requirements as to size, materials and design. Tenant shall pay the costs associated with any other signage approved by Landlord. Tenant shall also pay the costs for any changes requested by Tenant to the Building directory.

**Provided however, notwithstanding anything to the contrary herein, Landlord in its discretion and at its' expense, shall install a monument sign as well as lobby and suite entry signage.**

## 5 SERVICES AND UTILITIES.

**5.1 Standard Services.** Landlord will maintain the Premises and the common areas of the Building, such as lobbies, elevators, stairs, corridors and restrooms, in reasonably good condition. Between 7:00 a.m. and 6:00 p.m., Monday through Friday, and between 8:00 a.m. and 1:00 p.m. Saturday (excluding holidays), Landlord will furnish the Premises with HVAC service. Landlord will also provide light replacement service for landlord-furnished lighting fixtures (excluding those within the Premises), toilet room supplies, and window washing (excluding re-lites) at reasonable intervals. **Tenant shall provide and pay for janitorial services and supplies** within the Premises. Tenant shall have 24 hours per day, 7 days per week access to the Premises.

**5.2 Additional Services.** Before installing any equipment or lights in the Premises that generate, in combination with all other lights and equipment in the Premises, more than 2.5 watts per square foot of floor area, or which consume more electricity than the typical complement of office machinery, or use of medical/**dental equipment** Tenant shall obtain Landlord's prior written permission. Landlord may refuse to grant such permission if, in its judgment, the amount of heat so generated would place an above average burden on the HVAC or electrical systems for the Building. Landlord may require Tenant to agree to pay as Additional Rent amounts reasonably determined by Landlord to cover the additional installation and maintenance costs, as well as increased HVAC **and/or utilities** costs generated by Tenant's equipment and lights. Landlord shall be entitled to install and operate, at Tenant's cost, a monitoring/metering system in the Premises to measure the added demands on electricity and HVAC systems.

**5.3 Interruption of Services.** In the event of an interruption or failure of Building services, Landlord will use reasonable diligence to restore such service; however, Landlord will in no event be liable for any damages to business, persons or property directly or indirectly resulting from any variation, interruption, or failure of such services. No temporary interruption or failure of services incident to the making of repairs, alterations, or improvements, or due to accident or strike, or events beyond Landlord's control shall be deemed a default by Landlord or a constructive eviction of Tenant, nor shall such interruption or failure of services relieve Tenant from any of its obligations/responsibilities under this Lease.

## 6 ADDITIONAL RENT.

Tenant shall pay to Landlord, as Additional Rent, Tenant's Proportionate Share, as defined in Subsection 1.7 of this Lease, of Landlord's Operating Costs, as more specifically set forth in this Section 6.

### 6.1 Definitions.

**6.1.1 Lease Year** means the calendar year commencing January 1 and ending December 31.

**6.1.2 Operating Costs Definition.** The Operating Costs are hereby defined as all costs related to the ownership, administration, management, maintenance, and operation of the Building, the Common Areas, the Project, as well as the Land, including but not limited to:

**6.1.2.1** Real estate taxes, assessments, and appeals of taxes and assessments on the Project, the Building or any parts thereof (including the Land, Common Areas, and buildings), and personal property taxes associated with personal property used in the operation of the Project or any part thereof.

**6.1.2.2** The total annual net costs and expenses of insuring lands, buildings, improvements and equipment, and other property in or forming part of the Project including, but not limited to, earthquake and flood insurance, in such manner and form and with such companies and with

such coverage and deductibles and in such amounts as the Landlord may from time to time determine;

**6.1.2.3** Special taxes, licenses (other than taxes on income or profits), and permits and inspection fees from time to time payable by the Landlord with respect to the Project;

**6.1.2.4** Salaries and wages (including employee benefits, worker's compensation, pension plan contributions, fringe benefits, severance pay, termination payments and similar payments and contributions) paid or payable to all personnel, including supervisory personnel and managers, and all costs of obtaining such personnel, to the extent that they are employed in connection with the operation or maintenance of the Project or any part thereof and further including the cost of building and cleaning supplies, tools and equipment, employee uniforms, dry cleaning expenses and communication devices related to such personnel or employees, together with the costs of independent service contracts incurred in cleaning, maintenance and operation of the Project including without limitation policing, security, supervision, traffic control, **common area janitorial**, exterior and lobby window cleaning, waste collection, recycling, snow removal and gardening services, maintenance of mechanical and electrical systems, elevators (if applicable), fire and life safety systems, fire extinguishers;

**6.1.2.5** Lighting, electricity, public utilities, loudspeakers, public address and musical broadcasting systems, telephone answering service facilities and systems and information facilities and systems used in or serving the Project, including the cost of any electricity, fuel, water, telephone, steam, gas, sewage disposal, heating, ventilating, air conditioning or other utilities and services and the cost of replacing the standard electric light fixtures, ballasts, tubes, starters, lamps, light bulbs and controls of the Project;

**6.1.2.6** The cost and charges of the rental and any contract for the rental of any equipment and signs used by the Landlord in the operation or maintenance of the Project;

**6.1.2.7** All repairs and replacements to and maintenance and operation of the Project or any part thereof including, without limitation, building exteriors (including painting) signs and directories, repairing and replacing roofs, walls, and the systems, facilities and equipment serving the Project, save for the cost of repairing or replacing any inherent structural defects or weaknesses;

**6.1.2.8** Depreciation or amortization as determined by the Landlord in accordance with generally accepted accounting principles ("GAAP");

**6.1.2.9** The costs and expenses, including repair and replacement, incurred in or attributable to the repairing or replacing of all fixtures, equipment, and facilities serving or comprising the Project or any part thereof or which are reasonably responsive to requirements imposed with respect to any applicable health, safety, fire, nondiscrimination or similar law or regulation unless they are, in accordance with generally accepted accounting principles, charged fully in the year in which they are incurred; and

**6.1.2.10** In any given period a portion of the capital cost of and installation cost of any machinery, equipment or devices installed in, or utilized in connection with, any part of the Project for the purpose of saving energy or effecting other savings in the Operating Costs thereafter, whether installed in the Project in the first instance as part of its original design, or thereafter, which portion shall be determined by the Landlord amortizing the cost over the reasonable expected life of same determined by the Landlord;

**6.1.2.11** Interest calculated at five (5) percentage points above the average prime commercial lending rate of the Landlord's bank (which shall be a major bank in the State of Washington) existing at the end of each calendar month and calculated on an annual basis upon the undepreciated or unamortized portion of the costs referred to in (6.1.2.7) above;

**6.1.2.12** Attorney fees, accounting and systems costs, and audit fees related to the operation and maintenance of the Project;

**6.1.2.13** The fair market rental value (having regard to rent being charged for similar space including Additional Rent as defined herein) of premises used by the Landlord or its property manager, acting reasonably, in respect of the operation, maintenance, administration or management of the Project; and,

**6.1.2.14** An administration fee or actual management fees and/or management agent fees, together with the administrative charges of a management company, if any, for the Project or any part of it, provided that if the Landlord chooses to manage the Project itself, the Landlord shall be entitled to charge a management fee in an amount which would be charged by a first-class real estate management company for management of an office park similar to the Project;

**Provided**, however, that Operating Costs **shall not include**:

**6.1.2.15** Depreciation or amortization save as expressly set out above;

**6.1.2.16** Amounts charged to interest on debt or capital retirement of debt;

**6.1.2.17** Initial capital costs of constructing the Project;

**6.1.2.18** Debt service costs;

**6.1.2.19** Any taxes on the income or profits (other than on rents) of the Landlord to the extent that the same are not imposed in lieu of real estate taxes; or

**6.1.2.20** Costs incurred by the Landlord in leasing the Project, including commissions, legal costs, advertising costs and tenant inducement concessions/payments;

**6.1.2.21** Except as otherwise provided herein, any cost which would be treated as a capital cost in accordance with generally accepted accounting principals;

**6.1.2.22** Any special services provided to other tenants should also apply without charge and in a similar fashion;

and further provided that there shall be credited against Operating Costs all net proceeds from policies of insurance, warranties, or guarantees to the extent (but only to the extent) that such proceeds reimburse the Landlord for costs of repair and replacement which have previously been included in the calculation of Operating Costs.

In addition, if any facilities, services, systems, or utilities:

(i) For the operation, maintenance, administration, management, repair or replacement of the Project are provided from another building or buildings owned or operated by the Landlord or its agent; or

(ii) For the operation, maintenance, administration, management, repair or replacement of another building or buildings owned or operated by the Landlord or its agent are provided from the Project,

then the costs, charges, and expenses, therefore, shall for the purpose of calculation of Operating Costs, be allocated by the Landlord between the Project and the other building or buildings on a reasonable basis.

**6.1.4 Operating Costs Allocable to the Premises** means the Tenant's Proportionate Share of Operating Costs in a Lease Year as specified in Subsection 1.7 herein.

**6.1.5 Estimated Operating Costs Allocable to the Premises** means Landlord's estimate of Operating Costs Allocable to the Premises for the following Lease Year.

**6.1.6 Base Amount** means the Operating Costs Allocable to the Premises for the Base Year.

**6.1.7 Property Taxes** means all real property taxes and personal property taxes, charges and assessments levied with respect to the Land, the Building, and any improvements, fixtures and equipment and all other property of Landlord, real or personal, located in or on the Building and used in connection with the operation of the Building and the Land.

**6.1.8 Payment of Additional Rent Based on Estimated Operating Costs.** In each month of each Lease Year subsequent to the Base Year, Tenant shall pay, as Additional Rent, one-twelfth (1/12) of the amount, if any, by which the Estimated Operating Costs Allocable to the Premises for such Lease Year exceeds the Base Amount. If during such Lease Year, it appears to Landlord that the actual Operating Costs Allocable to the Premises will vary from Landlord's estimate by more than five percent (5%), Landlord may, by written notice to Tenant, revise its estimate for such Lease Year and Additional Rent payments by Tenant for that Lease Year will be based upon Landlord's revised estimate. Landlord shall use reasonable efforts to provide Tenant with a statement of Estimated Operating Costs Allocable to the Premises within ninety (90) days after commencement of each Lease Year, and if no such statement is provided, Tenant shall continue to pay the amount of Estimated Operating Costs Allocable to the Premises set forth in the previous statement until a new statement is provided.

**6.1.9 Reconciliation Based on Actual Operating Costs.** Landlord will use reasonable efforts to deliver to Tenant, within 90 days after the close of each Lease Year, a statement of the actual Operating Costs Allocable to the Premises for the preceding Lease Year, although Landlord's failure to deliver such statement within ninety (90) days shall not be construed as a waiver of Tenant's obligation to pay for actual Operating Costs in excess of Estimated Operating Costs. If such costs for any Lease Year exceed the estimated payments made by Tenant to Landlord for such Lease Year, Tenant shall pay such excess to Landlord within thirty (30) days after receipt of Landlord's invoice. If such statement shows that actual Operating Costs allocable to the Premises are less than the amount paid by Tenant to Landlord pursuant to Section 6.1.8, then the amount of such overpayment will be credited by Landlord against the next Rent due.

**6.1.10 Pro-Rating Additional Rent.** If this Lease commences on a day other than January 1, then the Operating Costs Allocable to the Premises with respect to the initial Lease Year will be prorated on the basis by which the number of months from the beginning of the month in which the commencement of this Lease occurs to the end of the Lease Year bears to 12.

**6.1.11 Payment of Additional Rent Based on Property Taxes.** If the amount of Property Taxes on the Land and the Building payable in a calendar year during the Lease term exceeds the amount of such taxes payable in the calendar year the Lease term commenced, then Landlord shall notify Tenant in writing and Tenant shall within 30 days of receipt of such notice reimburse Landlord for Tenant's

Proportionate Share of such excess. Commencing on and retroactive to January 1 of each calendar year, one-twelfth (1/12th) of the amount so determined shall be paid by Tenant to Landlord as Additional Rent on the first day of each month during the ensuing one-year period (or for the balance of the Lease term if it is then less than one year).

## 7. TAX ON RENTALS; TENANT'S PERSONAL PROPERTY TAXES.

**7.1 Tax on Rentals.** If any tax is placed on Rent payable under this Lease or accruing from use of property, or such a tax in any form against Landlord measured by income derived from the rental of the Building, such tax shall be paid by Tenant either directly or through Landlord; provided, however, that Tenant will not be liable to pay any net income tax imposed on Landlord.

**7.2 Personal Property Taxes.** Tenant shall pay prior to delinquency all personal property taxes payable with respect to all property of Tenant located on or in the Premises, or in the Building, and shall provide promptly upon request of Landlord written proof of payment.

**7.3 Tenant Exempt from Leasehold Excise Taxes.** As a municipal corporation that is exempt from property taxes pursuant to RCW 84.36.010, the Tenant is exempt from all leasehold excise taxes. Under this Lease, the Landlord will not charge or collect any leasehold excise tax or Property Taxes as Additional Rent from the Tenant, unless required by law.

## 8. ALTERATIONS AND CARE OF PREMISES.

**8.1 Tenant's Duty.** Tenant shall take good care of the Premises and shall promptly make all necessary repairs and maintenance. All damage to the Premises or Building (including windows and doors) caused directly or indirectly by Tenant, or Tenant's employees, agents, independent contractors, licensees or invitees, shall be promptly paid for by Tenant. If Tenant fails to maintain the Premises as required by this Lease, Landlord may at any time and at its option, cause the same to be put in the condition Landlord deems appropriate, and in such case, upon receipt of Landlord's invoice, Tenant shall, within ten (10) days, pay to Landlord the entire cost of those repairs as Additional Rent. Pursuant to Section 10, Landlord shall have the right to enter the Premises for the purpose of undertaking such work upon the failure of Tenant to do so.

**8.2 Alterations.** Except as provided in Subsection 9.3 Tenant may not, without first obtaining Landlord's written consent and, when required by Landlord provide Landlord with drawings, plans and specifications prepared at Tenant's expense and approved by Landlord, (a) make alterations to the Premises, (b) install, modify, replace or in any way change any floor or wall covering, ceiling, lighting, fixtures, plumbing, wiring, or signage, (c) install, modify, replace or in any way change curtains, draperies or other hangings on or beside the windows. Tenant may not change locks to any doors between the Premises and Building Common Areas under any circumstances without the prior written permission of Landlord or its representative. Tenant shall assure any approved lock changes are keyed to the building master key. Tenant shall be solely responsible for making sure that its alterations to the Premises comply with all laws, including applicable provisions of the Americans with Disabilities Act, 42 U.S.C. Ch. 126 (the "ADA"). Landlord's approval of Tenant's drawings, plans and specifications shall create no responsibility or liability on the part of Landlord for compliance with applicable laws, regulations or ordinances, including the ADA. Tenant shall reimburse Landlord for any reasonable sums expended for examination and approval of the architectural and mechanical plans and specifications for alterations. Tenant shall reimburse Landlord for its direct reasonable costs incurred during any inspection or supervision of the alterations. All approved work shall be at Tenant's expense and shall be performed by workmen and contractors approved by Landlord. Landlord's consent may be withdrawn by written notice to Tenant if, in Landlord's reasonable judgment, Tenant's contractors, workmen or suppliers are interfering with workmen or contractors of Landlord or of another tenant.

**8.3 Normal Wear and Tear.** Except as otherwise provided herein, all repairs necessitated by normal wear and tear in order to maintain the Premises and the Building in a tenantable condition shall be performed by or under the direction of Landlord and included in Operating Cost. Landlord shall be the sole judge of necessary repairs.

**8.4 Notice of Damage.** Tenant shall promptly inform Landlord and Landlord's Building Manager of any damage to the Premises or Building, whether or not caused by Tenant.

## **9 ALTERATIONS—ADDITIONAL CONSTRUCTION—OWNERSHIP OF IMPROVEMENTS**

**9.1 Tenant Improvements.** Tenant shall complete all Tenant Improvements utilizing contractors of its choosing.

**9.2 Exterior Appearance.** Except as otherwise provided herein Landlord shall have the right, in Landlord's sole discretion, to control any alterations to or installations on the exterior of the Premises, including but not limited to exterior shades, awnings, window coverings, lights and canopies.

**9.3 Additional Construction.** During the Term of this Lease, Tenant shall have the right to make non-evasive alterations, additions and improvements to the interior of the Premises; provided, however, any such alterations, additions or improvements to the Premises, or to the structural portions of the Building in which the Premises are located, shall **not** be made by Tenant **without the prior written consent of Landlord (See Subsection 8.2 above).**

**9.4 Ownership of Improvements.** Improvements attached to the Premises become the property of the Building/Landlord and may not be removed without the prior written approval of Landlord which approval may be subject to the Tenant's paying for the cost of repairs resulting from the removal of such improvements. All trade fixtures and equipment placed on the Premises by Tenant which are not attached to the Premises, and any alterations or replacements thereof, shall remain the property of, and may be removed by, Tenant. Upon the expiration or earlier termination of this Lease, any such property belonging to Tenant which Tenant has failed to remove from the Premises within thirty (30) days of said expiration or termination shall become the property of Landlord. Landlord may thereafter elect to remove and dispose of such property at tenant's cost and expense. Should Tenant remove any fixture, or any alteration or replacement thereof, which was affixed to the Premises and placed there by Tenant, then Tenant, at its sole cost and expense, shall repair any damage to the Premises caused by such removal.

## **10 ACCESS TO PREMISES.**

Tenant shall permit Landlord, Landlord's Building Manager, and any other persons designated by Landlord, to enter the Premises at all reasonable times for inspection purposes, or for the purpose of cleaning, repairing, altering or improving the Premises or the Building, or for the purpose of showing the Premises to prospective tenants. When necessary, Landlord may temporarily close entrances, doors, corridors, elevators or other facilities without liability to Tenant by reason of such closure and without such action by Landlord being construed as a constructive eviction of Tenant, or relieving or releasing Tenant from the duty of observing each provision of this Lease. Landlord shall not be liable for the consequences of admitting by passkey or refusing to admit to the Premises Tenant or any of Tenant's agents or employees.

## **11 DAMAGE OR DESTRUCTION.**

**11.1 Damage and Repair.** If the Premises or Building are rendered untenable by fire or other casualty, either wholly or in part, Landlord may, at its option, either (a) terminate this Lease, or (b) repair the damages. If the Premises are damaged, the Rent shall be abated in the same proportion as the untenable portion of the Premises bears to the whole thereof during the period of the damage unless the damage directly or indirectly results from, any act or omission of Tenant, or its officers, contractors, licensees, agents, servants, employees, guests, invitees or visitors. If, within ninety (90) days after Landlord's receipt of Tenant's written notice that Tenant deems the Premises wholly or partially untenable, Landlord fails to notify Tenant of its election to restore the Premises, then Tenant may, at its option, terminate the Lease subject to the provisions set forth below. Tenant, in order to so



terminate, must provide written notice to Landlord by certified mail of its intention to terminate within thirty (30) days after the expiration of said ninety (90) day period. If Tenant gives notice of its intention to terminate the Lease as provided above, the Lease shall terminate thirty (30) days after Landlord's receipt of the notice unless within said thirty (30) day period Tenant receives notice of Landlord's election to restore. If Landlord elects to restore the Premises, Landlord shall proceed with reasonable diligence to restore the Premises.

**11.2 Business Interruption.** No damages, compensation or claim including, but not limited to consequential damages, shall be payable by Landlord for inconvenience, loss of business or annoyance arising from any repair or restoration of any portion of the Premises or of the Building.

**11.3 Tenant Improvements and Tenant's Personal Property—Damage-Insurance.** Landlord will not carry insurance of any kind for the protection of Tenant or for any improvements paid for by Tenant or on Tenant's furniture or on any fixtures, equipment, improvements or appurtenances of Tenant, and Landlord shall not be obligated to repair any damage thereto or replace the same.

## 12 INDEMNIFICATION

**12.1** Tenant shall indemnify, defend and hold Landlord harmless from all claims arising from Tenant's use of the Premises or the conduct of its business or from any activity, work, or thing done, permitted or suffered by Tenant in or about the Premises or the Project. Tenant shall further indemnify, defend and hold Landlord harmless from all claims arising from any breach or default in the performance of any obligation to be performed by Tenant under the terms of this Lease, or arising from any act, neglect, fault or omission of Tenant or of its agents or employees, and from and against all costs, attorneys' fees, expenses, and liabilities incurred in or about such claim or any action or proceeding brought thereon. In case any action or proceeding shall be brought against Landlord by reason of any such claim, Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel approved in writing by Landlord; provided that the foregoing provision shall not be construed to make Tenant responsible for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence of Landlord, or its officers, contractors, agents or employees. In the event of concurrent negligence of Tenant, its sub lessee(s), assignee(s), invitee(s), agent(s), employee(s), contractor(s), or licensee(s) on the one hand, and that of Landlord, its agent(s), employee(s), or contractor(s) on the other hand, which concurrent negligence results in injury or damage to persons or property of any nature and howsoever caused, and relates to the construction, alteration, repair, addition to, subtraction from, improvement to or maintenance of the Premises, Common Areas, or Building, Tenant's obligation to indemnify Landlord as set forth in this Subsection shall be limited to the extent of Tenant's negligence, and that of Tenant's sub lessee(s), assignee(s), invitee(s), agent(s), employee(s), contractor(s) or licensee(s), including Tenant's proportional share of costs, attorneys' fees and expenses incurred in connection with any claim, action or proceeding brought with respect to such injury or damage. Tenant agrees that it will not assert its industrial insurance immunity if such assertion would be inconsistent with Landlord's right to indemnification from Tenant pursuant to this Subsection. The parties agree that this provision was mutually negotiated.

**12.2** The indemnification obligations contained in this Lease shall not be limited by any worker's compensation, benefits or disability laws and Tenant hereby waives any immunity that Tenant may have under the Industrial Insurance Act, Title 51 RCW and similar worker's compensation benefit or disability laws.

**12.3** Landlord shall indemnify, defend and hold Tenant harmless from all claims arising from Landlord's work in or about the Common Area. Landlord shall further indemnify, defend and hold Tenant harmless from all claims arising from any breach or default in the performance of any obligation to be performed by Landlord under the terms of this Lease, or arising from any act, neglect, fault or omission of Landlord or of its agents or employees, and from and against all costs, attorneys' fees, expenses, and liabilities incurred in or about such claim or any action or proceeding brought thereon. In case any action or proceeding shall be brought against Tenant by reason of any such claim, Landlord, upon notice from Tenant, shall defend the same at Landlord's expense by counsel retained by Landlord, provided that the foregoing provision shall not be construed to make Landlord responsible

for loss, damage, liability or expense resulting from injuries to third parties caused by the negligence of Tenant, or its officers, contractors, agents or employees.

**12.4 LANDLORD AND TENANT ACKNOWLEDGE BY THEIR EXECUTION OF THIS LEASE THAT EACH OF THE INDEMNIFICATION, RELEASE AND WAIVER PROVISIONS OF THIS SECTION 12 (SPECIFICALLY INCLUDING BUT NOT LIMITED TO THOSE RELATING TO WORKERS' COMPENSATION BENEFITS AND LAWS) WAS SPECIFICALLY NEGOTIATED AND AGREED TO BY LANDLORD AND TENANT.**

### 13 TENANT'S INSURANCE

**13.1** Tenant shall, during the term hereof and any other period of occupancy, at its sole cost and expense, keep in full force and affect the following insurance:

**13.1.1** Commercial General Liability Insurance insuring Tenant against any liability arising out of lease, use, occupancy or maintenance of the Premises and all areas appurtenant thereto. Such insurance shall be in the amount of not less than **One Million and No/100 Dollars (\$1,000,000.00)** Combined Single Limit for injury to, or death of one or more persons in an occurrence, and for damage to tangible property (including loss of use) in an occurrence. The policy shall insure the hazards of Premises and operations, independent contractors, contractual liability (covering the indemnity contained in Section 12 hereof and shall (1) name Landlord as an additional insured, and (2) contain a provision that "the insurance provided Landlord hereunder shall be primary and non-contributing with any other insurance available to Landlord,"

**13.1.2** Proper coverage for full replacement cost covering all personal property (including but not limited to, contents, **furniture, fixtures, tenant improvements**, alterations, additions, and betterments to the Premises) for specified perils cause of loss; and,

**13.1.3** Any other forms of insurance and in such amounts as Landlord, or any mortgagees of Landlord may require from time to time.

**13.2** All policies shall be written in a form satisfactory to Landlord and shall be taken out with insurance companies holding a General Policyholders Rating of "A" and a Financial Rating of "A5" or better, as set forth in the most current issue of Bests Insurance Guide. Within five (5) days after occupancy of the Premises, Tenant shall deliver to Landlord copies of policies or certificates evidencing the existence of the amounts and forms of coverage satisfactory to Landlord. No such policy shall be cancelable or reducible in coverage except after thirty (30) days prior written notice to Landlord. Tenant shall within ten (10) days prior to the expiration of such policies, furnish Landlord with renewals or "binders" thereof, or Landlord may order such insurance and charge the cost thereof to Tenant as Additional Rent. If Landlord obtains any insurance that is the responsibility of Tenant under this Section 13, Landlord shall deliver to Tenant a written statement setting forth the cost of any such insurance and showing in reasonable detail the manner in which it has been computed. The insurance and coverage requirements in this Lease Agreement shall be deemed satisfied upon Tenant's presentation of an Evidence of Coverage letter evidencing Tenant's membership in a municipal self- insurance pool.

### 14 WAIVER OF SUBROGATION.

**14.1 Release and Waiver.** Whether any loss or damage is due to the negligence of either Landlord or Tenant, their agents or employees, or any other cause, Landlord and Tenant hereby release the other and any other tenant, their agents or employees, from responsibility for, and waive their entire claim of recovery for (a) any loss or damage to the Building or the property of either located anywhere in the Building arising out of or incident to the occurrence of any of the perils which may or should be covered by their respective insurance policies required under the terms and conditions of this Lease, or (b) any loss resulting from business interruption at the Premises or loss of rental income from the Building, arising out of or incident to the occurrence of any of the perils which may be covered by

business interruption or rental income insurance policies held by either party. Each party shall cause its insurance carriers to consent to such waiver and to waive all rights of subrogation against the other party.

## 15 HAZARDOUS SUBSTANCES.

**15.1 Environmental Indemnity.** Tenant shall not, without Landlord's prior written consent, cause or permit any Hazardous Substances to be brought upon, kept or used in or about the Premises, Building or Land that would not normally be associated with the practice of dentistry. If Tenant breaches its obligations set forth herein, or if the presence of Hazardous Substances on or about the Premises, Building, or Land caused or permitted by Tenant results in contamination for which Tenant or Landlord may be legally liable, then Tenant shall indemnify, defend and hold Landlord harmless from and against all claims, judgments' damages, penalties, fines, costs, liabilities, or losses arising out of or in connection therewith. Tenant's obligations under this Section shall survive the expiration or termination of this Lease.

**15.2 Hazardous Substances Defined.** Hazardous Substances shall mean: (i) those substances included within the definitions of "hazardous substances," "hazardous materials," "toxic substances," or "solid waste" in CERCLA, as amended by Superfund Amendments and Reauthorization Act of 1986 (Publ. L. 99-499 100 Stat. 1613) ("SARA"), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 et seq.) ("RCRA"), and the Hazardous Materials Transportation Act, 49 U.S.C. § 1801 et seq., and in the regulations promulgated pursuant to said laws, all as amended; (ii) those substances listed in the United States Department of Transportation Table (49 CFR 172.101 and amendments thereto) or by the Environmental Protection Agency (or any successor agency) as hazardous substances (40 CFR Part 302 and amendments thereto); (iii) any material, waste or substance which is (A) petroleum, (B) asbestos, (C) polychlorinated biphenyl, (D) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. 1251 et seq. (33 U.S.C. § 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 1317); (E) flammable explosives; or (F) radioactive materials; (iv) those substances defined as "dangerous wastes," "hazardous wastes" or as "hazardous substances" under the Water Pollution Control Act, RCW 90.48.010 et seq., the Hazardous Waste Management Statute, RCW 70.105.010 et seq., and the Toxic Substance Control Act (Senate Bill No. 6085) RCW 70.105B.010 et seq., the Model Toxics Control Act, RCW 70.105D.010 et seq., and the Toxic Substance Control Act, 15 U.S.C. § 2601 et seq., and in the regulations promulgated pursuant to said laws all as amended; and (v) such other substances which are or become regulated or classified as hazardous or toxic under applicable local, state or federal laws or regulations.

## 16 ASSIGNMENT AND SUBLETTING.

**16.1 General.** Except as otherwise provided herein, Tenant shall not, either voluntarily or by operation of law, assign, hypothecate or transfer this Lease, or sublet the Premises or any part thereof, ("Transfer") without the prior written consent of Landlord in each instance, which consent shall not be unreasonably withheld. No Transfer shall relieve **Tenant** of any liability under this Lease. Consent to any Transfer shall not operate as a waiver of the necessity for consent to any subsequent Transfer. Any sale, assignment, hypothecation or Transfer of this Lease or subletting of the Premises that is not in compliance with the provisions of this Section 16 shall be void and shall, at the option of Landlord, terminate this Lease. Each *request* for an assignment or subletting must be accompanied by a review and processing fee, in the *minimum* amount of Five Hundred Dollars (\$500.00), in order to reimburse Landlord for expenses, including attorneys' fees, incurred in connection with such request.

**16.2 Entity Ownership.** If Tenant is not a natural person, transfer of the right of the owner of Tenant, or the owner of any affiliated entity which directly or indirectly controls Tenant, shall constitute a transfer of this Lease, regardless of how such control is transferred. By way of example, any transfer, redemption, or new issuance of voting stock of a corporation which results in a change in the identity of the majority shareholder constitutes a transfer of control, and in the case of a Limited Partnership, change in the identity of the general partner would constitute a transfer of control. Whether material control has been transferred shall be judged in light of the governing documents of the entity in question. This Subsection 16.2 shall not apply to any Tenant corporation, the outstanding voting stock of which is listed on a national securities exchange or actively traded over-the-counter.

**16.3 Assignee/Sub-Tenant Obligations.** As a condition to Landlord's approval, any potential assignee or sub-tenant shall assume all obligations of Tenant under this Lease, and any amendments thereto, and shall be jointly and severally liable with Tenant and any guarantors hereof for the payment of Rent and performance of all terms, covenants and conditions of this Lease. In connection with any sublease or assignment, Tenant shall provide Landlord with copies of all assignments, subleases and assumption instruments.

## 17 LIENS AND INSOLVENCY.

**17.1 Liens.** Tenant shall keep the Premises and the Building free from any liens arising out of any work performed and materials ordered, or obligations incurred by or on behalf of Tenant. In the event any lien is filed against the Building, the Land or the Premises by any person claiming by, through or under Tenant, Tenant shall be in Default hereunder; provided however, Tenant shall not be in Default if Tenant furnishes immediately to Landlord (at Tenant's expense), a bond in form and amount and issued by a surety reasonably satisfactory to Landlord, indemnifying Landlord, the Land and the Building against all liability and expenses, including attorneys' fees, which Landlord could possibly incur as a result of said lien. Landlord shall, at all times, have the right to post notices of non responsibility on or around the Premises and/or record such notices in the county where the Building is located.

**17.2 Insolvency.** If Tenant becomes insolvent (not being able to pay existing obligations in due course and a timely manner), voluntarily or involuntarily bankrupt, or if a receiver, or assignee or other liquidating officer is appointed for the business of Tenant, then Landlord may terminate Tenant's right of possession under this Lease at Landlord's option and in no event shall this Lease or any rights or privileges hereunder be an asset of Tenant under any bankruptcy, insolvency or **reorganization** proceedings. The appointment of a trustee in bankruptcy or of a receiver for the business or property of Tenant shall be deemed a material Default of this Lease by Tenant, unless the trustee or receiver, within five (5) days after appointment in the case of any delinquency in any payment required as and when due, or within fifteen (15) days after appointment in the case of any Default other than the making of any payment, (i) cures any outstanding Default, (ii) fully compensates Landlord for any loss resulting from such Default, and (iii) provides adequate assurances of future performance under this Lease, which assurances may include at Landlord's option, depositing with Landlord additional security in an amount not to exceed the equivalent of two (2) months rent as determined at the time of appointment.

## 18 DEFAULT.

**18.1 Default is Immediate.** Time is of the essence, and except as specifically provided below Tenant shall be in default if Tenant fails to timely perform any material obligation of Tenant under this lease (a "Default").

### 18.2 TENANT'S RIGHT TO CURE.

**18.2.1 Non Payment of Rent or Other Amounts Due:** For the nonpayment of Rent, or any other amounts due under this Lease, Tenant shall have a period of ten (10) days from the date payment is due within which to cure by paying all amounts past due, together with *interest, in the event payment is not received by Landlord within ten (10) days of the due date* at the rate equal to one and one-half percent (1.5%) per month, or the highest rate permitted by law, whichever is less, calculated from the due date as per subsection 3.1 of this Lease to the date of full payment. In addition, in the case of Base Rent, Tenant shall pay a *Late Charge* equal to five percent (5%) of the delinquent amount.

**18.2.2 Failure to Perform Other Lease Covenants or Provisions:** For any other Default under this Lease, Tenant shall have a period of ten (10) days after the receipt of Landlord's written notice of Default within which to cure. If, notwithstanding Tenant's good faith efforts to cure, any Default under this subsection cannot be cured within the ten (10) day period, Tenant's Default shall not be deemed to be

uncured if Tenant continues exercising good faith and due diligence to cure such Default, which completion shall occur not later than sixty (60) days from the date of such notice from Landlord.

**18.2.3 Multiple Defaults Within Twelve Month Period:** In the event Tenant should Default on any provision of this Lease two (2) or more times within a twelve (12) month period during Tenant's occupancy of the Premises, regardless of whether such Defaults were subsequently cured, Tenant shall thereafter forfeit any further rights to cure any future Defaults.

**18.2.4 Vacation and Abandonment.** Notwithstanding anything to the contrary in Subsection 18.2 any vacation or abandonment by Tenant shall be considered a Default with no right to cure, allowing Landlord to exercise all rights contained in Subsections 18.2.5 and 18.2.6 of this Lease. Vacation shall be defined as an absence from the Premises for more than forty five (45) days. Abandonment shall be defined as an absence from the Premises for more than twenty (20) days while Tenant is otherwise in Default after any cure periods expire.

**18.2.5 Landlord's Re-Entry; Acceleration of Rent.** Following the expiration of any applicable cure period for a Default by Tenant, Landlord, in addition to other rights it may have, may at its option enter the Premises, either with or without process of law, and remove Tenant or any other persons who may be therein, together with all personal property found therein. In addition, Landlord may terminate this Lease, or it may from time to time, without terminating this Lease and as agent of Tenant, re-let the Premises or any part thereof upon such terms as Landlord may deem advisable, with the right to repair and remodel the Premises. Tenant shall remain liable for any deficiencies under this Lease, computed as set forth below. In the case of any uncured Default, re-entry and/or dispossession by summary proceedings or otherwise, all Rent and other sums due pursuant to this Lease for the balance of the term shall become immediately due, together with such expenses as Landlord may incur including, but not limited to, attorneys' fees, advertising expenses, brokerage fees, **lease incentives and/or inducements** and/or putting the Premises in good order or preparing the same for re-rental, together with interest and handling charges as provided in Section 3 above, accruing from the date of any such expenditure by Landlord (hereinafter "Landlord's Expenses").

**18.2.6 Re-Letting the Premises.** At the option of Landlord, rents received by Landlord from re-letting the Premises shall be applied first to the payment of any indebtedness from Tenant to Landlord other than Rent and other sums due; second to the payment of any costs resulting from such re-letting, including, but not limited to, attorneys' fees, advertising fees and brokerage fees and to the payment of any repairs or remodeling to the Premises; third, to the payment of Rent due and to become due hereunder, and, if after applying these amounts, there is any deficiency in the Rent to be paid by Tenant under this Lease, Tenant shall pay any deficiency to Landlord monthly on the dates specified herein and any payment made or suits brought to collect the amount of the deficiency for any month shall not prejudice in any way the right of Landlord to collect the deficiency for any subsequent month. **Provided, however, in the event Landlord re-lets the Premises for the balance of the lease term at a rent equal to or greater than the Rent due hereunder, then Tenant shall be relieved from paying any additional Rent from the date Landlord commences receiving rent from the new tenant. However, in no event shall Tenant be relieved from paying Landlord's Expenses as defined in Subsection 18.2.5 above in the event of Landlord's Re-Letting of the Premises.** The failure or refusal of Landlord to re-let the Premises or any part or parts thereof shall not release or affect Tenant's liability hereunder, nor shall Landlord be liable for failure to re-let, or in the event of re-letting, for failure to collect the Rent thereof, and in no event shall Tenant be entitled to receive any excess of net rents collected over sums payable by Tenant to Landlord hereunder, provided that landlord satisfies its legal obligation to take reasonable steps to mitigate its losses. No such re-entry or taking possession of the Premises shall be construed as an election on Landlord's part to terminate this Lease unless a written notice of such intention is given to Tenant. Notwithstanding any such re-letting without termination, Landlord may at any time thereafter elect to terminate this Lease for such previous Defaults, should Landlord at any time

terminate this Lease by reason of any Default, in addition to any for the balance of the term, as it may have been extended, over the then fair market value of the Premises for the same period reduced to present value, plus all court costs and attorneys' fees incurred by Landlord in the collection of the same.

**18.2.7 Waiver of Redemption Rights.** Tenant, for itself, and on behalf of any and all persons claiming through or under it, including creditors of all kinds, hereby waives all rights which they or any of them might have under or by reason of any present or future law, to redeem the Premises or to have a continuance of this Lease for the term hereof, after applicable cure periods under this Lease have expired, and before being dispossessed or ejected there from by process of law.

**18.2.8 Cumulative Remedies.** All rights and remedies of Landlord provided in this Lease shall be cumulative, and none shall exclude any other right or remedy allowed by law. In addition to the other remedies provided in this Lease, Landlord shall be entitled to restrain by injunction the violation or attempted violation of any of the provisions of this Lease.

## 19 MORTGAGE SUBORDINATION AND ATTORNMENT.

This Lease shall be subordinate to any mortgage or deed of trust now existing or hereafter placed upon the Land, the Building or the Premises created by or at the instance of Landlord, and to any and all advances to be made there under, and to interest thereon and all modifications, renewals and replacements or extensions thereof ("Landlord's Mortgage"); provided, however, that if the holder of any Landlord's Mortgage or any person or persons purchasing or otherwise acquiring the Land, Building or Premises at any sale or other proceeding under any Landlord's Mortgage shall elect to continue this Lease in full force and effect; and, in such event, Tenant shall attorney to and become the Tenant to such person or persons. Tenant shall, upon demand by Landlord, execute such instruments as may be required at any time, and from time to time, to subordinate the rights and interests of the Tenant under this Lease to the lien of any mortgage or deed of trust at any time placed on the Land or Building of which the Premises are a part. A failure by Tenant to execute such instruments shall be deemed an Event of Default under the terms of this Lease.

## 20 ACTIONS AT EXPIRATION OR TERMINATION OF LEASE.

**20.1 Surrender of Possession.** Subject to the terms of Section 11 relating to damage and destruction, upon expiration of the term of this Lease, whether by lapse of time or otherwise, Tenant shall promptly and peacefully surrender the Premises, together with all keys thereto, to Landlord in as good condition as when received by Tenant from Landlord or as thereafter improved, reasonable wear and tear excepted.

**20.2 Holdover.** If Tenant shall, without the written consent of Landlord, hold over after the expiration or termination of this Lease, such tenancy shall continue only on a month-to-month basis and may be terminated by Landlord in accordance with Washington law. During the holdover tenancy, Tenant shall pay Landlord **100%** of the Base Rent (including Additional Rent). All other Lease terms shall remain in full force and effect.

**20.3 Movable Property.** Tenant shall remove all its movable property and trade fixtures which can be removed without damage to the Premises prior to the Expiration Date or sooner termination of this Lease and shall pay Landlord for the cost of repairing any damages to the Premises or Building resulting from such removal.

**20.4 Immovable Property.** All other property in the Premises, and any alterations or additions thereto (including, without limitation, wall-to-wall carpeting, paneling, **cabinets and counters**, wall covering, window dressings, coverings or shades, or lighting fixtures and apparatus), whether provided by Landlord or Tenant, and any other article affixed to the floor, wall or ceiling of the Premises is the Landlord's property and shall remain with the Premises without any compensation to Tenant. If, however, Landlord requests in writing, Tenant will, prior to the Expiration Date or sooner termination of this Lease, remove such alterations, additions, fixtures, equipment and property placed or installed by it in the Premises and will immediately repair any damages caused by or

resulting from such removal to the condition of the Premises prevailing at the Commencement Date, reasonable wear and tear excepted.

**20.5 Failure to Remove Property.** If Tenant fails to remove any of its property from the Premises or the Building at the termination of this Lease or when Landlord has the right of re-entry, Landlord may, at its option, remove and store the property without liability for loss thereof or damage thereto, and at Tenant's expense. If Tenant fails to pay the cost of storing Tenant's property after it has been stored for a period of 30 days or more, Landlord may, at its option, sell any or all of such property at public or private sale (and Landlord may become a purchaser at such sale), in such manner and at such times and places as Landlord may reasonably deem proper, without notice to Tenant, and shall apply the proceeds of such sale in the following order: (a) to sale costs, including attorneys' fees actually incurred; (b) to the payment of storage costs; (c) to the payment of any other costs or amounts which may then be or thereafter become due; and (d) the balance, if any, to Tenant.

## 21 CONDEMNATION.

**21.1 Entire Taking.** If all of the Building or such portions of the Building as may be required for the reasonable use thereof are taken by eminent domain, or conveyed under a threat of condemnation, this Lease shall automatically terminate as of the date title vests in the condemning authority and all Rent shall be paid to that date.

**21.2 Constructive Taking of Entire Premises.** In the event of a taking of a material part but less than all of the Building, where Landlord shall reasonably determine that the remaining portions of the Building cannot be economically and effectively used by it (whether on account of physical, economic, aesthetic or other reasons), Landlord shall forward a written notice to Tenant of such determination not more than 60 days after the date of taking. The Lease term shall expire upon such date as Landlord shall specify in such notice but not earlier than 60 days after the date of such notice.

**21.3 Partial Taking.** In case of a partial taking of the Premises, or a portion of the Building not required for the reasonable use of the Premises, then this Lease shall continue in full force and effect and the Rent shall be equitably reduced in proportion to the reduction of the Floor Area of the Premises. The Rent reduction shall be effective as of the date title to such portion vests in the condemning authority.

**21.4 Termination by Landlord.** In the event that title to a part of the Building other than the Premises shall be condemned or taken under threat of condemnation, and if, in the opinion of Landlord, the Building should be restored in such a way as to alter the Premises materially, Landlord may terminate this Lease. Landlord shall notify Tenant of such termination within 60 days following the date of vesting of title of the property taken in the condemning authority. This Lease shall expire on the date specified in the notice of termination, but not less than 60 days after the giving of such notice, and the Rent shall be apportioned as of such date.

**21.5 Awards and Damages.** Landlord reserves all rights to damages to the Premises for any partial, constructive, or entire taking by eminent domain, and Tenant hereby assigns to Landlord any right Tenant may have to such damages or award, and neither Tenant nor anyone acting on behalf of or through Tenant shall make a claim against Landlord or the condemning authority for damages for termination of the leasehold interest or interference with Tenant's business.

## 22 MISCELLANEOUS.

**22.1 Notices.** All notices under this Lease shall be in writing and delivered in person or sent by registered or certified mail to Landlord Building Manager at the address specified in Subsection 1.4 and to Tenant at the Premises, or such other addresses as may from time to time be designated by such party in writing. Notices mailed as aforesaid shall be deemed received on the date which is three days following the date of mailing.

**22.2 Costs and Attorneys' Fees—Scope of Fees.** If either party shall bring an action or proceeding (including, without limitation, any cross-complaint, counterclaim or third party claim) against any other party by

reason of the breach or alleged violation of any covenant, term or obligation hereof, or for the enforcement to any provision hereof, or to interpret the Lease, or for any other claim otherwise arising out of this Lease, the Prevailing Party, as determined by the court, in such action or proceeding shall be entitled to its costs and expenses of suit, including but not limited to reasonable attorneys' fees, which shall be payable whether or not such action is prosecuted to judgment.

If either party is required to initiate or defend any action or proceeding with a third party (including, without limitation, any cross-complaint, counterclaim or third party claim) because of the other party's breach of this Lease, or otherwise arising out of this Lease, and such party is the Prevailing Party, as determined by the court, in such action or proceeding, then the party so initiating or defending shall be entitled to reasonable attorneys' fees from the other party.

Attorneys' fees under this Subsection 22.2 shall include attorneys' fees on any appeal, attorney fees on any confirmation of an arbitration award or in enforcing any judgment on an arbitration award, and, in addition, a party entitled to attorneys' fees shall be entitled to all other reasonable costs and expenses occurred in connection with such action.

**22.3 Limitation on Landlord's Liability.** Notwithstanding any other provision in this Lease, the obligations and agreements made on the part of Landlord are not made and/or intended to be personal obligations or agreements, or for the purpose of binding Landlord personally or the assets of Landlord except for Landlord's interest in the Premises and Building, but are made and intended for the purpose of binding only the Landlord's interest in the Premises and the Building as the same may from time to time be encumbered. No personal liability or personal responsibility is assumed by, nor shall at any time be asserted or enforceable against, Landlord, its partners, or member or manager of Landlord, or their respective heirs, legal representatives, successors, and assigns on account of this Lease or on account of any covenant, undertaking or agreement of Landlord in this Lease contained.

**22.4 Estoppel Certificates.** Tenant shall, from time to time, upon written request of Landlord, execute, acknowledge and deliver to Landlord, or its designee, a written statement certifying: (i) this Lease is unmodified and in full force and effect (or if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the Rent and other charges are paid in advance, if any, and (ii) acknowledging that there are no uncured Defaults on the part of Landlord hereunder, or specifying such Defaults if any are claimed. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of the Premises. If Tenant shall fail to respond within 10 days of receipt by Tenant of a written request by Landlord as herein provided, Tenant shall be deemed to have given such certificate as above provided without modification and shall be deemed to have admitted the accuracy of any information supplied by Landlord pertaining to Tenant's occupancy of the Premises. A failure by Tenant to execute said certificate shall constitute an Event of Default under the terms of this Lease.

**22.5 Transfer of Landlord's Interest.** This Lease shall be assignable by Landlord without the consent of Tenant. In the event of any transfer or transfers of Landlord's interest in the Premises or in the Building, other than a transfer for security purposes only, the transferor shall be automatically relieved of all obligations and liabilities on the part of Landlord accruing from and after the date of such transfer and Tenant agrees to attorn to the transferee.

**22.6 Heirs and Assigns.** This Lease shall be binding upon Landlord and Tenant and their respective heirs, executors, administrators, successors and assigns.

**22.7 No Brokers.** Except as otherwise provided herein, Tenant represents and warrants to Landlord that it has not engaged any broker who would be entitled to any commission or fees in respect of the negotiation, execution, or delivery of this Lease and shall indemnify and hold harmless Landlord against any loss, cost, liability or expense incurred by Landlord as a result of any claim asserted by any such broker, finder or other person on



the basis of any arrangements or agreements made or alleged to have been made *by or on behalf of Tenant*. The provisions of this subparagraph shall not apply to brokers with whom Landlord has an express written brokerage agreement.

**22.8 Entire Agreement.** This Lease contains all of the agreements between Landlord and Tenant relating in any manner to the rental, use and occupancy of the Premises and Tenant's use of the Building and other matters set forth in this Lease. No prior agreements or understanding pertaining to the same shall be valid, and this Lease shall not be modified except in writing signed by Landlord and Tenant.

**22.9 Severability.** Any provision of this Lease which shall prove to be invalid, void or illegal shall in no way affect, impair or invalidate any other provision hereof and the remaining provisions hereof shall nevertheless remain in full force and effect.

**22.10 Force Majeure.** Time periods for Landlord's performance under any provision of this Lease shall be extended for periods of time during which the Landlord's performance is prevented due to circumstances beyond the Landlord's reasonable control, including without limitation, fires, floods, earthquakes, lockouts, strikes, embargoes, governmental regulations, acts of God, public enemy, war or other strife.

**22.11 Building Parking.** Parking spaces are provided on an unreserved "first-come, first-served" basis. Except for intentional acts or gross negligence, Landlord has no liability whatsoever for damage to property or any other items located in the Building parking area, or for any personal injuries or death arising out of any matter relating to the Building parking area. In all events, Tenant agrees to look first to its insurance carriers for payment of any losses sustained in connection with any use of the Building parking area. Landlord reserves the right to assign specific spaces, and to reserve spaces for visitors, small cars, handicapped persons and for other tenants, guests of tenants, or other parties. Tenant may not park in any such reserved or assigned spaces. Landlord also reserves the right to close all or any portion of the Building Parking area (1) in order to make repairs or perform maintenance services, or to alter, modify, re-stripe or renovate the Building parking area, or (2) if required by casualty, strike, condemnation, act of God, governmental law or requirement, or other reason beyond Landlord's reasonable control.

**22.12 Right to Change Public Spaces.** Landlord shall have the right, without thereby creating an actual or constructive eviction or incurring any liability to Tenant therefore, to change the arrangement or location of such of the following as are not contained within the Premises or any part thereof: entrances, lobbies, passageways, doors and doorways, corridors, stairs, toilets and other like public service portions of the Building. Nevertheless, in no event shall Landlord make any change which shall diminish the area of the Premises.

**22.13 Right to Establish Building Rules and Regulations.** During the term of this Lease, or any extension thereof, Landlord shall have the right to establish and enforce such reasonable, generally applicable rules and regulations for the Building as Landlord may deem necessary, provided such rules and regulations are consistent with the terms of this Lease. See **Exhibit C** entitled Building Rules and Regulations which are attached hereto and incorporated by reference herein.

**22.14 Authority.** Each person executing this Lease on behalf of Tenant warrants that he or she is duly authorized to execute and deliver this Lease on behalf of Tenant. Upon request from Landlord, Tenant shall provide a certified copy of an applicable resolution evidencing authorization or ratification of this Lease.

**22.15 Nonwaiver.** Landlord's failure to insist on strict performance of any of the terms of this Lease shall not be deemed a waiver of any rights or remedies which Landlord may have against Tenant at law or equity, and shall not be deemed a waiver of any subsequent Default in any of such terms.

**22.16 Governing Law.** This Lease shall be governed by and construed in accordance with the laws of the State of Washington. Any action to enforce the provisions hereof shall be in King County, Washington.

**22.17 Quiet Enjoyment.** Tenant shall, and may peacefully have, hold and enjoy the Premises, subject to the terms and conditions of this Lease, provided Tenant pays the Rent and fully performs all of its covenants and agreements. This covenant and all other covenants of Landlord shall be binding upon Landlord and its successors only during its or their respective periods of ownership of the Building, and shall not be a personal covenant of Landlord, or Landlord related parties.

**22.18 Counterparts.** This Lease may be executed in several counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

**22.19 Exhibits.** The following exhibits or riders are made a part of this Lease:

**Exhibit A** – Floor Plan of Premises.

**Exhibit B** – Legal Description of Land.

**Exhibit C** – Building Rules and Regulations.

IN WITNESS WHEREOF this Lease has been executed on the \_\_\_\_ day of November 2023.

**LANDLORD:**

**City of Newcastle**

**By:** \_\_\_\_\_

**Its:** \_\_\_\_\_

**TENANT:**

**City of Mercer Island**

**By:** \_\_\_\_\_

**Its:** \_\_\_\_\_

## LANDLORD'S ACKNOWLEDGMENT

[illegible]

I certify that I know or have satisfactory evidence that **Scott Pingel** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that she was authorized to execute the instrument on behalf of the City of Newcastle, a Washington municipal corporation, and acknowledged it as the free and voluntary act of said corporation for the uses and purposes mentioned in this instrument.

Dated November \_\_\_\_\_, 2023.

(Signature of Notary Public)

(Printed Name of Notary Public)

Notary Public in and for the state of Washington residing at

My Appointment expires: \_\_\_\_\_

## TENANT'S ACKNOWLEDGMENT

[illegible]

I certify that I know or have satisfactory evidence that **Jessi Bon** is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that she was authorized to execute the instrument on behalf of the City of Mercer Island a Washington municipal corporation, and acknowledged it as the free and voluntary act of said corporation for the uses and purposes mentioned in this instrument.

Dated November\_\_\_\_\_, 2023.

(Signature of Notary Public)

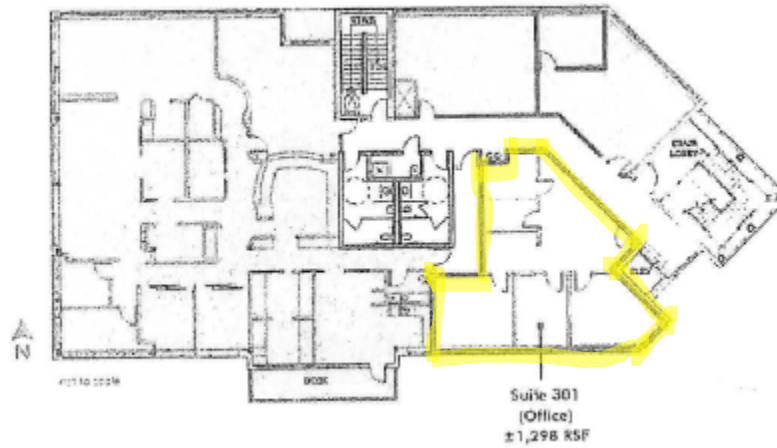
(Printed Name of Notary Public)

Notary Public in and for the state of Washington residing at

My Appointment expires: \_\_\_\_\_

**EXHIBIT A  
FLOOR PLANS OF PREMISES**

(Attached hereto and incorporated herein by reference)



**EXHIBIT B  
LEGAL DESCRIPTION OF LAND**

(Newcastle Professional Center)

THOSE PORTIONS OF THE SOUTH 150 FEET OF THE SOUTHEAST  $\frac{1}{4}$  OF THE NORTHEAST  $\frac{1}{4}$  AND THE NORTHEAST  $\frac{1}{4}$  OF THE SOUTHEAST  $\frac{1}{4}$  OF SECTION 28, TOWNSHIP 24 NORTH, RANGE 5 EAST W.M., LYING SOUTHWESTERLY OF GEORGE H.T. SPARLING COUNTY ROAD NO. 869, AS CONVEYED TO KING COUNTY BY DEED RECORDED UNDER RECORDING NO. 6453534 AND NORTHEASTERLY OF A 60 FOOT PIPELINE RIGHT-OF-WAY AS CONDEMNED IN KING COUNTY SUPERIOR COURT CAUSE NO. 486190, AND LYING NORTHWESTERLY OF THE FOLLOWING DESCRIBED LINE

BEGINNING AT THE SOUTHWEST CORNER OF SAID SOUTHEAST  $\frac{1}{4}$  OF THE NORTHEAST  $\frac{1}{4}$ , THENCE EAST ALONG SAID SOUTH LINE TO THE EASTERLY MARGIN OF SAID 60 FEET PIPELINE RIGHT-OF-WAY;

THENCE SOUTHEASTERLY ALONG SAID RIGHT-OF-WAY 101.10 FEET TO THE NORTHWEST CORNER OF THAT PARCEL OF LAND CONVEYED TO BEN W. MCNAIR AND JOAN M. MCNAIR BY DEED RECORDING UNDER RECORDING NO. 5929269 AND THE TRUE COMMENCEMENT POINT OF BEGINNING OF SAID LINE,

THENCE NORTH  $45^{\circ}11'06''$  EAST, 230 70 TO THE SOUTHWEST MARGIN OF SAID GEORGE H.T. SPARLING COUNTY ROAD NO. 869 AND THE TERMINUS OF SAID LINE;

SITUATE IN THE CITY OF NEWCASTLE, COUNTY OF KING, STATE OF WASHINGTON

## EXHIBIT C BUILDING RULES AND REGULATIONS

This exhibit is a continuation of that certain Lease dated/executed the \_\_\_\_\_ day of October, 2023 by and between City of Newcastle and City of Mercer Island on real property in King County, Washington, and by this reference shall become part of that agreement, which Landlord shall have the right to amend from time to time.

1. The sidewalks, entries, passages, court corridors, stairways, and elevators shall not be obstructed by Tenant, its employees or agents, or used by them for purposes other than ingress and egress to and from Premises.

2. Notwithstanding any of the terms and provisions of this Lease, Tenant will refer all contractors, contractors' representatives, and installation technicians rendering any service on or to the Premises for Tenant to Landlord for Landlord's approval and supervision before performance of any contractual service. This provision shall apply to all work performed in the Building and/or the Project, including installation of telephones, telegraph equipment, electrical devices and attachments and installations of any nature affecting floors, walls, woodwork, trim, windows, ceilings, or any other physical portion of the Building or Project. Such approval, if given, shall in no way make Landlord a party to any contract between Tenant and any such contractor, and Landlord shall have no liability therefore. In the event a contractor is hired by Tenant, the Tenant and the contractor shall execute Landlord's standard form Hold Harmless Agreement, which indemnifies Landlord, its agents and invitees from any and all liability in connection with contractor's work. All work performed in the Building shall be performed in compliance with the Tenant Improvement Specifications and the Millennium Building Shell Specifications.

3. Tenant's communication equipment, cabling, telegraphic, telephonic, security systems or other electrical connections shall not be installed without Landlord's prior written approval. Tenant shall install its phone and computer systems in Tenant's suite, and Landlord will require Tenant to label all such installations at the point of beginning, in each mechanical room, every twenty (20) feet to the end point. Within thirty (30) days of final completion of any such work Tenant shall provide Landlord a final as-built detailing the routes and locations of such installation.

4. Except as otherwise indicated herein, no signs, advertisement, or notice shall be inscribed, painted, or affixed on any part of the inside or outside of the Building unless of such color, size, style, and medium and in such place upon or in the Building as shall first be designated in writing by Landlord; there shall be no obligation or duty on Landlord to allow any sign, advertisement notice to be inscribed, painted or affixed on any part of the inside or outside of the Building. Signs on doors must be pre-approved by Landlord. No furniture shall be placed in front of the Building or in any lobby or corridor without the prior written consent of Landlord. Landlord shall have the right to remove all other signs and furniture without notice to Tenant at the expense of Tenant.

5. Landlord's acceptance of any name for listing on the Building Directory will not be deemed, nor will it substitute for, Landlord's consent, as required by this Lease, to any sublease, assignment, or other occupancy of the Premises.

6. Tenant shall have the non-exclusive use in common with Landlord, other tenants, their guests, and invitees, of the automobile parking areas, driveways, and footways, subject to reasonable rules and regulations for the use thereof as prescribed from time to time by Landlord. Landlord shall have the right to designate parking areas for the use of the Project tenants and their employees, and the tenants and their employees shall not park in parking areas not so designated, specifically including driveways, fire lanes, load/unloading areas, handicapped zones, walkways, and building entrances. Tenant agrees that upon written notice from Landlord, it will furnish to Landlord, within five (5) days from receipt of such notice, the state automobile license numbers assigned to the automobiles of the Tenant and its employees. Landlord shall not be liable for any vehicle of the Tenant or its employees that Landlord shall have towed from the Premises. Landlord will not be liable for damage to vehicles in the parking areas or for theft of vehicles, personal property from vehicles, or equipment of vehicles. Cars parked overnight may be towed, at Tenant's expense, unless Tenant has prior written permission from Landlord.

7. No Tenant shall do or permit anything to be done in the Premises, or bring or keep anything therein, which will in any way increase the rate of casualty insurance on the Project, or on property kept therein, or obstruct or interfere with the rights of other tenants, or in any way injure or annoy them, or conflict with the laws relating to fire, or with any regulations of the fire department, or with any insurance policy upon said buildings or any part thereof, or conflict with any rules and ordinances of any governmental agency or department.

8. No windows or other openings that reflect or permit light into the corridors or passageways, or to any other place in said Building shall be covered or obstructed by Tenant.

9. No person shall disturb the occupants of the Project by the making of loud or objectionable noises, or any other unreasonable or offensive conduct or activity including, but not limited to, smoking, which is in violation of any applicable law or as designated by Landlord. In the absence of a designated smoking area, no person shall smoke within thirty (30) feet from any posted "No Smoking" signs or any entrance to any building in the Project. No dogs or other animals or pets of any kind will be allowed in the Building or the Project.

10. The water closets and other water fixtures shall not be used for any purpose other than those for which they were constructed, and any damage resulting to them from misuse, or by the defacing or injury of any part of the Project, shall be borne by the Tenant who, or whose employees or agents shall have caused it.

11. No bicycles or similar vehicles will be allowed in the Building.

12. Nothing shall be thrown out the windows of the Building or down the stairways or other passages.

13. Tenant shall not be permitted to use or to keep in the Building any kerosene, gasoline or any inflammable or combustible fluids or materials, without the prior written consent of Landlord.

14. If Tenant desires, at its cost, it may add shades, draperies, or awnings, they must be of such shape, color, materials and make as shall be designated by Landlord. Any outside awning may be prohibited by Landlord. Landlord or its agents shall have the right to enter the Premises to examine the same or to make such repairs, alterations, or additions as Landlord shall deem necessary for the safety, preservation or improvement of the Building. Landlord or its agents may show said Premises and may place on the windows or doors thereof, a notice "For Rent" for six (6) months prior to the expiration of the Lease.

15. No portion of the Building shall be used for the purpose of lodging rooms or for any unlawful purposes.

16. All glass, locks, and trimmings in or about the doors and windows and all electric fixtures belonging to the Building shall be kept whole, and whenever broken by anyone shall be immediately replaced or repaired and put in order by Tenant under the direction and to the satisfaction of Landlord, and on removal shall be left whole and in good repair.

17. Landlord reserves the right at any time to take one elevator out of service for the exclusive use by the Building management in servicing the Building.

18. All safes, furniture, or other heavy articles shall be carried up or into the Premises only at such times and in such manner as shall be prescribed by Landlord at Tenant's sole cost and expense. Landlord requires Common Area walls and corners to be protected and masonite board to be installed and used in all Common Areas for all furniture moves. Landlord shall in all cases have the right to specify the proper weight and position of any such safe or other heavy article. Any damage done to the Building by taking in or removing any such equipment or from overloading any floor in any way shall be the responsibility of the Tenant. Defacing or injuring in any way any part of the Building by the Tenant, its agents, or employees, shall be paid for by the Tenant.

19. Landlord may waive any one or more of these Rules and Regulations for the benefit of Tenant or any other tenant, but no such waiver by Landlord shall be construed as a waiver of such Rules and Regulations in favor of Tenant.

or any other tenant, nor prevent Landlord from thereafter enforcing any such Rules and Regulations against any or all of the tenants of the Building.

20. These Rules and Regulations are in addition to, and shall not be construed to in any way modify or amend, in whole or in part, the terms, covenants, agreements, and conditions of Tenant's Lease of its Premises in the Building.

21. Tenant shall fully cooperate in allowing, from time to time, such examinations, tests, inspections, and reviews of the Premises as Landlord, in its sole and absolute discretion, shall determine to be advisable in order to evaluate any potential environmental problems. Landlord expressly reserves the right to conduct examinations, test (including but not limited to a geohydrologic survey of soil and subsurface conditions), inspections, and review of the premises as Landlord in its sole and absolute discretion may determine to be necessary.

22. Landlord reserves the right to make such other and reasonable Rules and Regulations as, in its judgment, may from time to time be needed for safety and security, for care and cleanliness of the Project, and for the preservation of good order therein. Tenant agrees to abide by all such Rules and Regulations herein above stated and any additional rules and regulations which are adopted.

23. Tenant shall be responsible for the observance of all of the foregoing rules by Tenant's employees, agents, contractors, clients, customers, invitees and guests.

24. If Tenant's use of heating, cooling, or convenience power exceeds the design load parameters of the Building and a service call is requested, then Tenant is responsible for such service as a direct Tenant cost.

25. Tenant shall pay for all additional security costs and Landlord maintenance personnel required in connection with Tenant's move-in or move-out. Landlord shall have the right to establish and modify from time-to-time rules governing the move-in and move-out of Tenant's furniture, fixtures, and equipment, and Tenant shall fully comply with such rules as established and modified.

26. No delay in the enforcement of any of these rules and regulations by Landlord shall be construed as a waiver by Landlord of its rights to enforce them. Any waiver by Landlord of any of these rules and regulations must be in writing.





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6367**  
**November 7, 2023**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6367: Second Reading and Adoption of Stormwater Management Program Amendments (Ord. No. 23C-14)	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input type="checkbox"/> Motion <input checked="" type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Adopt of Ordinance No. 23C-14 amending stormwater management standards.	

<b>DEPARTMENT:</b>	Public Works
<b>STAFF:</b>	Jason Kintner, Chief of Operations Brian Hartvigson, ROW/Stormwater Manager Deeqa Roble, Stormwater Quality Technician
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Ordinance No. 23C-14
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to present Ordinance No. 23C-14 (Exhibit 1) for a second reading and adoption. Ordinance No. 23C-14 would amend the following sections of the Mercer Island City Code (MICC) to officially adopt the Washington State Department of Ecology (Ecology) 2019 Stormwater Management Manual for Western Washington (Stormwater Manual) and update stormwater definitions for consistency with the National Pollutant Discharge Elimination System Phase II Municipal Stormwater Permit (NPDES Permit) and Stormwater Manual:

- MICC 15.09, Stormwater Management Program
- MICC 15.10, Storm and Surface Water Utility
- MICC 15.11, Fee In Lieu of Stormwater Detention

### BACKGROUND

The National Pollutant Discharge Elimination System (NPDES) permit program addresses water pollution by regulating point sources that discharge pollutants to waters of the United States. Created in 1972 by the [Clean Water Act](#), the NPDES permit program is authorized to state governments by the

Environmental Protection Agency to perform many permitting, administrative, and enforcement aspects of the program.

The Washington State Department of Ecology issued the Western Washington Phase II Municipal Stormwater Permit on July 1, 2019, with an effective date of August 1, 2019, pursuant to the requirements of the Federal Clean Water Act – National Pollutant Discharge Elimination System (NPDES). The NPDES Permit requires the City to adopt the 2019 Stormwater Management Manual for Western Washington, or equivalent, and update stormwater definitions for consistency with the NPDES Permit and Stormwater Manual.

## ISSUE/DISCUSSION

The City is required to amend the Mercer Island City Code to meet the requirements of the NPDES Permit, which necessitates revisions to Chapters 15.09, 15.10, and 15.11. The 2019 Stormwater Manual establishes standards and requirements for stormwater conveyance, land disturbing activity, impervious surface, and source control Best Management Practices (BMP). The proposed changes ensure continued compliance with the NPDES permit and adopt updated definitions in the NPDES and 2019 Stormwater Manual.

On August 14, 2023, a completed State Environmental Policy Act (SEPA) checklist was submitted to the City of Mercer Island Community Planning and Development Department for review. Per the SEPA requirement, a public notice was published on August 30, 2023, more than 30 days before the public hearing. An Environmental Determination of Non-Significance (DNS) was issued for the proposed code amendments pursuant to the State Environmental Policy Act (SEPA) on September 11, 2023.

On October 17, the City Council set Ordinance No.23C-14 for a second reading and adoption at the November 7, 2023, City Council meeting.

Ordinance No. 23C-14 would amend MICC 15.09, MICC 15.10, and MICC 15.11 as follows.

- Section 1. Amends MICC 15.09  
To adopt the 2019 Stormwater Manual, update stormwater definitions for consistency with the NPDES Permit and Stormwater Manual and allow for business/site source control inspections.
- Section 2. Amends MICC 15.10  
To update stormwater definitions for consistency with the NPDES Permit and Stormwater Manual and allow for business/site source control inspections.
- Section 3. Amends MICC 15.11.010  
To update stormwater definitions for consistency with the NPDES Permit and Stormwater Manual.

## RECOMMENDED ACTION

Adopt Ordinance No. 23C-14 amending stormwater management standards.

**CITY OF MERCER ISLAND  
ORDINANCE NO. 23C-14**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON,  
AMENDING MICC 15.09, 15.10, AND 15.11 RELATING TO  
STORMWATER MANAGEMENT STANDARDS; PROVIDING FOR  
SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Washington State Department of Ecology (Ecology) issued the Western Washington Phase II Municipal Stormwater Permit (NPDES Permit) on July 1, 2019, with an effective date of August 1, 2019, pursuant to the requirements of the Federal Clean Water Act – National Pollutant Discharge Elimination System (NPDES); and

**WHEREAS**, the NPDES Permit requires the City to adopt the 2019 Stormwater Management Manual for Western Washington (Stormwater Manual), or equivalent, and update stormwater definitions for consistency with the NPDES Permit and Stormwater Manual; and

**WHEREAS**, the City is required to amend Mercer Island City Code (MICC) to meet the requirements of the NPDES Permit, including revisions to Chapters 15.09, 15.10, and 15.11; and

**WHEREAS**, the City recognizes the need to periodically modify its stormwater regulations within Title 15 MICC, in order to conform to state and federal law, codify administrative practices, and improve efficiency of regulations; and

**WHEREAS**, an Environmental Declaration of Non-Significance (DNS) was issued for the proposed code amendments pursuant to the State Environmental Policy Act (SEPA) on September 11, 2023.

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:**

**Section 1. MICC 15.09 Amended.** MICC 15.09, Storm Water Management Program, is amended to adopt the 2019 Stormwater Manual, update stormwater definitions for consistency with the NPDES Permit and Stormwater Manual and allow for business/site source control inspections as provided in Exhibit A to this Ordinance. Exhibit A is incorporated herein by this reference as though set forth in full.

**Section 2. MICC 15.10 Amended.** MICC 15.10, Storm and Surface Water Utility, is amended to update stormwater definitions for consistency with the NPDES Permit and Stormwater Manual and allow for business/site source control inspections as provided in Exhibit B to this Ordinance. Exhibit B is incorporated herein by this reference as though set forth in full.

**Section 3. MICC 15.11 Amended.** MICC 15.11, Fee In Lieu of Stormwater Detention, is amended to update stormwater definitions for consistency with the NPDES Permit and Stormwater Manual as provided in Exhibit C to this Ordinance. Exhibit C is incorporated herein by this reference as though set forth in full.

**Section 4. Severability.** If any section, sentence, clause, or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, or its application held inapplicable to any person, property, or circumstance, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause, or phrase of this ordinance or its application to any other person, property, or circumstance.

**Section 5. Publication and Effective Date of Ordinance.** A summary of this ordinance consisting of its title shall be published in the official newspaper of the City. This ordinance shall take effect and be in full force five days after adoption and publication.

ADOPTED by the City Council of the City of Mercer Island, Washington, at its meeting on the 7th day of November 2023 and signed in authentication of its passage.

CITY OF MERCER ISLAND

\_\_\_\_\_  
Salim Nice, Mayor

APPROVED AS TO FORM:

ATTEST:

\_\_\_\_\_  
Bio Park, City Attorney

\_\_\_\_\_  
Andrea Larson, City Clerk

Date of Publication: \_\_\_\_\_

## Chapter 15.09 STORM WATER MANAGEMENT PROGRAM

### 15.09.010 Establishment of a storm water management program.

- A. There is hereby created and established, by the adoption of this chapter and the provisions therein, a city storm water management program, hereinafter referred to as "the program." The program shall set forth the primary authority and responsibility for carrying out the Action Agenda for Puget Sound including, but not limited to, responsibilities for planning; establishment of requirements for new development and redevelopment; public education efforts to educate citizens; design, construction, maintenance, administration, operation and improvement of the city's storm and surface water system; as well as establishing standards for design, construction, source control, and maintenance of improvements and related activities on public and private property where these may affect storm and surface water and/or water quality.
- B. The city manager or their/his/her appointed designee shall be the administrator of the program.

### 15.09.020 Applicability.

- A. The provisions of this chapter and the program shall apply to all property and all projects within the limits of the city of Mercer Island. The provisions of this chapter and the program shall control all storm water management practices; provided, however, if other provisions of this Code or any other city ordinance provides more protection of the quality of surface or ground water, it shall control.
- B. Applicants for construction projects which involve land disturbing activity shall provide a construction storm water pollution prevention plan (SWPPP) prior to the issuance of any permits.
- C. The city manager or their/his/her designee is authorized to adopt written policies and procedures for the purpose of implementing the program and the provisions of this chapter.

### 15.09.030 Definitions.

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

2019 ~~2012~~ manual ~~(as amended in 2014)~~ means the Stormwater Management Manual for Western Washington prepared by the Washington State Department of Ecology in 2019 ~~2012~~ and amended in 2014.

AKART means all known, available, and reasonable methods of prevention, control, and treatment.

*Applicable manual* means the 2019 Stormwater Management Manual for Western Washington ~~(2012 manual as amended in 2014)~~ prepared by the Washington State Department of Ecology in 2019 ~~2012~~ and amended in 2014.

*Best management practices (BMPs)* means the schedules of activities, prohibitions of practices, maintenance procedures, and structural and/or managerial practices approved by the Washington Department of Ecology that, when used singly or in combination, prevent or reduce the release of pollutants and other adverse impacts to waters of Washington State.

*City manager or their/his/her designee* means the city's active appointed manager or an employee of the city that acts on their/his/her behalf.

*Development* means new development, redevelopment, or both.

*Ground water* means water in a saturated zone or stratum beneath the surface of the land or below a surface water body.

*Hard surface* means an impervious surface, a permeable pavement, or a vegetated roof.

*Hazardous materials* means any pollutant, contaminant, toxic or hazardous waste, dangerous substance, potentially dangerous substance, noxious substance, toxic substance, flammable material, explosive material, radioactive material, urea formaldehyde foam insulation, asbestos, polychlorinated biphenyls (PCBs), or any other substances the removal of which is required, or the manufacture, preparation, production, generation, use, maintenance, treatment, storage, transfer, handling, or shipment of which is restricted, prohibited, regulated, or penalized by any federal, state, county, or municipal statutes or laws.

*Hyperchlorinated* means water that contains a chlorine concentration exceeding ten milligrams per liter.

*Illicit connection* means any infrastructure connection, manmade conveyance that is connected to the city's storm and surface water system that is not intended, without a permitted, or used for collecting and conveying storm water or non-storm water discharges allowed as specified in MICC 15.09.040, excluding roof drains and other similar type connections.

*Illicit discharge* means any discharge to the city's storm and surface water system that is not composed entirely of storm water or of non-storm water except discharges allowed as specified in MICC 15.09.040 pursuant to any nonmunicipal NPDES permit and discharges from fire-fighting activities.

*Impervious surface* means a non-vegetated surface area which either prevents or retards the entry of water into the soil mantle as under natural conditions prior to development. A non-vegetated surface area which causes water to run off the surface in greater quantities or at an increased rate of flow from the flow present under natural conditions prior to development. Common impervious surfaces include, but are not limited to, roof tops, walkways, patios, driveways, parking lots or storage areas, concrete or asphalt paving, gravel roads, packed earthen materials, and oiled, macadam or other surfaces which similarly impede the natural infiltration of storm water. Open, uncovered retention/detention facilities shall not be considered as impervious surfaces for the purposes of determining whether the thresholds for application of Minimum Requirements are exceeded. Open, uncovered retention/detention facilities shall be considered impervious surfaces for purposes of runoff modeling.

*Land disturbing activity* means any activity that results in a change in the existing soil cover (both vegetative and nonvegetative) and/or the existing soil topography. Land disturbing activities include, but are not limited to, demolition, construction, clearing, grading, filling and excavation. Compaction that is associated with stabilization of structures and road construction shall also be considered land disturbing activity. Vegetation maintenance practices, including landscape maintenance and gardening, are not considered land disturbing activity. Storm water facility maintenance is not considered land disturbing activity if conducted according to established standards and procedures.

*Low impact development* or *LID* means a storm water and land use management strategy that strives to mimic predisturbance hydrologic processes of infiltration, filtration, storage, evaporation, and transpiration by emphasizing conservation, use of on-site natural features, site planning, and distributed storm water management practices that are integrated into a project design.

*Low impact development best management practices* or *LID BMPs* means distributed storm water management practices, integrated into a project design, that emphasize predisturbance hydrologic processes of infiltration, filtration, storage, evaporation and transpiration. LID BMPs include, but are not limited to, bioretention, rain gardens, permeable pavements, roof downspout controls, dispersion, soil quality and depth, vegetated roofs, minimum excavation foundations, and water reuse.

*New development* means land disturbing activities; structural development, including construction or installation of a building or other structure; creation of hard surfaces; and subdivision, short subdivision and binding site plans, as defined and applied in RCW Chapter 58.17. Projects meeting the definition of "redevelopment" shall not be considered new development.

*New impervious surface* means a surface that is:

- changed from a pervious surface to an impervious surface (e.g., resurfacing by upgrading from dirt to gravel, a bituminous surface treatment ("chip seal"), asphalt, concrete, or an impervious structure); or
- upgraded from gravel to chip seal, asphalt, concrete, or an impervious structure; or

- upgraded from chip seal to asphalt, concrete, or an impervious structure.

Note that if asphalt or concrete has been overlaid by a chip seal, the existing condition should be considered as asphalt or concrete.

*NPDES* means the National Pollutant Discharge Elimination System, a national program for permitting and imposing pretreatment requirements related to the discharge of pollutants to surface waters of the state from point discharges. The permits are administered by the Washington Department of Ecology.

*On-site storm water management BMPs* are synonymous with LID BMPs.

*Pollutant* means any liquid, gaseous, solid, radioactive or other substance that when introduced into waters of the state will or is likely to create a nuisance or render such waters harmful, detrimental or injurious to the public health, safety or welfare, or to domestic, commercial, industrial, agricultural, recreational, or other legitimate beneficial uses, or to livestock, wild animals, birds, fish or other aquatic life.

*Pollution-generating impervious surface (PGIS)* means impervious surfaces considered to be a significant source of pollutants in storm water runoff. Such surfaces include those which are subject to: vehicular use; industrial activities (as further defined in the applicable manual); storage of erodible or leachable materials, wastes, or chemicals, and which receive direct rainfall or the run-on or blow-in of rainfall; metal roofs unless they are coated with an inert, nonleachable material (e.g., baked-on enamel coating); or roofs that are subject to venting significant amounts of dusts, mists, or fumes from manufacturing, commercial, or other indoor activities.

*Redevelopment* means, on a site that is already substantially developed (i.e., has 35 percent or more of existing hard surface coverage), the creation or addition of hard surfaces; the expansion of a building footprint or addition or replacement of a structure; structural development including construction, installation or expansion of a building or other structure; replacement of hard surface that is not part of a routine maintenance activity; and land disturbing activities.

Replaced hard surface means for structures, the removal and replacement of hard surfaces down to the foundation. For other hard surfaces, the removal down to bare soil or base course and replacement.

*Storm and surface water system* means the entire system within the city, both public and private, naturally existing and manmade, for the drainage, conveyance, detention, treatment and storage of storm and surface waters.

*Storm water* means runoff during and following precipitation and snowmelt events, including surface runoff, drainage or interflow.

*Storm water facility* means a constructed component of a storm water system, designed or constructed to perform a particular function, or multiple functions. Storm water facilities include, but are not limited to, pipes, swales, ditches, culverts, street gutters, detention ponds, retention ponds, constructed wetlands, infiltration devices, catch basins, oil/water separators, and biofiltration swales.

*Storm water pollution prevention plan (SWPPP)* means a plan prepared for a site in accordance with applicable manual to control pollutants generated on the site that could enter waters of the state.

*Storm water treatment and flow control BMPs/facilities* means detention facilities, permanent treatment BMPs/facilities, bioretention, vegetated roofs, and permeable pavements that help meet Minimum Requirement No. 6 (Runoff Treatment), Minimum Requirement No. 7 (Flow Control), or both according to the applicable manual.

(Ord. 17C-09 § 1; Ord. 09C-09 § 1)

### **15.09.040 Discharges to storm and surface water system and ground waters.**

- A. *Prohibited discharges.* No person shall throw, drain, or otherwise discharge, cause or allow others under theirhis/her control to throw, drain, or otherwise discharge into the municipal storm drain system and/or surface and ground waters any materials other than storm water. Examples of prohibited discharges include

but are not limited to the following: trash or debris, construction materials, silt, sediment, cement, concrete, gravel, petroleum products, antifreeze and other automotive products, metals, flammable or explosive materials, radioactive material, batteries, paints, stains, resins, lacquers, varnishes, degreasers, solvents, drain cleaners, pesticides, herbicides, fertilizers, steam cleaning wastes, soaps, detergents, ammonia, dyes, chlorine, bromine, disinfectants, swimming pool or spa filter backwash, interior floor drainage, commercial car wash discharge, heated water, domestic animal waste, sewage, carcasses, food wastes, bark, lawn clippings or leaves, any process-associated discharge except as otherwise allowed in this section, any hazardous material or waste not listed above, and any chemical not normally found in uncontaminated water.

- B. *Allowable discharges.* The following types of discharges shall not be considered illegal discharges for the purposes of this chapter unless the city manager or their/his/her designee determines that the type of discharge, whether singly or in combination with others, is causing or is likely to cause pollution of surface water or ground water: storm water runoff, diverted stream flows, springs, flows from riparian habitats and wetlands, rising ground waters, uncontaminated ground water infiltration (as defined in 40 CFR 35.2005(b)(20)), uncontaminated pumped ground water, foundation drains, footing drains, uncontaminated water from crawl space pumps, air conditioning condensation, irrigation water from agricultural sources that is commingled with urban storm water, and discharges from emergency firefighting activities.
- C. *Conditional discharges.* The following types of discharges shall not be considered illegal discharges for the purposes of this chapter if they meet the stated conditions, or unless the city manager or their/his/her designee determines that the type of discharge, whether singly or in combination with others, is causing or is likely to cause pollution of surface water or ground water:
1. Potable water, including but not limited to water from water line flushing, hyperchlorinated water line flushing, fire hydrant system flushing, and pipeline hydrostatic test water. Planned discharges shall be dechlorinated to a total residual chlorine concentration of 0.1 parts per million or less, pH-adjusted, if necessary, and volumetrically and velocity controlled to prevent resuspension of sediments in the storm water system;
  2. Lawn watering and other irrigation runoff are permitted, but the city discourages use in excessive amounts through its public involvement program;
  3. Dechlorinated swimming pool, spa, and hot tub discharges. These discharges shall be dechlorinated to a total residual chlorine concentration of 0.1 parts per million or less, pH-adjusted and reoxygenated, if necessary, and volumetrically and velocity controlled to prevent resuspension of sediments in the storm water system. Discharges shall be thermally controlled to prevent an increase in temperature of the receiving water. Swimming pool cleaning wastewater and filter backwash shall not be discharged to the storm water system;
  4. Street and sidewalk wash water, water used to control dust, and routine external building wash down that does not use detergents are permitted, but the city discourages use in excessive amounts through its public involvement program;
  5. Non-storm water discharges covered by another NPDES or state waste discharge permit; provided, that the discharger is in full compliance with all requirements of the permit, waiver, or order and other applicable laws and regulations; and provided, that written approval has been granted for any discharge to the storm water system;
  6. Other non-storm water discharges. The discharge shall be in compliance with the requirements of a pollution prevention plan reviewed and approved by the city, which addresses control of such discharges by applying AKART to prevent contaminants from entering surface or ground water.
- D. *Prohibition of illicit connections.* The construction, use, maintenance, or continued existence of illicit connections to the storm drain or surface water system is prohibited. This prohibition expressly includes illicit connections made in the past, regardless of whether the connection was permissible under the law at



the time of the connection. A person is considered to be in violation of this chapter if the person connects a line conveying sewage to the storm and surface water system or allows such a connection to continue.

#### 15.09.050 Standards for new development and redevelopment.

- A. The thresholds, definitions, minimum requirements and exceptions, adjustment, and variance criteria found in Appendix I of the NPDES Phase II municipal storm water permit, including the mandatory incorporated provisions of the applicable 2012 manual (~~as amended in 2014~~) and any amendments thereto are hereby adopted by the city of Mercer Island as the minimum standards for storm water management. Furthermore, Minimum Requirement No. 5: On-site Stormwater Management of the aforementioned applicable 2012 manual is amended as follows:
1. Minimum Requirement No. 5 applies to projects that:
    - a. Result in 2,000 square feet, or greater, of new plus replaced hard surface area; or
    - b. Have a land disturbing activity of 7,000 square feet or greater; or
    - c. Result in a net increase of impervious surface of 500 square feet or greater.
  2. For implementing Minimum Requirement No. 5, the on-site detention BMP is added to List ~~#No.~~ 1 and List ~~#No.~~ 2 for evaluation on all projects as follows:
 

If all of the on-site storm water management BMPs included on List #1 and List #2 are determined to be infeasible for roofs and/or other hard surfaces, on-site detention shall be required when applicable. On-site detention is required when the drainage from the site will be discharged to a storm and surface water system that includes a watercourse or there is a capacity constraint in the system. The on-site detention system shall be sized using the city's standard on-site detention sizing table or other method approved by the city engineer. On-site detention is not required if the project discharges directly to Lake Washington (and uses List #3) or if findings from a ¼ mile downstream analysis confirm that the downstream system is free of capacity constraints. However, the ~~storm water~~ ~~stormwater~~ must still be conveyed to an existing storm and surface water system in an approved manner.
- B. *Additional passive spill control is required.* Projects that replace, modify, or construct a new driveway or parking area shall provide passive spill control for that area that receives runoff from pollution-generating impervious surfaces (PGIS) prior to discharge from the site or into a natural on-site drainage feature. The intent of this device is to temporarily detain oil or other floatable pollutants before they enter the downstream storm water system in the event of an accidental spill or illegal dumping. It shall consist of a tee section in a manhole or catch basin (or elbow when allowed by the city engineer). Note that in addition to this spill control requirement, other spill control requirements may be required for projects that exceed certain thresholds in the applicable manual.
- C. All storm water site plans shall include an analysis of off-site storm water runoff and water quality impacts and shall mitigate these impacts as necessitated by the applicable manual. The analysis shall extend, where possible, a minimum of one-fourth of a mile downstream from the project. The existing and potential impacts to be evaluated and mitigated include but are not limited to the following:
1. Excessive sedimentation;
  2. Streambank erosion;
  3. Discharges to ground water and/or their potential;
  4. Violations of water quality standards;
  5. Discharges of pollutants;
  6. Erosion;
  7. Flooding;

8. Slope instability; and
  9. Other adverse impacts to water quality.
- D. Adopted drainage basin plans may be used to modify and/or add to any or all of the minimum requirements for storm and surface water runoff. Basin plans may include requirements for additional runoff detention, retrofitting measures, BMPs, or other measures in order to achieve basin-wide pollutant, flooding, erosion or sedimentation reduction. Standards developed from basin plans shall not modify any of the above requirements until the basin plan has been formally adopted by the Mercer Island city council.

#### 15.09.060 Exceptions.

Exceptions to the minimum requirements of the applicable manual may be granted prior to permit approval and construction. An exception may be granted by staff; provided, that a written finding of fact is prepared, that meets the following criteria:

- A. The exception provides equivalent water quality protection and complies with the public interest; and that the objectives of safety, function, water quality protection and facility maintenance, based upon sound engineering principles, are fully met;
- B. There exist special physical circumstances or conditions affecting the property such that the strict application of the provisions of the applicable manual would deprive the applicant of all economic use of the parcel of land in question, and every effort to find creative ways to meet the intent of the minimum standards has been made;
- C. That the granting of the exception will not be detrimental to the public health and welfare, nor injurious to other properties in the vicinity and/or downstream, and to the quality of waters of the state and city; and the exception is the least possible exception that could be granted to comply with the intent of the minimum requirements of the applicable manual.

#### 15.09.070 Maintenance and inspection requirements.

- A. All public and private storm water facilities required by the applicable manual to provide permanent storm water treatment and/or flow control shall be inspected and maintained in accordance with the standards contained in the applicable manual.
- B. All storm water treatment and flow control facilities shall be inspected annually but may be reduced based on inspection records. Owners of private facilities shall be responsible for maintenance, inspections and corrections. Records of facility inspections and maintenance actions shall be retained for a period of at least five years. These maintenance records are to be provided to the city upon request.
- C. All storm water treatment and flow control facilities shall be cleared of debris, sediment and vegetation as conditions warrant, when they threaten to affect the functioning and/or design capacity of the facility, but not less than annually.
- D. Where the lack of maintenance is causing or contributing to a violation of water quality criteria, property damage or threatens the welfare or safety of the public, actions shall be taken to correct the problem as soon as reasonably feasible.
- E. When an inspection identifies an exceedance of the maintenance standard, maintenance shall be performed within the following time period:
  1. Within one year for typical maintenance of facilities, except catch basins;
  2. Within six months for catch basins;
  3. Within two years for maintenance that requires capital construction of less than \$25,000.00; and
  4. Within the time frame determined by the city manager or ~~their~~his/her designee for maintenance that requires capital construction greater than \$25,000.00.

The city manager or ~~theirhis/her~~ designee may order corrective maintenance to occur within a specific time period.

- F. Operational and structural source control BMPs at businesses/sites shall be inspected and maintained per the requirements of the applicable manual. Operational and structural source control BMPs are required to be repaired or brought up to applicable standards by the property owner or the person responsible for the business/site.
- G. Sediment, oil, street or parking lot sweepings and any material containing pollutants shall be properly disposed of at an approved waste facility or, if appropriate, in accordance with the provisions of WAC Chapters 173-303 and 173-304.
- H. The city manager or ~~theirhis/her~~ designee shall design and develop an inspection program for facilities and systems for both public and private systems in accordance with the goals and objectives and intent of the applicable manual.
- I. Any failure of a storm water system, BMPs, erosion and sedimentation control, or water quality protection measures in any new development or redevelopment shall be repaired and/or retrofitted in accordance with the applicable manual.

(Ord. 17C-09 § 1; Ord. 09C-09 § 1; Ord. 95C-118 § 1. Formerly 15.09.050)

#### 15.09.080 Administration.

- A. The city manager or ~~theirhis/her~~ designee shall have the authority to develop and implement administrative procedures to administer and enforce this chapter and the program. The city manager or ~~theirhis/her~~ designee shall approve, conditionally approve or deny an application for activities regulated by this chapter.
- B. Prior to the commencement of any construction on a project or "land disturbing activity," the applicant shall obtain a storm water permit from the city. A bond may be required by the city engineer in an amount sufficient to cover cost of construction of the system in accordance with approved plans and anticipated city inspection. Upon completion of the work inspection and approval of the storm water facilities by the city, 70 percent of the bond shall be released. At the one-year inspection, the remaining 30 percent shall be released. A two-year bond may be required for vegetated storm water facilities.
- C. All activities regulated by this chapter shall be subject to inspection. Projects shall be inspected at various stages of the work requiring approval to determine that adequate control is being exercised and enforcement actions taken as necessary. These inspections will include, but not be limited to, the following:
  - 1. Prior to site clearing and construction to assess site erosion potential on sites with a high potential for sediment transport;
  - 2. During construction to verify proper installation and maintenance of required erosion and sediment control BMPs;
  - 3. Upon completion of construction and prior to final approval or occupancy to ensure proper installation of permanent storm water facilities and verify that a maintenance plan is completed and responsibility for maintenance is assigned for storm water facilities;
  - 4. All permanent storm water facilities and catch basins in new residential developments that are part of a larger common plan of development or sale, every six months during the period of heaviest house construction (i.e., one to two years following subdivision approval to identify maintenance needs and enforce compliance with maintenance standards as needed);
  - 5. Pollutant generating sources at publicly and privately owned institutional, commercial, and industrial sites.

When required, special inspections and/or testing may be required to be performed at the expense of the applicant.

- D. The city manager or ~~theirhis/her~~ designee may order the correction or abatement of any storm and surface water facility or condition thereof, operational or structural source control BMPs, a prohibited discharge, or illicit connection constituting a violation of this Code or of the applicable manual when such facility or condition thereof has been declared to be a public nuisance. Whenever such a public nuisance is declared, a notice by certified mail shall be made to the violator directing abatement within 30 days of the receipt of the notice. If the required corrective work is not completed within the time specified, the city may proceed to abate the violation as a public nuisance. Summary abatement may be commenced without notice or a stop work order issued when the violation is of such a nature that it is an immediate hazard to life and/or property. Notwithstanding the exercise or use of any other remedy, the city manager or ~~theirhis/her~~ designee may seek legal or equitable relief to enjoin any act or acts or practices which constitute a violation of this chapter.
- E. *Civil penalty.* In addition to or as an alternative to any other penalty provided herein, or by law, any person who violates the provisions of this chapter, the applicable manual, or an approved storm water management plan shall incur a cumulative civil penalty in the amount of \$50.00 per day from the date set for correction, until the violation is corrected. In lieu of a civil penalty, the city manager or ~~theirhis/her~~ designee may issue a warning notice and provide educational information on discharge practices when the violation is a first violation of this chapter, is not an intentional violation, and the discharge is determined by the city manager or ~~theirhis/her~~ designee as minor. Any subsequent violation of this chapter by the same person shall not be eligible for a warning notice and shall result in a civil penalty.
- F. *Notice of violation and assessment of penalty.* Whenever the city manager or ~~theirhis/her~~ designee has found or determined that a violation is occurring or has occurred ~~they arehe/she is~~ authorized to issue a notice of violation directed to the violator, the property owner, or the occupant. The following provisions shall apply and notice of violation shall contain:
1. The name and address of the violator, if known;
  2. The street address when available or a legal description sufficient for identification of the building, construction, premises, or land upon which the violation is occurring;
  3. A statement of the nature of such violation(s);
  4. A statement of action required to be taken as to be determined by the city manager or ~~theirhis/her~~ designee and a date of correction.
- G. The notice shall notify the owner and/or violator that:
1. The owner and/or violator has 14 days to notify the city manager or ~~theirhis/her~~ designee of a proposed schedule of repair or maintenance action;
  2. The owner and/or violator has 30 days after the time of notification set forth in subsection (G)(1) of this section to comply with the notice, unless, for good cause shown, the period of compliance is extended.
- H. In the event the owners and/or violators fail to comply with the notice, work may be done by and under the authority of the city, at the expense of the owner and/or violator and the expense shall be charged to the owner and/or violator and shall become a lien on the property.

### 15.09.090 Appeals process.

Any person aggrieved by the decision of the city manager or ~~theirhis/her~~ designee in administering this chapter may appeal the decision to the hearing examiner. Appeals shall follow the process described in MICC 19.15.130.

## ***Chapter 15.10 STORM AND SURFACE WATER UTILITY***

### **15.10.010 Purpose.**

The purpose of this chapter is to separate the existing storm and surface water utility function from the combined sewer utility and to provide for the planning, design, construction, use, inspection and maintenance of the storm water systems; to minimize flooding; and to provide for an effective system for the control and prevention of storm water runoff and water quality problems. This chapter supplements other city regulations regarding protection of the storm and surface water system, including the storm water management program, chapter 15.09 MICC, and the interim critical area regulations.

### **15.10.020 Construction—Intent—Definitions.**

- A. This chapter is enacted as an exercise of the police power of the city of Mercer Island to protect and preserve the public health, safety and welfare and its provisions shall be construed accordingly. The obligation of compliance with storm water regulations is upon the owner or operator of each private system, until such time as the city accepts the private system into the city drainage network under the provisions of this chapter. Nothing contained in this chapter is intended to be or shall be construed to create or form the basis of liability on the part of the city of Mercer Island, this utility, its officers, employees or agents, for any injury or damage resulting from the failure of the owner or operator of any private system to comply with the provisions of this chapter, or by reason or in consequence of any act or omission in connection with the implementation or enforcement of this chapter by the city of Mercer Island, its utility, officers, employees or agents.

- B. For purposes of this chapter, the following definitions shall apply:

*City or public storm water system* means those elements of the storm and surface water system of the city that are located on property owned by the city or in the public right-of-way, or are located on property on which the city has an easement, license or the right of use for utility purposes.

*Low impact development* or *LID* means a storm water and land use management strategy that strives to mimic predisturbance hydrologic processes of infiltration, filtration, storage, evaporation, and transpiration by emphasizing conservation, use of on-site natural features, site planning, and distributed storm water management practices that are integrated into a project design.

*Low impact development best management practices* or *LID BMPs* means distributed storm water management practices, integrated into a project design, that emphasize predisturbance hydrologic processes of infiltration, filtration, storage, evaporation and transpiration. LID BMPs include, but are not limited to, bioretention, rain gardens, permeable pavements, roof downspout controls, dispersion, soil quality and depth, vegetated roofs, minimum excavation foundations, and water reuse.

*On-site storm water management BMPs* are synonymous with LID BMPs.

*Private system or private storm water facility* means any element of the storm and surface water system which is not part of the public storm water system as defined in this chapter.

*Storm and surface water system* means the entire system within the city, both public and private, naturally existing and manmade, for the drainage, conveyance, detention, treatment and storage of storm and surface waters.

*Storm water treatment and flow control BMPs/facilities* means detention facilities, permanent treatment BMPs/facilities, bioretention, vegetated roofs, and permeable pavements that help meet Minimum Requirement No. 6 (Runoff Treatment), Minimum Requirement No. 7 (Flow Control), or both.

*Utility* means the storm and surface water utility of the city of Mercer Island.

**15.10.030 Storm and surface water utility authority.**

The storm and surface water utility shall have the authority, by and through the city manager or ~~their~~his/her designee, to plan and implement storm and surface water programs and improvements in the areas described below, and to take such other actions as are deemed necessary and are consistent with the intent of this chapter to control and manage storm water runoff and water quality. The utility shall have the authority to determine the priorities for working on each of the programs, based on utility funds available and a determination of which programs require primary attention to protect the public health, safety and welfare:

- A. Develop, adopt and carry out procedures to implement this chapter, including the collection and spending of revenue for operations, maintenance and capital improvements. Fund capital project planning, administration, and public education functions of utility. Incur debt and pay debt service for utility functions.
- B. Prepare engineering standards to establish minimum requirements for the design and construction of storm water facilities and their maintenance, consistent with the standards established in chapter 15.09 MICC.
- C. Administer and enforce procedures relating to the planning, acquisition, design, construction and inspection of storm water facilities.
- D. Enter into any contract for the construction of storm water facilities with owners of real estate and to accept the facilities as municipal storm water facilities, with the right to recover costs and expenses, pursuant to RCW Chapter 35.91.
- E. Accept, reject, or take other appropriate action with regard to easements offered to the utility or city.
- F. Prepare and enforce standards for the maintenance of storm water facilities, including retrofit measures, consistent with the standards in chapter 15.09 MICC.
- G. Develop a program for inspection of private storm water facilities and businesses/sites with pollutant generating sources, consistent with the standards in chapter 15.09 MICC.
- H. Advise commissions, the city council, city manager and other city departments on matters relating to the utility.
- I. Prepare comprehensive drainage plans for individual drainage basins for adoption by the city council.
- J. Establish and implement programs to protect and maintain water quality and to control the duration of storm water flows.
- K. Perform or direct the performance of financial review and analysis of the utility's revenues, expenses, indebtedness, rates and accounting, and recommend budgets, rates, and financial policy for adoption by the city council.
- L. Conduct public education programs related to protection and enhancement of storm water and surface water and the municipal storm water system.

**15.10.040 Studies and basin plans.**

The utility may conduct studies and may develop basin plans for adoption by the city council. Basin plans shall be developed according to the engineering standards in chapter 15.09 MICC. Once a basin plan has been adopted and implemented, it may be modified as authorized by chapter 15.09 MICC; provided the basin plan and basin-specific policies and requirements provide an equal or greater level of water quality and runoff-control protection.

**15.10.050 Capital improvement and planning program.**

- A. The city manager or ~~their~~his/her designee shall develop a six-year capital improvement and planning program for improvements to or modifications of the public storm water system, including the incorporation

or extension of storm water systems and facilities and the acceptance of drainage easements and private drainage facilities.

- B. The city manager or ~~their~~his/her designee shall provide the proposed six-year capital improvement and planning program to the city council prior to the adoption of the biennial budget.
- C. The city manager or ~~their~~his/her designee shall provide to the city council a draft of storm and surface water rules and regulations on inspection and maintenance, basin planning, and acceptance of private systems for review and comment prior to adoption by the city manager or ~~their~~his/her designee of the rules and regulations.

#### **15.10.060 Maintenance of drainage facilities.**

- A. The utility is responsible for maintaining public storm water systems and facilities.
- B. Owners of private storm water systems and facilities, including but not limited to on-site storm water management (low impact development) BMPs, flow control (detention) facilities, treatment facilities and conveyance systems, are responsible for their operation and maintenance.
- C. In new subdivisions and short plats, maintenance responsibility for private drainage facilities shall be specified on the face of the subdivision or short plat.
- D. If a private drainage facility serves multiple lots, then maintenance responsibility rests with the properties served by the facility, unless there is a legal document placing responsibility on some other entity.

#### **15.10.070 Storm and surface water rates.**

- A. *General.* The city council shall establish by resolution service rates for use of the storm water system and related drainage services; such rates are in addition to connection charges and fees for specific services. The city may establish classifications of customers or service and rate structures, using any method or methods authorized by law.
- B. *Rate basis.* Drainage rates shall be based on revenue requirements to cover all costs of the utility, as authorized by the city council by the adoption of the biennial budget and subsequent amendments.
- C. *Rate adjustments.* The sufficiency of rates shall be evaluated periodically as part of the review and adoption of the annual budget. Rate adjustments shall be recommended as needed to meet revenue requirements. The recommendation shall consider equity, adequacy, costs and other factors allowed by law.
- D. *Billing and collection.* The utility shall develop and implement procedures and systems pertaining to the billing and collection of drainage service charges and fees in accordance with state ~~law, and~~law and shall provide an appeal process for the review of utility bills.
- E. *Rate relief.* The city council may establish drainage rate relief measures for specific customer classes as authorized by law.

#### **15.10.080 Liability.**

The city manager, ~~their~~his/her designee, or any other employee charged with the enforcement of this chapter, acting for the utility in good faith and without malice in the discharge of ~~their~~his/her duties shall not be liable personally for any damages which may accrue to persons or property as a result of any act required or by reason of any act or omission in the discharge of such duties.



## Chapter 15.11 FEE IN LIEU OF STORM WATER DETENTION

### 15.11.010 Definitions.

For the purposes of this chapter, the following definitions shall apply:

*Applicable manual* means the version of the Stormwater Management Manual for Western Washington (2012 manual as amended in 2014) prepared by the Washington State Department of Ecology adopted in chapter 15.09 MICC in 2012 and amended in 2014.

*Developer* means the owner or builder of the property to be developed.

*Development* means new development, redevelopment, or both.

*Hard surface* means an impervious surface, a permeable pavement, or a vegetated roof.

*Impervious surface* means a nonvegetated surface area that either prevents or retards the entry of water into the soil mantle ~~as~~ under natural conditions prior to development. A nonvegetated surface area which causes water to run off the surface in greater quantities or at an increased rate of flow from the flow present under natural conditions prior to development. Common impervious surfaces include, but are not limited to, rooftops, walkways, patios, driveways, parking lots or storage areas, concrete or asphalt paving, gravel roads, packed earthen materials, and oiled, macadam or other surfaces which similarly impede the natural infiltration of storm water. Open, uncovered retention/detention facilities shall not be considered as impervious surfaces for the purposes of determining whether the thresholds for application of Minimum Requirements are exceeded. Open, uncovered retention/detention facilities shall be considered impervious surfaces for purposes of runoff modeling.

*Land disturbing activity* means any activity that results in a change in the existing soil cover (both vegetative and nonvegetative) and/or the existing soil topography. Land disturbing activities include, but are not limited to, demolition, construction, clearing, grading, filling and excavation. Compaction that is associated with stabilization of structures and road construction shall also be considered land disturbing activity. Vegetation maintenance practices, including landscape maintenance and gardening, are not considered land disturbing activity. Storm water facility maintenance is not considered land disturbing activity if conducted according to established standards and procedures.

*New development* means land disturbing activities; structural development, including construction or installation of a building or other structure; creation of hard surfaces; and subdivision, short subdivision and binding site plans, as defined and applied in RCW Chapter 58.17. Projects meeting the definition of "redevelopment" shall not be considered new development.

*New impervious surface* means a surface that is:

- changed from a pervious surface to an impervious surface (e.g., resurfacing by upgrading from dirt to gravel, a bituminous surface treatment ("chip seal"), asphalt, concrete, or an impervious structure); or
- upgraded from gravel to chip seal, asphalt, concrete, or an impervious structure; or
- upgraded from chip seal to asphalt, concrete, or an impervious structure.

Note that if asphalt or concrete has been overlaid by a chip seal, the existing condition should be considered as asphalt or concrete.

*Redevelopment* means, on a site that is already substantially developed (i.e., has 35 percent or more of existing hard surface coverage), the creation or addition of hard surfaces; the expansion of a building footprint or addition or replacement of a structure; structural development including construction, installation or expansion of a building or other structure; replacement of hard surface that is not part of a routine maintenance activity; and land disturbing activities.



## EXHIBIT C

Item 7.

Replaced hard surface means for structures, the removal and replacement of hard surfaces down to the foundation. For other hard surfaces, the removal down to bare soil or base course and replacement.

Storm water detention facility means an above or below ground facility, such as a pond or tank, that temporarily stores stormwater runoff and subsequently releases it at a slower rate than it is collected by the drainage facility system. There is little or no infiltration of stored stormwater.

*Subdivision* shall mean the division of, or the act of division of, land into two or more lots for the purposes of building development including short subdivisions and long subdivisions.

...



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6368**  
**November 7, 2023**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6368: ARCH 2024 Work Program and Budget Approval	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Approve the ARCH 2024 Work Plan and Administrative Budget, including Mercer Island's 2024 contribution of \$76,611.	

<b>DEPARTMENT:</b>	Community Planning and Development
<b>STAFF:</b>	Jeff Tomas, Community Planning and Development Director Alison Van Gorp, Deputy Community Planning and Development Director
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. ARCH 2024 Work Plan and Budget
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to seek approval from the City Council on the A Regional Coalition for Housing's (ARCH) 2024 Administrative Budget and work plan.

- ARCH is an intergovernmental coalition of 15 cities and King County focused on affordable housing, of which the City of Mercer Island is a member.
- The [ARCH interlocal agreement](#) (ILA) requires each member jurisdiction to approve the Administrative budget and work plan each year.
- The member jurisdictions collectively fund ARCH's operations as well as the Housing Trust Fund.
- In 2024, ARCH's work plan includes priorities such as working to secure dedicated revenue sources for affordable housing and supporting member jurisdictions with implementation of Comprehensive Plan updates and compliance with state mandates such as HB 1220 and HB 1110.
- The 2024 ARCH Administrative budget totals \$2,254,199, of which Mercer Island is asked to contribute \$76,611. This is about \$3,000 more than what was included in the City's 2024 budget for ARCH Administration, the difference of which can be covered with budget savings in other areas.

## BACKGROUND

ARCH was created in 1992 by an Interlocal Agreement. Member jurisdictions include Beaux Arts Village, Bellevue, Bothell, Clyde Hill, Hunts Point, Issaquah, Kenmore, King County, Kirkland, Medina, Mercer Island, Newcastle, Redmond, Sammamish, Woodinville, and Yarrow Point. By participating in ARCH, member jurisdictions are part of a joint and cooperative undertaking to collectively plan for and provide affordable housing in East King County communities. Under the terms of the ARCH Interlocal Agreement, each member city must approve the ARCH Administrative Budget and Work Program annually.

Mercer Island contributes annually to ARCH to provide administrative support for the organization's housing activities. The coordinated approach used by ARCH provides for an efficient use of resources in fulfilling each member's obligations under the Washington State Growth Management Act (GMA) to make adequate provisions for the existing and projected housing needs of all economic segments of the community ([RCW 36.70A.070\(2\)\(d\)](#)), as well as in sharing resources with regional partners in the provision and administration of affordable housing.

The ARCH Housing Trust Fund (HTF) enables the member jurisdictions to pool resources to directly fund affordable housing development and preservation projects. The HTF typically funds projects that create housing that is affordable for households earning 60% area median income or less.

### Direct Support to Mercer Island

Mercer Island also receives direct support from ARCH staff in implementing affordable housing policies and programs locally, including monitoring of the affordable units created through the incentive program in the Town Center. In addition, with the onset of work on the periodic update to the Comprehensive Plan last year, ARCH staff have provided substantial support with technical and policy considerations for the Housing Element. Over the next year, ARCH will continue to provide support in developing updated goals and policies in the Housing Element. In addition, ARCH staff continue to collaborate with King County on how affordable housing units created through the ARCH HTF will be accounted for related to tracking each jurisdiction's progress in planning for and accommodating housing needs (as now required by GMA under HB 1220). This work will continue through 2024 and beyond. Finally, ARCH staff will provide further support as the City pivots to work on compliance with HB 1110 and HB 1337 in the latter part of 2024.

### ARCH Organizational Improvements

Consultant reports in 2019 and 2021, by Street Level Advisors and Cedar River Group respectively, called attention to the need to grow ARCH staff capacity to continue to provide support and oversight as the portfolio of affordable units under ARCH's stewardship continues to grow and the needs of member jurisdictions expand. The ARCH Executive Board has taken a measured approach to responding to the consultant recommendations, adding staff capacity through a phased approach that balances the need for additional staff capacity with the member jurisdictions' fiscal needs. With this measured approach in mind, a strategic planning process was initiated in 2023 with the intention of looking at ARCH's longer-term trajectory in terms of continued growth and staff capacity needs, including an evaluation of member jurisdictions needs around policy and planning support. The strategic planning work will continue into 2024, with any additional organizational changes to be considered for 2025 and beyond.

## ISSUE/DISCUSSION

### ARCH 2024 BUDGET AND WORK PROGRAM

### Administrative Budget

Each year, the ARCH Executive Board develops and approves a work program and Administrative Budget that is advanced to member councils for approval (Exhibit 1). The Administrative Budget supports the staffing and other costs associated with implementing the 2024 work program (summarized below).

The 2024 ARCH Administrative Budget totals \$2,254,199 which is a 20% increase over the 2023 budget (see Exhibit 1, page 5). The 2024 Administrative Budget maintains current staffing levels and allocates new funding for outside legal counsel to supplement the current capacity provided by the Bellevue City Attorney's Office. The City of Bellevue no longer has the capacity to provide all legal services for ARCH. As ARCH has grown, the volume of covenants and other legal documents needing review has increased. At the same time, the City of Bellevue has more demands internally for their City Attorney's office. This necessitates the addition of outside legal counsel to support some aspects of ARCH's legal needs.

Each ARCH member pays a share of the Administrative Budget. The member contributions are divided into two categories. The "base" contributions represent a share of the base operating budget determined by the population of each member jurisdiction. The "additional" contributions are paid by members that utilize ARCH services to support the operation and monitoring of a local affordable housing incentive program, based on the number of housing units currently in the program. Mercer Island currently has 13 units in the affordable housing incentive program (located in the Hadley Apartments). Since the City's portfolio is currently small, the contribution is at the minimum level.

In 2024, Mercer Island's share of the base operating budget is \$73,246. In addition, Mercer Island's share of the additional dues to support the housing incentive program is \$3,365. Thus, the total Mercer Island contribution to the 2024 ARCH Administrative Budget is \$76,611, or 3.4% of the total budget. This represents a 10% increase over the City's 2023 contribution. This is about \$3,000 more than what was included in the City's 2024 budget for ARCH Administration, the difference of which will be covered with budget savings in other areas.

### Housing Trust Fund (HTF) Budget

In addition to providing administrative support to ARCH, the City also contributes to the HTF to directly support the creation of affordable housing. These contributions play an important role in helping to meet the rapidly growing demand for affordable housing in East King County.

Mercer Island's contributions to the ARCH HTF come from the City's General Fund, designated to ARCH for the purpose of creating affordable housing. The City contributed \$96,000 in 2018, \$50,000 in 2019, \$33,768 in 2020, and \$35,000 each year starting in 2021. Funds contributed to the HTF are held in a centralized account at the City of Bellevue and earn interest.

### Work Program

The ARCH Work Program (see Exhibit 1, page 7) was adopted in June 2023 by the ARCH Executive Board and includes the following priorities for 2024:

- Implement actions and recommendations from ARCH's strategic planning process.
- Facilitate and advance proposals for dedicated revenue sources for affordable housing in East King County.
- Assist members to implement policies to reduce cost burden in affordable housing.

- Convene members to advance one or two strategic legislative priorities that impact local jurisdictions' ability to address affordable housing needs.
- Advance the development of high impact special projects, including transit-oriented development projects and other projects on public lands.
- Support members with implementation of Comp Plan updates and compliance with state mandates such as HB 1220 and HB 1110.
- Continue to provide excellent stewardship of affordable housing assets.

The ARCH Work Program includes five core areas of work:

- I. **Affordable Housing Investment:** managing the HTF program, including providing technical assistance to prospective applicant projects, coordinating with other public and private funders, and running the annual project selection process.
- II. **Housing Policy and Planning:** assisting member cities with housing policy and planning, including housing element updates and housing action plans, as well as coordinating inter-local, regional, and state planning and legislative activities.
- III. **Housing Program Implementation:** administering local housing incentive and inclusionary programs, including development agreements, multi-family tax exemption (MFTE) programs, inclusionary requirements and voluntary density bonus programs, long-term monitoring and oversight of rental and homeownership housing, including enforcement of affordability requirements, resale restrictions and owner-occupancy requirements.
- IV. **Education and Outreach:** providing information to the public and engaging communities in understanding and supporting affordable housing efforts. Providing assistance to community members seeking affordable housing and working to increase access to affordable housing for underserved communities.
- V. **Administration:** maintaining cost effective administration of ARCH's programs and services. In 2024, this will also include implementation of recommendations from the strategic planning effort described above.

#### Local Planning Assistance

The ARCH Work Program also includes capacity to assist member city staff with local planning efforts, which is outlined in Attachment A (Exhibit 1, page 14). In 2024, ARCH will support Mercer Island with the following:

- Assist the City with synthesizing the Housing Needs Analysis findings with housing-related requirements under the Countywide Planning Policies and the Growth Management Act to develop updated housing goals and policies for the City's comprehensive plan periodic update.
- Provide input and assistance in drafting updated development regulations related to implementation of housing diversity and affordability provisions in HB 1220 and HB 1110.

## NEXT STEPS

With the City Council's approval of the 2024 ARCH work plan and Administrative Budget, adequate funds will be included in the mid-biennial update to the City's 2023-2024 budget, including \$76,611 for the 2024 Administrative Budget. The City's 2023-2024 budget also includes a \$35,000 contribution to the Housing Trust Fund in 2024.

## RECOMMENDED ACTION

Approve the ARCH 2024 Work Plan and Administrative Budget, including Mercer Island's contribution of \$76,611.



## MEMORANDUM

Date: September 20, 2023

From: Lindsay Masters, ARCH Executive Director

To: ARCH Member Councils

Subject: ARCH 2024 Budget and Work Program

Please find attached the 2024 ARCH Budget and Work Program, which was adopted by a unanimous vote of the ARCH Executive Board in June of 2023. This memo provides an overview of the final budget and work program, as well as an update on work program priorities identified by the Board.

### **2024 Administrative Budget and Work Program**

This year the ARCH Executive Board initiated a strategic planning process that will provide direction on ARCH's priorities, how to address varying needs among ARCH members and work most effectively as a coalition to advance our mission. We look forward to engaging with members and other stakeholders on this process in the coming months. While this process is underway, the Board decided to maintain ARCH's current budget and work program, with some minor adjustments noted below.

#### *Administrative Budget Highlights*

- Constant staffing levels will maintain current levels of support for policy and planning and administration of local housing programs, including the ARCH Homeownership Program, ARCH Rental Program, local Incentive Programs, ARCH Trust Fund and Bellevue Housing Stability Program.
- New funding (\$95,000) was approved for outside legal counsel to help supplement the current capacity provided by the Bellevue City Attorney's Office. The Board also authorized the use of ARCH reserves for one-time legal expenses.

## ARCH MEMBERS

### *Work Program Highlights*

ARCH's Work Program will continue to provide core services in five key areas: affordable housing investment, housing policy and planning, housing program administration, education and outreach, and general administration. In addition, the Work Program details specific support requested by individual member jurisdictions based on local housing plans and initiatives.

Across this Work Program, the ARCH Executive Board elevated several priorities for the coming year. Following is a description of these priorities and an update on work to date:

- **Implement actions and recommendations from ARCH's strategic planning process.** ARCH hired Loveall Price and Associates (LPA) and kicked off its strategic planning process earlier this year. We look forward to engaging members along the way and taking actions to implement the ultimate recommendations in 2024.
- **Facilitate and advance proposals for dedicated revenue sources for affordable housing in East King County.** Following our successful collaboration last year to identify a priority revenue source for affordable housing, ARCH is continuing to engage members on legislative advocacy to pursue new options such as using Real Estate Excise Tax (REET) funding for affordable housing. We are proud of the strong advocacy by many of our members to enable us to invest more in affordable housing.
- **Assist members to implement policies to reduce cost burden in affordable housing.** Starting last fall, ARCH has undertaken a robust policy development process that tackles how rent limits are allowed to increase in local affordable housing programs. A recommendation from the ARCH Executive Board is planned by the end of this year, to be followed by collaboration with members to consider adoption at the local level.
- **Convene members to advance one or two strategic legislative priorities that impact local jurisdictions' ability to address affordable housing needs.** ARCH worked with member staff and lobbyists to conduct a legislative workshop and survey to help shape common priorities around housing. The results of this work led to the development of two recommended priorities, which will be transmitted to members for consideration as part of your legislative agendas.
- **Advance the development of high impact special projects, including transit-oriented development (TOD) projects and other projects on public lands.** ARCH is working closely with Kenmore, Redmond and Bellevue on several high priority projects on public land, including significant TOD projects that are well underway. These projects are expected to deliver hundreds of affordable units in areas near transit and other amenities. We also serve as a continual resource to faith communities and others interested in using their property for affordable housing.



- **Support members with implementation of Comprehensive Plan updates and compliance with state mandates such as HB 1220 and HB 1110.** ARCH is continuing to provide housing data and other support as needed by members for Comprehensive Plan Updates. In addition, ARCH has initiated discussions to identify areas for collaboration among members as they take steps to comply with HB 1110, which will create significant opportunities to add new and affordable housing options across member jurisdictions.
- **Continue to provide excellent stewardship of affordable housing assets.** ARCH staff remain committed to consistent monitoring and stewardship of the collective affordable housing created by members. Monitoring activities are included in regular reports to the ARCH Board, which continues to evaluate appropriate staffing levels to keep up with the growth in ARCH programs.

### **Conclusion**

Thank you for your support of our shared mission. Your continued commitment has helped to create a strong coalition that together will have a lasting impact on housing opportunities in our region.

### **Attachments:**

1. 2024 ARCH Administrative Budget
2. 2024 ARCH Work Program

# Final 2024 ARCH Administrative Budget

ARCH Executive Board Recommendation

June 2023

	2023 Adopted Budget	Final 2024 Recommended Budget	% Change
<b>I. TOTAL EXPENSES</b>	<b>\$ 1,874,248</b>	<b>\$ 2,254,199</b>	<b>20%</b>
<b>A. Personnel</b>	<b>\$ 1,717,777</b>	<b>\$ 1,981,178</b>	<b>15%</b>
Salaries	\$ 1,286,581	\$ 1,492,415	
Benefits	\$ 431,196	\$ 488,763	
12 FTEs (incl. 1 dedicated to Bellevue Housing Stability Program)			
Note: % change in budget for existing staff is 5%.			
<b>B. Operating</b>	<b>\$ 103,142</b>	<b>\$ 108,192</b>	<b>4.9%</b>
Rent & Utilities	\$ 38,117	\$ 44,133	
Telephone	\$ 7,518	\$ 7,819	
Travel/Training	\$ 2,600	\$ 2,600	
Auto Mileage	\$ 3,000	\$ 1,500	
Postage/Printing Costs	\$ 2,600	\$ 2,678	
Office Supplies/Furnishing	\$ 5,027	\$ 2,500	
Internet/Website Fees	\$ 3,214	\$ 3,342	
Periodical/Membership	\$ 11,400	\$ 15,000	
Misc. (events, job posting fees, etc.)	\$ 2,080	\$ 3,000	
Equipment Replacement	\$ 7,280	\$ 4,500	
Database/software licensing	\$ 20,307	\$ 21,120	
<b>C. In-Kind Admin/Services</b>	<b>\$ 28,329</b>	<b>\$ 44,830</b>	<b>58%</b>
Insurance	\$ 15,750	\$ 32,000	
IT Services	\$ 12,579	\$ 12,830	
<b>D. Grants and Consultant Contracts</b>	<b>\$ 25,000</b>	<b>\$ 120,000</b>	<b>380%</b>
Consultant Contracts	\$ 25,000	\$ 25,000	
Outside Legal Counsel Contract		\$ 95,000	

	2023 Adopted Budget			Final 2024 Recommended Budget			% Change
	City Per Capita \$2.58 KC Per Capita \$2.16	Add'l \$0.36 Per Capita or \$3k minimum		City Per Capita \$2.87 KC Per Capita \$2.49	Add'l \$0.38 Per Capita		
II. TOTAL INCOME	\$1,874,248			\$ 2,254,199			20%
	TOTAL	BASE	ADD'L				
A. Member Contributions (General Fund \$)	\$1,687,043	\$1,550,543	\$136,500	\$ 1,910,802	\$ 1,764,978	\$ 145,825	13%
Beaux Arts Village	\$2,653	\$2,653		\$ 3,019	\$ 3,019		14%
Bellevue	\$429,021	\$376,377	\$52,644	\$ 485,060	\$ 428,932	\$ 56,127	13%
Bothell	\$119,461	\$119,461	\$0	\$ 135,990	\$ 135,990	\$ -	14%
Clyde Hill	\$8,653	\$8,653		\$ 8,954	\$ 8,954		3%
Hunts Point	\$2,653	\$2,653		\$ 3,019	\$ 3,019		14%
Issaquah	\$113,628	\$99,685	\$13,943	\$ 126,837	\$ 112,160	\$ 14,677	12%
Kenmore	\$62,304	\$59,154	\$3,150	\$ 71,011	\$ 67,646	\$ 3,365	14%
Kirkland	\$267,567	\$234,734	\$32,833	\$ 297,651	\$ 263,209	\$ 34,442	11%
Medina	\$8,455	\$8,455		\$ 8,408	\$ 8,408		-1%
Mercer Island	\$69,646	\$66,496	\$3,150	\$ 76,611	\$ 73,246	\$ 3,365	10%
Newcastle	\$34,255	\$31,105	\$3,150	\$ 40,281	\$ 36,916	\$ 3,365	18%
Redmond	\$199,499	\$175,019	\$24,480	\$ 234,358	\$ 207,240	\$ 27,118	17%
Sammamish	\$171,231	\$168,081	\$3,150	\$ 194,426	\$ 191,060	\$ 3,365	14%
Woodinville	\$33,578	\$33,578	\$0	\$ 38,041	\$ 38,041	\$ -	13%
Yarrow Point	\$3,484	\$3,484		\$ 3,920	\$ 3,920		12%
King County	\$160,957	\$160,957		\$ 183,216	\$ 183,216		14%
B. Bellevue Detail	\$ 429,021			\$ 661,142			54%
Cash Contributions	\$ 215,762			\$ 233,409			
In-Kind Contributions	\$ 213,259			\$ 427,733			
Personnel	\$ 184,930			\$ 382,903			
Insurance	\$ 15,750			\$ 32,000			
IT Services	\$ 12,579			\$ 12,830			
C. Other Income	\$ 187,205			\$ 167,315			-11%
Homeownership Program Fees	\$ 185,000			\$ 165,000			
Existing Administrative Fees	\$ -			\$ -			
Interest Earned	\$ 2,205			\$ 2,315			
III. RESERVES, CONTINGENT INCOME AND EXPENSES							
Note: This section expresses intended use of any excess revenues above levels needed to cover basic operating costs, as authorized by the ARCH Board, and any agreement by an ARCH member to fund work under section 13 of the ARCH Interlocal Agreement							
A. Contingent Expenses							
Replenish operating reserves	\$ -			\$ -			
Staffing/Administrative Expenses	\$ 150,000			\$ 150,000			
Other Services/Consulting	\$ 300,000			\$ 300,000			
B. Contingent Revenue							
Excess Administrative Fees	\$ 100,000			\$ 100,000			
Service Fees	\$ 50,000			\$ 50,000			
Grant Funding	\$ 500,000			\$ 145,000			
Board-Approved Reserves	\$ 100,000			\$ 155,000			

# ARCH WORK PROGRAM: 2024

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## ARCH WORK PROGRAM: 2024

### 2024 Priorities

In 2024, ARCH will elevate the following priorities in its Work Program:

- Implement actions and recommendations from ARCH's strategic planning process
- Facilitate and advance proposals for dedicated revenue sources for affordable housing in East King County
- Assist members to implement policies to reduce cost burden in affordable housing
- Convene members to advance one or two strategic legislative priorities that impact local jurisdictions' ability to address affordable housing needs
- Advance the development of high impact special projects, including transit-oriented development projects and other projects on public lands
- Support members with implementation of Comp Plan updates and compliance with state mandates such as HB 1220 and HB 1110
- Continue to provide excellent stewardship of affordable housing assets

## I. AFFORDABLE HOUSING INVESTMENT

### A. ARCH Housing Trust Fund

Parity Goals. Develop updated goals for member investments through the ARCH HTF.

Annual Funding Round. Develop funding priorities and evaluation criteria for the annual funding round. Advertise available funds and manage a competitive process on behalf of member cities. Review funding applications and develop recommendations through the Community Advisory Board (CAB), with input from member staff. Develop final recommendations by the ARCH Executive Board and facilitate final funding allocations through member councils.

Public Funding Coordination. Work collaboratively with public funders at the State and local levels to promote shared affordable housing goals and equitable geographic distribution of resources. Review and provide input to other funders for Eastside projects that apply for County (HOF, RAHP, HOME, TOD, etc.) and State (Tax Credit, State Housing Trust Fund) resources. Provide input to the King County Joint Recommendations Committee (JRC) on behalf of participating Eastside jurisdictions. Assist N/E consortium members with evaluating and making a recommendation to the County regarding CDBG allocations to affordable housing.

Private Funding Coordination. Work with private investors and lenders to maximize leverage of public investment into affordable housing. Negotiate maximum public benefits from investment of housing funds into private projects. Engage with Enterprise Community Partners and other investors on the potential extension of the Regional Equitable Development Initiative (REDI) Fund. Complete implementation of a Bridge Financing Pilot in partnership with Microsoft.

Project Pipeline Management. Work with member cities and project sponsors to develop a robust pipeline of projects to be funded over the next five years (see related work on Transit Center sites, below). Actively vet

potential HTF projects, and lead funding policy and prioritization discussions with the ARCH Executive Board to facilitate planning and decision-making.

Contract Development and Administration. Prepare contract documents in consultation with legal counsel and facilitate approval of contracts with the Administering Agency. Review and approve disbursement of funds to awarded projects in accordance with executed contracts.

Centralized Trust Fund Reporting. Work with Administering Agency (Bellevue) to maintain records and produce regular financial reports for the ARCH Trust Fund accounts. Update internal policies and procedures regarding records maintenance efforts coordinated with the Administering Agency.

HB 1406 Sales Tax. Develop systems and procedures to manage contributions, commitments and expenditures of pooled sales tax revenue authorized by HB 1406. Work with the Department of Commerce to ensure timely and complete reporting in compliance with state requirements.

## B. Bellevue Housing Stability Program

Annual Request for Proposals. On an annual basis, advertise available funds for capital, operating and maintenance and services funds. Solicit application interest and provide in-depth review of funding applications. Develop recommendations through a Bellevue interdepartmental staff team, ensuring coordination with the Trust Fund and other regional and state funding processes. Coordinate with City staff and present recommendations to the Bellevue City Council for approval.

Contract Development and Administration, Reporting. Prepare contract documents in consultation with legal counsel and facilitate approval of contracts. Review and approve disbursement of funds to awarded projects in accordance with executed contracts. Maintain contract data and assist with regular reporting to the Bellevue City Council.

Support for Other HSP Initiatives. Provide advice and support for other City initiatives funded through the Housing Stability Program, such as acquisition and preservation partnerships. Support may include assisting with overall outreach and engagement, evaluation of project feasibility, development of funding terms and conditions and preparation of project agreements.

## C. Special Projects and Other Local Housing Investments

Local Housing Investments. Provide strategic policy support and administrative capacity to cities making other investments in housing, for example with fee in lieu funds, dedicated sales tax funds, pass through of state grant funds or other sources directed by individual cities. Ensure coordination with regional funding processes to maximize affordable housing outcomes.

Transit-Oriented Development Sites. Assist cities with advancing and coordinating affordable housing projects near transit. Partner with Sound Transit, King County Metro and other public agencies to maximize opportunities on public property. Current opportunities include sites in Bel-Red, Overlake, Downtown Redmond, Issaquah, Kirkland, Bothell, and Kenmore.

Surplus Property/Underdeveloped Property. Assist with evaluation of public surplus or underutilized private property (e.g., faith community properties) for suitability of affordable housing. Provide technical assistance to property owners interested in supporting affordable housing. Develop an inventory of promising public and nonprofit property and begin to engage owners to gauge interest in disposition for housing.

Preservation of At-Risk Affordable Housing. Work with member cities to facilitate acquisitions or other strategies to preserve existing housing where affordability is at risk of being lost, including at-risk manufactured housing communities. As needed, assist with responding to notices of sale of HUD assisted properties received by member cities, or other information indicating an impending loss of existing affordable housing.

Strategic Predevelopment Investment. With approval of the Executive Board, invest in predevelopment studies to investigate feasibility of special projects.

## II. HOUSING POLICY AND PLANNING

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### A. Local Policy, Planning and Code Development

ARCH provides assistance directly to member cities on a range of local planning efforts. Local planning efforts with individual member cities may be found in *Attachment A*. These efforts may take different forms, such as:

- **Housing Element Updates.** Work with members to update comprehensive plan housing elements.
  - Assist with understanding and complying with new housing-related requirements under the Growth Management Act and Countywide Planning Policies.
  - Prepare an east King County housing needs analysis with focused analyses for each city—including projected affordable housing needs—to fulfill GMA requirements.
  - Coordinate local and ARCH affordable housing goals with King County Affordable Housing Committee and Countywide Planning Policies.
  - Assist with policy writing, outreach, presentations, etc. as needed.
- **Housing Strategy and Action Plans.** Assist members to prepare housing strategies to implement housing elements and create council work plans. Cities with completed or ongoing strategy and action plans include Bellevue, Issaquah, Kenmore, Bothell, Kirkland, Redmond, and Sammamish.
- **Incentive Program Design.** Provide economic analysis and policy and program development support to design local housing incentive programs, including land use, property tax, impact fee waivers, parking reductions and other incentives. Develop standard tools or models that can be used by member cities/staff to evaluate and design their individual affordable housing incentive/inclusionary programs.
- **Land Use Code Amendments.** Assist city staff on land use and other code amendments in order to implement comprehensive plan policies.
- **Other Support.** Other areas in which ARCH could provide support to member cities include preservation of valuable community housing assets, assistance to households displaced by development activity, review of tenant protection regulations, or negotiation of agreements for specific development proposals. ARCH views this as a valuable service to its members and will continue to accommodate such requests to the extent they do not jeopardize active work program items.

### B. Inter-Local / Eastside Planning Activities

Interlocal planning activities are coordinated by ARCH for the benefit of multiple members.

ARCH Regional Affordable Housing Goals and Reporting. Work with member staff and the ARCH Executive Board to report on adopted goals for production and preservation of affordable housing across ARCH member communities. Utilize data methodologies consistent with the requirements of GMA and Countywide Planning Policies.

Long-Term Funding/Dedicated Revenue Strategy. Continue work on a long-term funding strategy for the ARCH Trust Fund. Facilitate conversations with member cities on identifying and exploring dedicated sources of revenue for affordable housing at the local and regional level (e.g., REET, property tax levy, commercial linkage fee, etc.). Provide relevant data and develop options for joint or individual revenue approaches across ARCH member cities and identify any shared state legislative priorities to authorize local options for funding.

Incentive/Inclusionary Housing Program Policies. As program implementation issues arise, assist member jurisdictions to develop coordinated policy solutions that incorporate input from the diverse range of stakeholders. Work with member city staff to develop code amendments that adapt programs to new knowledge and best practices (for example, implementing fee strategies to create sustainable revenue for monitoring). In 2024, this will include assisting members to consider new rent increase policies for ARCH monitored housing that create more predictable outcomes for tenants and property owners.

Tenant Protection Policies. Share information and help identify common policy priorities relating to tenant protections. Facilitate consideration of local regulations by ARCH members and help to encourage consistent protections for renters across the region that reduce evictions and economic displacement.

Eastside Housing Data Analysis and Planning for GMA Housing Requirements. On an annual basis, provide local housing and demographic data as available. Make information available to members for planning efforts and incorporate into ARCH educational materials. Facilitate and encourage members to collaborate in addressing new GMA/CPP housing requirements so that the affordable and special housing needs across east King County are addressed.

Middle Housing/HB 1110 Implementation. Support members to implement new affordability incentives required by HB 1110, including evaluating new incentive programs and stewarding affordable units that may be created through the new regulations. In addition, support members to utilize input from a range of community based organizations representing diverse constituents when considering middle housing regulations.

## C. State Legislative Activities

The ARCH Executive Board will discuss and explore shared legislative priorities for advancing affordable housing in the region, and identify one or two strategic legislative priorities to advance to their respective councils for consideration in the upcoming legislative session that impact local jurisdictions' ability to address affordable housing needs. ARCH will convene its members to discuss how to align and advance these priorities, with a goal to enable members to advocate collectively for greater impact.

ARCH staff will track relevant state (and, where feasible, federal) legislation, particularly any legislation related to priorities established by the Board. As needed, staff will report to the Executive Board and members, and coordinate with relevant organizations (e.g., AWC, SCA, WLIHA, HDC) to advance shared legislative priorities.



## D. Regional/Countywide Planning Activities

ARCH participates in regional planning efforts to advance Eastside priorities and ensure that perspectives of communities in East King County are voiced in regional housing and homelessness planning.

King County GMPC Affordable Housing Committee / Housing Inter-Jurisdictional Team (HIJT). Support efforts to advance the five-year action plan developed by the Regional Affordable Housing Task Force (RAHTF) in 2018. ARCH will help staff the HIJT, which provides support to the Growth Management Planning Council's Affordable Housing Committee (AHC).

King County Regional Homelessness Authority (KCRHA) / Eastside Homeless Advisory Committee (EHAC). Support Eastside collaboration in regional homelessness efforts, as appropriate and as resources allow. Collaborate with KCRHA, EHAC and other relevant organizations and initiatives to advance shared work on homelessness. Promote best practices in development of housing solutions that move people out of homelessness. Coordinate allocation of resources, and work on specific initiatives.

Explore Collaboration with Cities in North and East King County. As requested, engage cities interested in supporting affordable housing in north and east King County that are not currently members of ARCH. Explore collaboration that provides benefits for additional cities and current ARCH member cities. Enter into agreements to provide services to other cities, as directed by the ARCH Executive Board.

## III. HOUSING PROGRAM IMPLEMENTATION

### A. Administration of Housing Incentive and Inclusionary Programs

ARCH partners with member cities to administer local housing incentive and inclusionary programs, including mandatory inclusionary, voluntary density bonus, multifamily tax exemption (MFTE) and other programs. Specific programs administered by ARCH include:

<b>Jurisdiction</b>	<b>Incentive/Inclusionary Programs</b>
Bellevue	Voluntary density bonuses, MFTE, impact fee waivers.
Bothell	Inclusionary housing, MFTE.
Issaquah	Development agreements, voluntary and inclusionary programs, impact and permit fee waivers.
Kenmore	Development agreements, voluntary and inclusionary programs, MFTE, impact fee waivers.
Kirkland	Inclusionary program, MFTE.
Mercer Island	Voluntary density bonus.
Newcastle	Inclusionary program, impact fee waivers.
Redmond	Inclusionary program, MFTE.
Sammamish	Inclusionary and voluntary density bonuses, impact fee waivers.
Woodinville	MFTE.
King County	Development agreements.

ARCH roles and responsibilities will typically include:

- Work with member city staff and legal counsel to align incentive and inclusionary programs with a unified set of administrative policies, practices and templates for legal agreements
- Communicate with developers/applicants and city staff to establish applicability of codes and policies to proposed developments
- Review and approve proposed affordable housing (unit count, location/distribution, bedroom mix, and quality)
- Review and recommend approval of MFTE applications.
- Review and recommend approval of alternative compliance proposals
  - For fee in lieu projects, provide invoices and receipts for developer payments
- Develop contracts and covenants containing affordable housing requirements
- Ensure implementation of affordable housing requirements during sale/lease-up
- Register MFTE certificates with County Assessor and file annual MFTE reports with state Commerce.
- On-going compliance monitoring (see Stewardship, below).

## B. Stewardship of Affordable Housing Assets

ARCH provides long-term oversight of affordable housing created through city policies and investment to ensure stewardship of these critical public assets for residents, owners and the broader community.

ARCH Rental Program (Incentive and Inclusionary Projects). Monitor and enforce compliance in rental housing projects with incentive and inclusionary housing agreements. Administer a robust compliance monitoring program, including:

- Ensure compliance with rent and income restrictions through timely annual report reviews and supplemental on-site file audits
- Provide training and technical assistance for property managers
- Maintain written standards for eligibility, leasing and other program requirements
- Implement standard remedies for non-compliance
- Respond to tenant issues and questions

ARCH Trust Fund Projects. Oversee contracts and regulatory agreements with owners of projects supported through the direct assistance from members, including:

- Monitor project income and expenses to determine cash flow payments
- Conduct long-term sustainability monitoring of projects and owners
- Proactively problem-solve financial and/or organizational challenges in partnership with project owners and other funders
- Work with legal counsel to review and approve requests for contract amendments, subordination and other agreements
- Pursue formal MOUs with other funders to govern shared monitoring responsibilities that streamline processes for owners and funders.
- Collect annual compliance data and evaluate program beneficiaries

ARCH Homeownership Program. Provide effective administration to ensure strong stewardship of resale restricted homes in the ARCH Homeownership Program, including:

- Oversee resales and new construction sales to ensure ongoing compliance with affordability, buyer eligibility and other program requirements
- Implement adopted policies and procedures for monitoring and work with cities to address non-compliance

- Distribute an annual communication with relevant homeowner resources and respond to homeowners in financial distress
- Collect program fees to ensure sustainable operations

As time and resources allow, continue to implement recommendations from the 2019 Program Assessment and make other improvements that support the program objective of creating and preserving long-term affordability, including:

- Work with member planning and legal staff to make improvements to boilerplate legal documents, in consultation with key stakeholders and outside counsel, as needed
- Develop strategies to preserve homes at risk of foreclosure
- Preserve expiring units and pursue strategies to re-capture lost affordability
- Pursue offering brokerage services or developing partnerships with realtors to provide cost-savings to homebuyers and sellers, diversify program revenue, and expand ARCH's marketing reach
- Plan for additional staff capacity as the number of ARCH homes continues to grow.

Work with the Washington State Housing Finance Commission to evaluate the ARCH Eastside Down Payment Assistance Program and make updates to provide effective financial assistance to income-eligible first time homebuyers in East King County.

Database/Systems Development. Continue to utilize the new ARCH Homeownership Program database to collect critical program data and evaluation, compliance monitoring, communication with program participants, and other key functions. Continue to improve and streamline data systems for ARCH Rental Program and Trust Fund Program. Develop a new Trust Fund project and loan database to assist with timely loan monitoring and reporting. Update information systems to ensure accurate, efficient recording of transactions within ARCH Trust Fund accounts.

## IV. EDUCATION AND OUTREACH

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### A. Housing 101/Education Efforts

Housing 101. Develop educational tools and conduct or support events to inform councils, planning commissions, member staff and the broader community of current housing conditions, and of successful housing programs. Build connections with community groups, faith communities, developers, nonprofits and others interested in housing issues. Plan and conduct a Housing 101 event.

Private Sector Engagement. Support efforts by ARCH member cities to engage employers and private sector entities in discussions around the need for more affordable housing and identifying options for public-private partnerships.

### B. Information and Assistance for the Public

Office Hours. Provide published office hours, consistent with public health guidelines, for appointments or walk-in customer service. Open office hours will be advertised on the ARCH website and ARCH Facebook page and shared with partner organizations.

ARCH Website. Continually update and build on information in the ARCH website. Maintain information on the most urgently needed resources in the community, including rental assistance, no-cost legal services, mortgage assistance, and senior resources available in East King County.

Assist Community Members Seeking Affordable Housing. Maintain up-to-date information on affordable housing in East King County (rental and ownership) and distribute to people looking for affordable housing. Continue to maintain a list of households interested in affordable ownership and rental housing and advertise newly available housing opportunities. Work with other community organizations and public agencies to develop appropriate referrals for different types of inquiries received by ARCH (e.g., rapid re-housing, eviction prevention, landlord tenant issues, building code violations, fair housing complaints, etc.).

## C. Equitable Access to Affordable Housing in East King County

Collect and analyze data on existing programs to determine potential gaps in access by different populations, such as communities of color, immigrant and refugee communities, homeless individuals and families, and workers in EKC commuting from other communities. Evaluate strategies and outreach goals to increase access to affordable housing in EKC by underserved communities. Develop outreach and marketing efforts to maximize awareness of affordable housing opportunities in East King County and build partnerships with diverse community organizations.

# V. ADMINISTRATION

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## A. Administrative Procedures

Maintain administrative procedures that efficiently and transparently provide services to both members of ARCH and community organizations utilizing programs administered through ARCH. Activities include:

- Prepare the Annual Budget and Work Program and ensure equitable allocation of administrative costs among ARCH members.
- Prepare quarterly budget and work program progress reports, Trust Fund reports, and monitor expenses to stay within budget.
- Manage the ARCH Community Advisory Board, including recruiting and maintaining membership that includes broad geographic representation and a wide range of housing and community perspectives.
- Staff the Executive Board.
- Work with Administering Agency to streamline financial systems.
- Review and update bylaws and ensure timely renewal of the ARCH Interlocal Agreement.

## B. Organizational Assessment and Planning

The ARCH Executive Board will continue to evaluate ARCH's organizational capacity to accomplish its Work Program and broader mission. The Board will review ARCH's organizational structure, staffing resources, capital resources and other foundational aspects of the organization to determine any gaps and assess options for expanding organizational capacity. The assessment will inform recommendations for the following year's work program and budget. In 2024, this will include implementing actions and recommendations from ARCH's strategic planning process.

## Attachment A: Local Planning Efforts by City

ARCH staff will assist members' staff, planning commissions, and elected councils with local policy, planning and special projects and initiatives, as described below. Member city staff may make adjustments to the proposed actions identified below as individual city work plans are updated.

### **Bellevue**

Support 3-4 actions to implement Bellevue's Affordable Housing Strategy, such as:

- Assist staff with preparation of educational and marketing materials to encourage affordable housing on suitable land owned by public agencies, faith-based groups, and non-profits housing entities. Tasks could include connecting property owners with non-profit developers and consultants, providing case studies, and other information related to the development process.
- Analysis of affordable housing recommendations in the Wilburton neighborhood plan, Comprehensive Plan Periodic Update, and Next Right Work increased residential FAR for specific areas (TBD) in the city.
- Participate in developer selection processes and work with staff to develop funding strategy for affordable housing on suitable public lands in proximity to transit hubs, including 130th TOD parcels, Metro (Civic Center site), and Lincoln Center parcel.
- Provide consultation on a comprehensive acquisition strategy, such as preservation of existing, naturally occurring affordable housing, setting up a community land trust, and an expanded homeownership program.

Provide ongoing support to implement investment of funds authorized by HB 1590, or other city funds as directed.

Implement newly authorized affordable housing incentives; develop boilerplate agreements and procedures for ongoing monitoring.

Assist the city with implementation of affordable housing agreements at the TOD project adjacent to Sound Transit's Operations and Maintenance Facility East (OMFE).

### **Bothell**

Support actions to implement the city's Housing Strategy Plan.

Support affordable housing opportunities, especially in the Downtown/Canyon Park areas, including production strategies for city-owned property.

Help to identify potential Bothell Trust Fund projects.

Evaluate affordable housing incentives and requirements such as parking reductions or other development incentives, code amendments that add capacity and rezones, and implement those adopted.

Assist with compliance with new requirements under HB 1220.

Support updates to policies and codes for affordable housing options, including ADUs, micro-housing, small efficiency dwelling units, and "missing middle" housing.

Help pursue funding and implement further outreach, equity, and implementation measures to encourage more middle housing and address potential displacement.

### **Issaquah**

Provide data for the annual Housing Report Card.

Assist with implementation of Strategies 6, 7 and 8 of the Housing Strategy Work Plan expanding inclusionary zoning, increasing missing middle as permitted uses, and removing barriers to the construction of condominiums.

Provide research and assist with development of potential code amendments concerning:

- Inclusionary zoning (in conjunction with changes to density, parking, and other regulations) and multifamily tax exemptions.
- Middle housing and ADUs in wake of new state legislation.

Help to evaluate potential projects/opportunities that arise under current or amended Development Agreements (e.g., Lakeside, Rowley) and prepare contractual agreements as needed.

Help to evaluate potential pioneer development in Central Issaquah District.

Provide data and other information needed for new page on city's website, information on affordable housing opportunities and resources in Issaquah.

Support implementation and funding of the city's TOD project with the King County Housing Authority.

### **Kenmore**

Assist with implementing a high priority item identified in the Housing Strategy Plan, as requested.

Assist with updating the Housing Strategy Plan

Continue support of the Preservation of Affordable Housing/Mobile Home Park project started in 2018.

Assist with any amendments needed to the Comprehensive Plan Housing Element update, including help with new affordable housing targets.

Assist with ongoing implementation and monitoring of the adopted Affordable Housing Targets.

Provide technical support, data, and best practices to assist with potential code changes, such as for "missing middle" housing amendments or amendments to the Multifamily Tax Exemption (MFTE) regulations.

Advance opportunities to site affordable housing in Kenmore, such as near ST3 transit investments, or on other public, nonprofit, and faith-based community property. Help evaluate and identify potential properties, partners, and financing strategies.

Provide technical support and assistance on financing strategies for the Plymouth Housing project.

Provide technical support in development of a Request for Proposal (RFP), proposal review, and assistance on financing strategies to advance siting affordable housing on the City owned Holt property.

Provide technical support to assist with developing policies and regulations required to implement new state legislation (e.g. ADU regulations, missing middle regulations, TOD regulations).

### **Kirkland**

Support development of housing policies in connection with the I-405/NE 85th Street Station Area Plan, such as evaluation of a commercial linkage fee, and inclusionary housing requirements, and incentivizing family-sized housing units.

Assist with implementing programs to encourage construction of more ADUs and other middle housing.

Evaluate housing-related issues in 2044 Comprehensive Plan Update.

Help review the effectiveness and value of the current MFTE program.

Assist with updating the City's Housing Dashboard and ongoing implementation and monitoring of the adopted Affordable Housing Targets.

Assist the City in its potential expansion of the inclusionary zoning program through new incentives for areas like downtown that don't have a requirement and expanded incentives for more affordable housing in other areas of the City.

Assist the City with its reevaluation of parking standards as they relate to affordable housing.

### **Mercer Island**

Assist the City with synthesizing the Housing Needs Analysis findings with housing-related requirements under the Countywide Planning Policies and the Growth Management Act to develop updated housing goals and policies for the city's comprehensive plan periodic update.

Provide input and assistance in drafting updated development regulations related to implementation of housing diversity and affordability provisions in HB 1220 (2022) and HB 1110 (2023).

### **Newcastle**

Assist with potential investment of fee-in-lieu payments, first exploring opportunities to site affordable housing within Newcastle.

Assist with updating the City's Housing Strategy Plan.

### **Redmond**

Provide advice and technical support to evaluate and refine existing inclusionary and incentive programs, and impact fee waiver provisions, focusing on Downtown and Marymoor centers.

Support partnerships with transit agencies to advance affordable housing within transit-oriented developments, including at Overlake and Southeast Redmond.

Help city staff write and propose comprehensive plan and code amendments for meeting existing and future housing needs, including residential zone consolidation and regulations.

Assist with potential strategies for increasing housing capacity from commercial development, such as housing over big box stores and commercial spaces in mixed-use buildings.

### **Sammamish**

Partner with city staff to refine the Housing Action Plan/Housing Diversification Toolkit implementation plan by creating detailed work plans and identifying related budget needs.

Support city staff in responding to public inquiries related to affordable housing development.

Review development regulation updates and additions related to affordability requirements and incentives to ensure alignment with state, regional, and county policies, the Comprehensive Plan update, the Housing Action Plan/Housing Diversification Toolkit, and best practices.

Review and confirm the assumptions and approach used by the city in the Barrier Review Checklists provided in the Washington State Department of Commerce's Guidance for Making Adequate Provision to Meet all Housing Needs to assist the City in preparing for successful Comprehensive Plan certification.

### **Woodinville**

Assist in evaluating options and developing proposals for programs and code amendments following the city's new Housing Action Plan.

### **King County**

Provide monitoring and stewardship services for affordable housing in the Northridge/Blakely Ridge and Redmond Ridge Phase II affordable housing development agreements.

Partner with King County to preserve affordable homes with expiring covenants in unincorporated areas.

Help advance the King County Regional Affordable Housing Task Force Action Plan.





## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6371**  
**November 7, 2023**  
**Consent Agenda**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6371: Approve 2024 Legislative Priorities	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Adopt the 2024 State Legislative Priorities	

<b>DEPARTMENT:</b>	City Manager
<b>STAFF:</b>	Jessi Bon, City Manager Robbie Cunningham Adams, Management Analyst Merrill Thomas-Schadt, Sr. Management Analyst
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Draft 2024 State Legislative Priorities 2. City of Mercer Island 2023 State Legislative Priorities 3. 2024 Association of Washington Cities Legislative Priorities 4. 2024 ARCH Legislative Priorities 5. 2024 Washington Cities Insurance Authority Legislative Priorities
<b>CITY COUNCIL PRIORITY:</b>	4. Focus efforts and actions to be an environmentally and fiscally sustainable, connected, and diverse community.

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda item is to adopt the City's 2024 State Legislative Priorities (Exhibit 1).

- On October 17, 2023, the City Council held a discussion to inform the development of the City's legislative priorities for the 2024 state legislative session ([AB 6360](#)).
- During the November 7, 2023 City Council meeting, Councilmembers will finalize and adopt the City's 2024 State Legislative Priorities.
- Attached for reference are the City of Mercer Island's 2023 Legislative Priorities (Exhibit 2), AWC's City Legislative Priorities for 2024 (Exhibit 3), ARCH's 2024 Legislative Priorities (Exhibit 4), and WCIA's Legislative Priorities for 2024 (Exhibit 5).

### BACKGROUND

During the October 17, 2023, City Council meeting, staff and City Council held a discussion to inform the development of the City's legislative priorities for the 2024 state legislative session ([AB 6360](#)). The Council

directed staff to make several edits to the draft legislative priorities document and return to Council for adoption.

The discussion included a brief recap of the 2023 State legislative session, a review of anticipated 2024 legislation impacting Mercer Island, and consideration of legislative priorities of partner organizations such as the Association of Washington Cities (AWC), A Regional Coalition for Housing (ARCH), and the Washington Cities Insurance Authority (WCIA).

Attached for reference are the City of Mercer Island's 2023 Legislative Priorities (Exhibit 2), AWC's City Legislative Priorities for 2024 (Exhibit 3), ARCH's 2024 Legislative Priorities (Exhibit 4), and WCIA's Legislative Priorities for 2024 (Exhibit 5).

## ISSUE/DISCUSSION

For the 2024 State Legislative Session, the City Council, City staff, and the City's lobbying team will work directly with State legislators using the priorities approved by City Council to advocate for Mercer Island priorities. Establishing priorities allows the City to engage on issues with legislators directly, quickly, and efficiently.

### 2024 Legislative Session

The City's draft 2024 State Legislative Priorities are included as Exhibit 1 and the proposed priorities are categorized as follows:

- Maximize Resources for Behavioral Health and Substance Use Disorder Treatment and Prevention
- Support for Affordable Housing
- Capital and Grant Support for Essential Public Services
- Preserving and Protecting the Environment
- Support Public Safety Measures on Auto Theft and Property Crime
- Opposition to Expansion of Tort Law Liability
- Revising the Property Tax Cap

The 2024 legislative session will be a "short session", meaning a 60-day session rather than the "long" 105-day session that occurs in odd years. Short sessions occur during the mid-biennium of the State's two-year budget cycle. While the exact dates of the session are not finalized, staff anticipate the session lasting from January 8 to March 8.

## NEXT STEPS

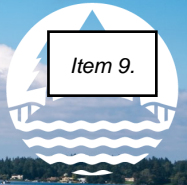
Upon adoption, the City's 2024 State Legislative Priorities will be published and shared with the lobbying team, legislators, and other municipalities. They will also be sent to the Association of Washington Cities, the Sound Cities Association, and the Governor's Office.

## RECOMMENDED ACTION

Adopt the City of Mercer Island 2024 State Legislative Priorities, substantially in the form attached as Exhibit 1 to AB 6371.

# CITY OF MERCER ISLAND

## 2024 State Legislative Priorities



The City will advocate for the following issues and will include its support for the priorities of its partners the Association of Washington Cities and the Washington Cities Insurance Authority.

### Increase Resources for Behavioral Health and Substance Use Disorder Treatment and Prevention

The City is a direct provider of mental health counseling services through school-based and community programs while also relying on regional public health infrastructure for specialized care and crisis response. Priorities include:

- **Increased prevention and intervention resources** targeting Fentanyl and other substances.
- **Funding to expand** community- and school-based mental health services for youth.
- **Opportunities to integrate** behavioral health and first responders for enhanced crisis response.

### Support for Affordable Housing

The City champions a proactive stance, using novel tools and incentives to enhance housing supply and affordability. Priorities include:

- **Transit-oriented growth**, prioritizing housing and infrastructure investments near major transit, tying it either to affordability mandates or to the City's housing targets under ESSHB 1220 (2021). This harnesses regional transportation investments to boost mobility, expand affordable housing, and protect the environment.
- **Enhancing current programs** and supporting mechanisms that bolster state and regional housing programs, like the Regional Coalition for Housing (ARCH).
- **Flexible and adaptable funding methods**, including a local Real Estate Excise Tax (REET), ensuring revenues benefit low- to moderate-income households.
- **Local control** and acknowledgment of the work that cities are already doing to improve walkability and parking policies to support housing needs. The City opposes any blanket regulations that would overlook local nuances and requirements. The City opposes housing density increases outside of the Town Center.

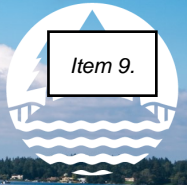
### Support Public Safety Measures on Auto Theft and Property Crime

The City supports law enforcement strategies that protect our community and businesses. Priorities include:

- **Further expanding** the list of eligible offenses for pursuits, including auto theft and some property crimes, allowing cities to develop policies tailored to their communities.
- **Additional State resources** to fund auto theft and property crime reduction programs.
- **Revise the Public Records Act** to exempt Automatic License Plate Reader (ALPR) security footage from disclosure.

# CITY OF MERCER ISLAND

## 2024 State Legislative Priorities



### Capital and Grant Support for Essential Public Services

The City is seeking State funding for public safety programs and Climate Action Plan implementation, including:

- **Funding for Mercer Island Marine Patrol Boat Replacement:** The City of Mercer Island State-certified Marine Patrol Unit was founded in 1982 and provides marine patrol services to Medina, Bellevue, Renton, Yarrow Point, and Hunts Point for their water-based services with just three vessels. Two vessels are near the end of their useful life, and the City is seeking \$1.2 million for the estimated replacement costs.
- **Funding for Seafair Water Safety Program:** The City of Mercer Island Marine Patrol coordinates Seafair safety operations on Lake Washington, providing first responder and boating safety services. The City is seeking \$100,000 annually to support the funding needs for this critical public safety program.
- **Funding for Electrical Vehicle Infrastructure Plan:** The City adopted a Climate Action Plan in 2023 and is seeking \$300,000 to fund the development of an Island-wide Electrical Vehicle Charging Plan.
- **Funding for Compact Electric Sweeper:** The City is seeking \$310,000 to purchase a compact electric sweeper to clean sidewalks, paths, and park areas inaccessible to the large street sweeper. This specialized equipment will improve operations efficiency, reduce the use of gas-powered equipment, and aid in stormwater management.

### Preserving and Protecting the Environment

The City encourages **solar power usage**, equipment and **fleet vehicle electrification** and other legislation, partnerships, and funding that incentivizes and supports the City's adopted **Climate Action Plan**.

### Opposition to Expansion of Tort Law Liability

The City's liability insurance pool costs continue to rise due to costly verdicts, inflation, and expanded liabilities imposed by legislative actions and judicial interpretation of the law. In partnership with Washington Cities Insurance Authority (WCIA), the City **opposes legislation expanding tort law liability** and the remedies available under tort law. If the legislature approves expansions, then special funds must be developed to cover these costs.

### Revising the Property Tax Cap

With the recent and ongoing impacts of inflation, the City's ability to keep pace with growing costs is inhibited by the 1% property tax cap that has been in place for over 20 years. The City supports **tying the tax to inflation and population growth factors with a new cap not to exceed 3%**. This allows local elected officials to adjust the local property tax rate to better meet community needs and keep up with the costs of providing essential services like police, fire, transportation, and valued community amenities like parks. With the current 1% cap, the City's General Fund is projected to have a structural deficit in 2025-2026.



# CITY OF MERCER ISLAND

## 2023 State Legislative Priorities



Item 9.



### Funding for Operations, Basic Infrastructure, and Capital Projects

The City supports legislation that provides funding to support city operations and to finance basic infrastructure such as water, sewer, stormwater, parks, transportation, and green infrastructure projects. Priorities include:

- Fully funding the **Public Works Assistance Account** and refraining from fund transfers or diversions.
- Supporting the once in a generation **\$7.5 million Luther Burbank Park Waterfront and Dock Replacement Project** by fully funding the following grant programs:
  - Washington Wildlife and Recreation Program (WWRP) Water Access grant*: \$1.5 million funding request, project is ranked 7 out of 10.
  - Boating Facilities Program (BFP)*: \$1 million funding request, project is ranked 4 out of 14.
  - Aquatic Lands Enhancement Account (ALEA) grant*: \$500,000, project is ranked 2 out of 4.
- Supporting the **\$2 million Luther Burbank Park Boiler Building Renovation Project** by fully funding the Heritage Capital Grant Program: \$500,000 funding request, project ranked 22 out of 30.



### Support for Mental and Behavioral Health Services

The City is committed to providing access to quality mental and behavioral health services through the Youth & Family Services Department. Continued state funding is needed to help communities provide options for individuals suffering from behavioral health issues. Priorities include:

- Funding to expand and enhance community-based behavioral health services**, including mental health, substance use disorder, and dual diagnosis treatment facilities.
- Supporting resources for **certification and training to increase the number of behavioral health professionals** available to the community.



### Policing for a Safe Mercer Island

The City encourages legislation and resources to ensure a safe community for residents, businesses, and visitors. Priorities include:

- Supporting **clarification around the ability for law enforcement to conduct effective and safe vehicle pursuits** using a reasonable suspicion standard in specific circumstances when there is an immediate threat to public safety.
- Requesting **clarification around the crime of possessing a controlled substance** so that individuals, law enforcement, and treatment providers can respond appropriately.
- The City of Mercer Island State-certified Marine Patrol Unit was founded in 1982 and provides marine patrol services to Medina, Bellevue, Renton, Yarrow Point, and Hunts Point for their water-based services with just three vessels. Two of the vessels are near the end of their useful life and the City is **seeking funding for the \$1.1 million in estimated replacement costs**.



### Support for Housing Availability

The City supports a proactive, collaborative, and flexible approach that creates new tools, incentives, and revenues that cities can use to help increase housing supply and address affordability. Priorities include:

- The City supports **solutions that enhance already successful state and regional programs** such as *A Regional Coalition for Housing (ARCH)*, serving cities in east King County since 1992.
- The City encourages the legislature to **review the impacts of E2SHB 1220 in collaboration with local jurisdictions** to ensure the legislation will produce housing for all income levels.



### Preserving and Protecting the Environment

**It is essential to preserve and protect the environment today and for future generations with equity in mind.** The City encourages legislation, partnerships, and funding that incentivizes and supports clean energy, carbon reduction and the implementation of potential climate action plan programs, including but not limited to heat pump adoption and electric vehicle charging infrastructure.

# 2024 City Legislative Priorities

Item 9.

Strong cities make a great state. Cities are home to 65% of Washington's residents, drive the state's economy, and provide the most accessible form of government. Cities' success depends on adequate resources and local decision-making authority to best meet the needs of our residents.

**Washington's 281 cities ask the Legislature to partner with us and act on the following priorities:**



## Help recruit and retain police officers for public safety

Provide additional funding tools and resources for officer recruitment and retention to improve public safety. This includes updating the existing local option Public Safety Sales Tax to allow implementation by councilmanic authority and greater flexibility for using the funds to cover increased officer wages and related programs like behavioral health co-response teams.

Expand access to state-mandated training. In particular, continue increasing the number of classes for the Basic Law Enforcement Academy (BLEA) and expanding the new regional academies. Getting new officers on the street faster supports recruitment and retention, thus improving public safety outcomes in our communities.



## Revise the arbitrary property tax cap

Revise the arbitrary 1% property tax cap that has been in place for more than 20 years. Tie the tax to inflation and population growth factors with a new cap not to exceed 3%. This allows local elected officials to adjust the local property tax rate to better serve our communities and keep up with the costs of providing basic services like police, fire, streets, and valued community amenities like parks. The current 1% cap has created a structural deficit in cities' revenue and expenditure model, causing reliance on regressive revenues and artificially restricting the ability of property taxes to fund critical community needs.



## Continue investing in infrastructure

Continue strong state investments in infrastructure funding to support operations and maintenance of traditional and non-traditional infrastructure like drinking water, wastewater, and broadband. Expand funding options that support state and local transportation needs with emphasis on preservation and maintenance to prevent expensive replacement and repairs. Improve access to Climate Commitment Act funding, including direct distributions, for city priorities that support carbon reduction and climate resiliency.



## Provide behavioral health resources

Create greater access to behavioral health services to include substance use disorder treatment and dual diagnosis treatment facilities. Support continued state funding for cities to help communities establish alternative response programs like co-responder programs, diversion programs, and others that provide options beyond law enforcement to assist individuals experiencing behavioral health challenges.

### AWC's advocacy is guided by these core principles from our Statement of Policy:

- Local decision-making authority
- Fiscal flexibility and sustainability
- Equal standing for cities
- Diversity, equity, and inclusion
- Strong Washington state partnerships
- Nonpartisan analysis and decision-making

Contact:

**Candice Bock**  
Government Relations Director  
[candiceb@awcnet.org](mailto:candiceb@awcnet.org)



September 20, 2023

Dear ARCH Members,

Last year, we launched a process to identify potential revenue sources to address the growing need for funding to develop affordable housing. This effort was built on the decades of collaboration among ARCH member cities to pool and leverage local resources through the ARCH Trust Fund, now a proven strategy for all communities to contribute toward affordable housing on the Eastside. As a result of that process, several ARCH members worked together to advocate for a new local option Real Estate Excise Tax (REET). While this measure was not adopted in 2023, the state legislature continues to take dramatic steps aimed at addressing the affordable housing crisis in Washington, and as ARCH members we have an important opportunity to help advocate for needed solutions.

### **Recommended Legislative Priorities for 2024**

Building on our previous work, the ARCH Board provided direction this year to expand our focus to two strategic legislative priorities. This includes a continued focus on revenue, as well a new focus on anticipated state mandates to facilitate transit-oriented development (TOD). Both of these issues are expected to be major topics in the upcoming legislative session, and both have profound implications for our members' ability to support affordable housing.

In August, staff and lobbyists from ARCH member jurisdictions joined together for an in-depth workshop to discuss these topics and provide feedback on potential legislative priorities. Their feedback was shared with the ARCH Executive Board, which approved the following language for members to consider including in your legislative agendas:

- **Funding for Affordable Housing:** [CITY] supports new and flexible funding options for local jurisdictions that address the need for affordable housing, such as a local option Real Estate Excise Tax (REET). Such options should be progressively structured to best meet the needs of low and moderate income households.
- **Affordable Housing Near Fixed Route Transit:** Affordable housing should be required in future planning for growth near fixed route transit. [CITY] supports setting affordability goals for transit-oriented development, and providing local flexibility and planning resources to help communities achieve those goals.

### **ARCH MEMBERS**

Additional context for this language and the breadth of the discussion is provided in the attached summary from our Legislative Workshop. Of particular note, while many details around a potential TOD bill are still to be determined, members noted their agreement on identifying Light Rail and Bus Rapid Transit as the appropriate areas for focusing TOD efforts.

We are excited to see the continued collaboration of our members on legislative issues, and look forward to helping to amplify a unified voice to advocate for local tools and resources to tackling housing affordability. Thank you for your partnership and commitment to affordable housing.

Sincerely,



Carol V. Helland

ARCH Executive Board Chair



Lindsay Masters

ARCH Executive Director

**Attachments:**

1. ARCH 2023 Legislative Workshop Summary



## ARCH 2023 Legislative Workshop Summary

August 10, 2023

### Overall Themes

- Affordable housing continues to be one of the top priorities for most cities. Among those cities, there is a desire to act as a united coalition using “one voice” to advocate.
- While there are differences between large and small communities, these reinforce the need for a regional approach, and finding ways for all communities to contribute and share in the benefits of affordable housing.
- ARCH can play a key role in educating members on legislative issues, crafting common messages about affordable housing needs and opportunities, and encouraging coordinated advocacy among cities with common priorities.

### Part 1: Affordable Housing Revenue / HB 1628

#### Key Takeaways

- REET is still the best housing revenue tool with the broadest consensus behind it, but there will be tough prospects for any new revenue measure in 2024 – this may warrant adapting to advocate simply to fund ARCH projects with state dollars.
- At the same time, we don’t want to lose the momentum created among cities that came out to support HB 1628, and ARCH can continue to help provide information and messaging on the importance of this tool, and facilitate coordinated advocacy with legislators.
- There are several options for how to tweak the legislation to address issues/concerns, including making the local option progressive, distinguishing multifamily/commercial projects, and creating a different state-local structure.

#### **1. How do we address competing revenue goals? e.g., local revenue for public safety/other needs, state revenue for state-level housing programs, etc.**

- Several cities do have other needs requiring additional revenue, such as parks, transportation, sewer infrastructure, and public safety. This varies by city, along with cities’ overall fiscal health – some jurisdictions are already experiencing or planning for big cuts, while others have been able to better absorb rising costs.
- Revenue solutions also vary by city. Some have had success in passing local levies for transportation, parks and general operations, but other local measures have failed. The 1% property tax lift is a priority for some jurisdictions, but not all. In some places the 1% cap doesn’t have as big of an impact or isn’t a limiting factor yet.

- For other jurisdictions adding a REET would be more impactful than eliminating the 1% cap – for these communities there is also interest in allowing more flexibility in the existing local REET to solve other fiscal issues while also increasing funding for affordable housing with a new REET.
- There are always going to be competing priorities, but affordable housing can be connected to many of those other issues (public safety, sustainability, displacement risk, etc.) – it should be considered a type of “social infrastructure” that is part of the standard services offered by cities.
- Timing is important in considering tax measures – next year may be a better time for gaining local support, but it will be much more difficult at the state level with state elections coming up.
- Without strong advocacy for local tools, the state REET is more likely to prevail in a state vs local tossup. Given the challenges for any new tax measure passing in 2024, we may need to support whatever has the greatest chance at passing or consider requests for earmarks.

**2. What ideas can we recommend to members for a more effective legislative strategy? (e.g., outreach to potential sponsors, other engagement with legislators – arrange meetings with affordable housing developers with sites waiting for funding, etc.)**

- While REET is still the best revenue tool with the broadest consensus behind it, tough prospects in 2024 may require a longer-term view, or shifting to advocate for funding specific priority projects (ideally still through a coordinated approach).
- While nearly all Eastside legislators were supportive of HB 1628, we could do more to generate passion and enthusiasm, especially in legislators with seniority.
- City elected officials have been more than willing to show up and meet with legislators – we could approach this collectively and show numerous cities are ready to go.
- Many ideas for messaging, in addition to highlighting the projects that are waiting for funding:
  - With a sustainable ongoing funding source for the region, cities can attract development rather than waiting for it to happen. Even in cities without immediate opportunities, reliable funding will allow us to plan for affordable housing over time.
  - Stimulating affordable development is even more critical in the immediate term as market rate development is showing signs of slowing.
  - Revenue tools are essential to support state mandates to accommodate planned affordable housing numbers required under GMA.
  - Housing should be viewed as part of essential local infrastructure.
- It’s important to have a unified agenda as ARCH jurisdictions so we support each other’s message. No jurisdiction wants to step out first and be the only supporter. Cities for whom affordable housing is not a top priority can still help by staying neutral.

**3. What feedback do staff have on the draft language prepared for legislative agendas?**

- General support for the language drafted – short and to the point. Some councils may still want to wordsmith, but the core message would remain the same.

- Specifying REET is important and takes it from goal to action.
- Members have varying views on highlighting the importance of REET being progressive. For some it's very important; would at least like to have it as an optional feature.
- A modified REET structure that mirrors HB 1406 sales tax (where the state collects the funds but local jurisdictions can take action to receive a credit for a portion) could neutralize the threat of local opposition campaigns.
- Some are interested in distinguishing single family and multifamily, and extending the 2-year exemption for commercial that was added to HB 1628. Opposition from commercial/multifamily developers may be impactful in some cities, especially with commercial properties struggling.
- Having every policy detail ironed out is less important than the overall message about why we need to solve the problem and that we have a coalition working together to solve it. Details on the bill may not come out till December or even January.

**4. What other work do we need to do to keep councilmembers supportive of a local REET/revenue options for housing?**

- General consensus that ARCH plays a critical role in providing information and education, especially for smaller jurisdictions.
- During education efforts, show slides of revenue needs with affordable housing development applications. At the same time, the information shouldn't overwhelm councils and make the goal(s) seem unattainable.
- Start education in time for legislative session, be prepared to have ARCH staff show up at council meetings and start at the beginning; what is ARCH, deliver education, and then needs analysis, etc. Also may need to counter misinformation about REET driving up the cost of housing.
- Should emphasize to councils that they are part of an eastside coalition and it is important to stay committed to a regional approach.

## **Part 2: Transit-Oriented Development (TOD)**

### **Key Themes**

- Despite many concerns about the concept and potential implementation of a TOD bill, if it's going to happen, it can also be an opportunity to advance some decisions around growth/affordability that may not otherwise be possible at the local level in the near future.
- There is a strong and clear consensus among ARCH members that affordable housing outcomes must be central to any TOD bill, with flexibility to adapt the legislation to differing local conditions.
- Jurisdictions also need more planning resources to implement state mandates in a way that will actually result in greater affordable housing outcomes.

### **1. If the state enacts a TOD bill, what should be our preferred position on how affordability fits in?**

- ARCH members should advocate strongly for affordable housing outcomes as central to the bill, with flexibility built in – State should focus on the “what” instead of the “how”. There is support among some an explicit affordability mandate, if there is flexibility with implementation.
- Specific goals/funding should be aligned with affordability levels set out by HB 1220/GMA.
- Some support advocating that commercial developments benefiting from upzones also contribute to affordable housing, i.e., through explicitly authorizing fee in lieu / linkage fees from commercial development.
- Legislators should consider adding stronger measures to preclude upzones that cause displacement.
- Smaller jurisdictions without transit areas may need to be neutral or not involved.

### **2. Should there be a statewide standard or should there be more local flexibility on affordability? If flexible, should there be a minimum baseline, and what are the right dials to turn?**

- While affordability should be a required outcome, there is no obvious baseline for a specific affordability standard, given the differing programs already in place across jurisdictions and the outstanding questions about how/where the upzones will apply.
- Flexibility will be key:
  - State could offer a menu of options that cities can choose from based on local considerations (e.g., 20% at 80% AMI, 10% at 60% AMI, etc.)
  - Programs should be able to offer fee in lieu options along with on-site performance
  - The commercial fee component should be optional for the jurisdiction – it may not be viable in some cities.
- More state support/resources for planning should come with new mandates.

**3. How should affordable housing requirements in the bill work with existing local inclusionary/incentive programs? (doubled up or stacked, by project or zone-wide)**

- Adding a state-mandated affordability program on top of local programs is an extremely complex proposition. Some of our existing programs have taken decades to create, and a poorly designed state mandate could undermine what is working well.
- Some have different opinions on whether the state's program should be additive. To create a simple and coherent regulatory framework could require unwinding and supplanting existing programs, which should only be done with extreme care and study to "get it right" and make sure the net result actually yields more affordable housing.
- We should be cautious about adopting something that appears fast/simple but actually complicates development by adding on more layers of regulations that don't work well together.
- At a minimum, if the state doesn't take an additive approach, TOD legislation must not remove opportunities for cities to secure value out of upzones for affordable housing.

## Legislative Talking points for WCIA Members

### Who is WCIA

Over 80% of all public entities use self-insurance risk pools for coverage of their liability risks. Risk pools in Washington State are all public entities themselves who use pooled public funds to provide coverage to their members. Risk pools are non-profits who work with their members to share and prevent risks that occur in communities. Washington Cities Insurance Authority (WCIA) is a risk pool made up of municipal entities across Washington State with over 165 members and exemplifies inter-governmental cooperation to contain costs for taxpayers.

### The Current state of liability and the impacts to communities

The civil litigation environment is bad and getting worse for public entities in the State of Washington. Multimillion-dollar verdicts, also known as nuclear verdicts, were not common against public entities and were often awarded against large for profit private corporations. Over the last several years public entities have now been hit with nuclear verdicts. By way of example: The Washington State Supreme court decided that a verdict against the State for \$98.5 million was appropriate for the wrongful death of two children; A Spokane Jury Awarded over \$19 million to a deputy for a Defamation claim against the elected Sheriff; A Thurston County Jury awarded \$5.5 million against a transit agency for a minor vehicle accident involving two cars. All of these verdicts are funded utilizing taxpayer dollars. Additionally, the erosion of defenses and immunities once afforded to public entities have meant claims once dismissed are now costing millions of dollars. A court decision that further eroded the recreational immunity statute resulted in a county paying \$10 million on a claim that a few short years ago would have been dismissed outright.

Risk pools are shouldering millions of dollars of exposure that are being passed down to their members in terms of additional assessments. The additional costs mean that our community is diverting money from (Member should insert what they would divert from) to fund WCIA's assessment. Our pool relies on partnering with traditional insurance to provide further coverage above their self-funded \$4 million per loss. Those traditional insurance carriers are either refusing to write any coverage or doing so at significant costs. The future outlook is that our communities will have less coverage and will need to redirect money to cover losses rather than providing valuable services, programs and much needed maintenance (Member should insert what would happen to their community if they had to fund a multimillion dollar verdict). Even now cities are consulting bankruptcy attorneys on tort claims due to the potential for verdicts over current coverage.

## Solutions

Cities need Legislators to oppose any efforts to expand tort law liability and/or the remedies available under tort law. If expansions are approved by the legislature, then the State should consider creating a fund to cover those costs. Cities and their risk pools cannot be expected to shoulder the staggering costs imposed by legislative changes. At a minimum that State should provide a reinsurance fund that risk pools and individual entities could utilize.

Tort reform for all public entities needs to be addressed and the balance restored between protecting harmed individuals with reasonable verdicts and appropriate defenses. Tort reform could include: caps on the amount of damages that can be collected against public entities (which is law in 33 States); reinstituting immunities that have been eroded by the courts and amending the law on joint and several liability which incentivizes claims against public entities as deep pockets. WCIA would be happy to work with legislators to address this looming crisis and find solutions for cities to remain solvent and provide the services their communities need and desire.



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6363**  
**November 7, 2023**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6363: An Ordinance Amending MICC Ch. 9.50 (First Reading Ord. No. 23C-16)	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution
<b>RECOMMENDED ACTION:</b>	Set Ordinance No. 23C-16 for second reading and adoption at the November 21, 2023 Meeting.	

<b>DEPARTMENT:</b>	Police
<b>STAFF:</b>	Mike Seifert, Police Commander Dominic Amici, Detective Sergeant Eileen Keiffer, Madrona Law Group, PLLC
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Ordinance No. 23C-16
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda bill is to amend Mercer Island City Code ([MICC Ch. 9.50](#)), Revised Code of Washington State Statutes Incorporated by Reference.

- In 2021, the Washington Supreme Court decided the seminal court case of *State v. Blake*, invalidating the state's then strict liability drug possession statute.
- To avoid decriminalizing drug possession, the Washington Legislature first enacted a temporary fix.
- Upon approach of the termination date for the temporary fix, the Legislature enacted a permanent fix during the last legislative session.
- As a result of the *Blake* fix legislation, updates to MICC Ch. 9.50 are required to update RCW references.

### BACKGROUND

In 2021, the Washington Supreme Court decided the seminal court case of *State v. Blake*, invalidating the state's then strict liability drug possession statute. To avoid decriminalizing drug possession, the Washington Legislature first enacted a temporary fix. Upon approach of the termination date for the temporary fix, the Legislature enacted a permanent fix during the last legislative session.



MICC Ch. 9.50 adopts various provisions of the Revised Code of Washington (RCW) into the MICC by reference. As a result of the *Blake* fix legislation, updates to MICC Ch. 9.50 are required to update the RCW references. Further, Ch. 9.50 MICC appears to have last been amended in 1998 and accordingly, a general cleanup of the chapter to remove/replace outdated RCW references is warranted.

The following sections contain amendments:

- 9.50.010 - RCW Title 9, Crimes and punishments.
- 9.50.020 - RCW Title 9A, Washington criminal code.
- 9.50.030 - RCW Title 10, Criminal procedure.
- 9.50.040 - RCW Title 26, Domestic relations.
- 9.50.050 - RCW Title 66, Alcoholic beverage control.
- 9.50.060 - RCW Title 69, Food, drugs, cosmetics and poisons.
- 9.50.070 - RCW Title 70, Public health and safety.
- 9.50.080 - RCW Title 77, Fish and wildlife~~Game and game fish~~.

## ISSUE/DISCUSSION

Ordinance No. 23C-16 (Exhibit 1) amends MICC Ch. 9.50, Revised Code of Washington State Statutes Incorporated by Reference, to adopt the new RCW sections enacted by the Legislature in reaction to the *Blake* case, as well as to provide general housekeeping cleanup of the chapter, to remove and/or replace outdated RCW references. The City's prosecutor was consulted and participated in drafting and reviewing Ordinance No. 23C-16.

Should City Council decline to adopt the edits to MICC Ch. 9.50, citations for illegal drug possession or use would have to be written into King County District Court, rather than Mercer Island's Municipal Court. As a precursor to doing so, the City would first need to enter into a prosecution agreement with the King County prosecutor's office. The King County prosecutor's office reports that it has a large misdemeanor backlog. This backlog could result in a delay in case filing (or many cases simply not being filed at all).

## RECOMMENDED ACTION

Set Ordinance No. 23C-16 for second reading and adoption at the November 21, 2023 City Council Meeting.

**CITY OF MERCER ISLAND  
ORDINANCE NO. 23C-16**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON,  
AMENDING MERCER ISLAND CITY CODE CHAPTER 9.50, RELATING TO  
REVISED CODE OF WASHINGTON STATE STATUTES INCORPORATED BY  
REFERENCE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN  
EFFECTIVE DATE.**

**WHEREAS**, in 2021, the Washington Supreme Court decided the case of *State v. Blake*, 481 P.3d 521 (2021), which invalidated Washington State's then enacted strict liability drug possession statute; and

**WHEREAS**, in July of 2021, the Washington State Legislature adopted temporary legislation set to expire July 1, 2023, establishing the misdemeanor offense of knowing possession of prohibited substances; and

**WHEREAS**, in May of 2023, the Washington State Legislature adopted Senate Bill 5536 ("SB 5536"), enacting permanent provisions relating to the use and possession of prohibited substances; and

**WHEREAS**, current MICC Ch. 9.50 incorporates certain portions of the RCW by reference, but lacks express reference to certain RCW sections impacted by SB 5536; and

**WHEREAS**, MICC Ch. 9.50 has remained without major revision since its enactment in 1991 and many listed RCW sections are outdated; NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, DO ORDAIN AS FOLLOWS:

- Section 1. Amendment of MICC Ch. 9.50.** MICC Ch. 9.50, Revised Code of Washington State Statutes Incorporated by reference is hereby amended in the form attached hereto as Attachment A.
- Section 2. Severability.** If any section, sentence, clause, or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, or its application held inapplicable to any person, property, or circumstance, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause, or phrase of this Ordinance or its application to any other person, property, or circumstance.
- Section 3. Publication and Effective Date.** A summary of this Ordinance consisting of its title shall be published in the official newspaper of the City. This Ordinance shall take effect and be in full force five days after the date of publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, AT ITS MEETING ON NOVEMBER \_\_, 2023.

CITY OF MERCER ISLAND

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Salim Nice, Mayor

ATTEST:

APPROVED AS TO FORM

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Andrea Larson, City Clerk

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Bio Park, City Attorney

Date of publication:

## Attachment A

### Chapter 9.50 - REVISED CODE OF WASHINGTON STATE STATUTES INCORPORATED BY REFERENCE

#### 9.50.010 - RCW Title 9, Crimes and punishments.

The following statutes of RCW Title 9, Crimes and punishment, are adopted as follows:

RCW 9.01.130 Sending letter, when complete.

RCW 9.03.010 Abandoning, discarding refrigeration equipment.

RCW 9.03.020 Permitting unused equipment to remain on premises.

RCW 9.26A.090 Telephone company credit cards, prohibited acts.

RCW 9.26A.110 Fraud in obtaining telecommunications service—Penalty.

RCW 9.27.015 Interference, obstruction of any court, building or residence—Violations.

RCW 9.40.100 ~~Injuring or t~~Tampering with fire alarm ~~apparatus~~ or firefighting equipment—~~False alarm—Penalties.~~

RCW 9.41.050 Carrying ~~firearms~~pistol.

RCW 9.41.080 Delivery to ineligible persons ~~minors and others forbidden.~~

RCW 9.41.098 Forfeiture of firearms—~~Disposition, order by courts. Return to owner—~~Confiscation by law enforcement officer.

RCW 9.41.100 ~~Dealers to be licensed~~Dealer licensing and registration required.

RCW 9.41.110 Dealer's licenses, by whom granted, and conditions, ~~fees thereof—~~Employees, fingerprinting and background checks--Wholesale sales excepted—Permits prohibited.

RCW 9.41.120 ~~Certain transfers forbidden~~Firearms as loan security.

~~RCW 9.41.130 False information forbidden.~~

RCW 9.41.140 Alteration of identifying marks—exceptions.

~~RCW 9.41.150 Exemptions—Antique firearms.~~

~~RCW 9.41.160 Penalty.~~

~~RCW 9.41.170 Aliens licensed to carry firearms—Exceptions.~~

~~RCW 9.41.180 Setting spring gun.~~

RCW 9.41.230 Aiming or discharging firearms, dangerous weapons.

RCW 9.41.240 ~~Use of firearms by minors~~ Possession of pistol or semiautomatic assault rifle by person from eighteen to twenty-one.

RCW 9.41.250 Dangerous weapons—~~Penalty~~ Evidence.

RCW 9.41.260 Dangerous exhibitions.

RCW 9.41.270 Weapons apparently capable of producing bodily harm, Unlawful carrying or handling, ~~exhibiting, displaying, or drawing unlawful~~—Penalty—Exceptions.

RCW 9.41.280 Students carrying dangerous weapons on school premises—Penalty—Exceptions.

RCW 9.41.300 ~~Firearms~~ Weapons prohibited in certain places, local laws and ordinances—Exceptions—Penalty.

RCW 9.41.810 Penalty.

~~RCW 9.45.062 Failure to deliver leased personal property—Requisites for prosecution—Construction.~~

RCW 9.46.062 Gambling—1973 Act (in its entirety).

RCW 9.47A.020 Unlawful inhalation—Exception.

RCW 9.47A.030 Possession of certain substances prohibited, when.

RCW 9.47A.040 Sale of certain substances prohibited, when.

RCW 9.47A.050 Penalty.

RCW 9.61.230 Telephone harassment, ~~calls to harass, intimidate, torment or embarrass.~~

RCW 9.61.240 Telephone harassment—Permitting telephone to be used, ~~Telephone calls to harass, intimidate, torment or embarrass—Offense, where deemed committed.~~

RCW 9.68.060 "Erotic material"—Determination by court—Labelling—Penalties.

RCW 9.68A.070 Possession of depictions of minors engaged in sexually explicit conduct.

RCW 9.68A.150 Allowing minors on premises of live erotic performances—Definitions—Penalty.

~~RCW 9.68A.160 Penalty.~~

RCW 9.73.010 Divulging telegram.

RCW 9.73.020 Opening sealed letter.

RCW 9.73.030 Intercepting, recording or divulging private communications—Consent required—Exceptions.

RCW 9.73.080 ~~Intercepting, recording or divulging private communications—Penalties.~~

RCW 9.91.025 Unlawful transit ~~bus~~ conduct.

RCW 9.91.060 Leaving children unattended in parked automobile.

### **9.50.020 - RCW Title 9A, Washington criminal code.**

The following statutes of RCW Title 9A, Washington criminal code, are adopted as follows:

RCW 9A.04.110 Definitions.

RCW 9A.08.010 General requirements of culpability.

RCW 9A.08.020 Liability for conduct of another—Complicity.

RCW 9A.08.030 Entity and personal liability ~~Criminal liability of corporations and persons acting or under a duty to act on their behalf.~~

RCW 9A.36.041 Assault in the fourth degree.

RCW 9A.36.050 Reckless endangerment ~~in the second degree.~~

RCW 9A.36.070 Coercion.

RCW 9A.44.096 Sexual misconduct with a minor in the second degree.

RCW 9A.46.020 Definition—Penalties.

RCW 9A.46.030 Place where committed.

RCW 9A.46.040 Court-ordered requirements upon a person charged with crime—Violation.

RCW 9A.46.050 Arraignment—No-contact order.

RCW 9A.46.060 Crimes included in harassment.

RCW 9A.46.070 Enforcement of orders restricting contact.

RCW 9A.46.080 Order restricting contact—Violation.

RCW 9A.48.050 Reckless burning in the second degree.

RCW 9A.48.090 Malicious mischief in the third degree.

RCW 9A.48.100 Malicious mischief—"Physical damages" defined.

RCW 9A.52.060 Making or having burglar tools.

RCW 9A.52.100 Vehicle prowling in the second degree.

~~RCW 9A.52.120 Computer trespass in the second degree.~~

~~RCW 9A.52.130 Computer trespass—Commission of other crime.~~

RCW 9A.56.050 Theft in the third degree.

RCW 9A.56.060 Unlawful issuance of checks or drafts.

RCW 9A.56.140 Possession ~~ing~~ of stolen property—Definition—~~Access devices,~~  
presumption.

RCW 9A.56.170 Possession of stolen property in the third degree.

RCW 9A.56.180 Obscuring the identity of a machine.

RCW 9A.56.270 Shopping cart theft.

RCW 9A.60.040 Criminal impersonation in the first degree.

RCW 9A.60.045 Criminal impersonation in the second degree.

RCW 9A.60.050 False certification.

RCW 9A.61.010 Definitions.

RCW 9A.61.020 Defrauding a public utility.

RCW 9A.61.050 Defrauding a public utility in the third degree.

RCW 9A.72.040 False swearing.

RCW 9A.72.140 Jury tampering.

RCW 9A.72.150 Tampering with physical evidence.

RCW 9A.76.020 Obstructing a law enforcement officer ~~public servant.~~

RCW 9A.76.030 Refusing to summon aid for a police officer.

RCW 9A.76.040 Resisting arrest.

RCW 9A.76.070 Rendering criminal assistance in the first degree.

RCW 9A.76.080 Rendering criminal assistance in the second degree.

RCW 9A.76.090 Rendering criminal assistance in the third degree.

RCW 9A.76.100 Compounding.

RCW 9A.76.130 Escape in the third degree.

RCW 9A.76.170 Bail jumping.

RCW 9A.80.010 Official misconduct.

RCW 9A.84.010 Criminal mischief ~~Riot~~.

RCW 9A.84.020 Failure to disperse.

RCW 9A.84.030 Disorderly conduct.

RCW 9A.84.040 False reporting.

RCW 9A.88.010 Indecent exposure.

RCW 9A.88.030 Prostitution.

RCW 9A.88.050 Prostitution—Sex of parties immaterial—No defense.

RCW 9A.88.090 Permitting prostitution.

RCW 9A.88.110 Patronizing a prostitute.

### **9.50.030 - RCW Title 10, Criminal procedure.**

The following statutes of RCW Title 10, Criminal procedure, are adopted as follows:

~~RCW 10.14.120 Disobedience of order—Penalties (temporary antiharassment order).~~

~~RCW 10.14.170 Criminal penalty (antiharassment protection order).~~

RCW 10.66.090 Penalties ~~(off limits orders)~~ ~~(drug traffickers)~~.

RCW 10.99.020 Definitions.

RCW 10.99.030 ~~Law enforcement~~ Peace officers—~~Training~~, powers, duties.



~~RCW 10.99.040 Duties of court—No contact order—Emergency orders. Restrictions upon duties of court (no contact).~~

~~RCW 10.99.050 Victim contact—Restriction, prohibition—Violation, penalties—Written order—Procedures—Notice of change. Restrictions or prohibition of contact with victim—Violation, penalties—Written order—Procedures (post conviction).~~

#### **9.50.040 - RCW Title 26, Domestic relations.**

The following statutes of RCW Title 26, Domestic relations, including one chapter from RCW Title 7, are adopted as follows:

~~RCW 26.09.060 Temporary maintenance or child support—Temporary restraining order—Preliminary injunction—Domestic violence or antiharassment protection order—Notice of termination or modification of restraining order--Support debts, notice.~~

~~RCW 26.09.165 Court orders--required language.~~

~~RCW 26.09.300 Restraining orders—Notice—Refusal to comply—Arrest—Penalty—Defense—Peace officers, immunity.~~

~~RCW 26.10.115 Temporary order—Support—Restraining orders—Preservation of support debt.~~

~~RCW 26.10.220 Restraining orders—Notice—Refusal to comply—Arrest—Penalty—Defense—Peace officers, immunity.~~

~~RCW 26.28.080 Selling or giving tobacco to minor—Belief of representative capacity, no defense—Penalty. cigarettes to minors.~~

~~RCW 26.44.063 Temporary restraining order or preliminary injunction—Enforcement—Notice of modification or termination of restraining order.~~

~~RCW 26.44.067 Temporary restraining order or preliminary injunction—Contents—Notice—Noncompliance—Defense—Penalty.~~

~~RCW 26.44.130 Arrest without a warrant.~~

RCW Ch. 7.105 Civil Protection Orders.

~~RCW 7.105.450 Enforcement and penalties—Other than antiharassment protection orders and extreme risk protection orders.~~

#### **9.50.050 - RCW Title 66, Alcoholic beverage control.**

The following statutes of RCW Title 66, Alcoholic beverage control, are adopted by reference:

~~RCW 66.24.481 Public place or club—License or permit required—Penalty.~~

~~RCW 66.28.080 Permit for music and dancing upon licensed premises.~~

RCW 66.44.090 Acting without a license.

RCW 66.44.100 Opening or consuming liquor in public place.

RCW 66.44.180 General penalties—Jurisdiction for violations.

RCW 66.44.200 Sales to persons apparently under the influence of liquor—Purchases or consumption by persons apparently under the influence of liquor on licensed premises—Penalty—Notice—Separation of actions.

RCW 66.44.270 Furnishing liquor to minors—Possession, use—Penalties—Exhibition of effects—Exceptions.

RCW 66.44.290 Minor purchasing or attempting to purchase liquor—Penalty.

~~RCW 66.44.291 Minor purchasing or attempting to purchase liquor—Penalty against persons between ages of eighteen and twenty, inclusive.~~

RCW 66.44.300 Treating, gifts purchases of liquor for or from minor, or holding out minor as at least twenty-one etc., in public place where liquor sold.

RCW 66.44.310 Minors frequenting off-limits areataverns or cocktail lounges—Misrepresentations of age—Penalty—Classification of licensees.

~~RCW 66.44.320 Sales of liquors to minors a violation.~~

RCW 66.44.325 Unlawful transfer to a minor of age an identification of age.

## **9.50.060 - RCW Title 69, Food, drugs, cosmetics, and poisons.**

The following statutes of RCW Title 69, Food, drugs, cosmetics and poisons, are adopted by reference:

RCW 69.41.030 Sale, delivery or possession of legend drug without prescription or order prohibited—Exceptions—Penalty—Referral to assessment and services.

~~RCW 69.41.070 Penalties.~~

RCW 69.50.401 Prohibited Acts A—Penalties.

RCW 69.50.4011 Counterfeit substances—Penalties—Referral to assessment and services.

RCW 69.50.4013 Possession, use of controlled substance—Penalty—Referral to assessment and services—Possession of useable cannabis, cannabis concentrates, or cannabis-infused products—Delivery.

RCW 69.50.4014 Possession of forty grams or less of cannabis—Penalty—Referral to assessment and services.

RCW 69.50.412 Prohibited Acts E—Penalties.

RCW 69.50.4121 Drug paraphernalia—Selling—Penalty.

#### **9.50.070 - RCW Title 70, Public health and safety.**

The following statutes of RCW Title 70, Public health and safety, are adopted by reference:

~~RCW 70.93.060 Littering prohibited—Penalties.~~

RCW 70.155.080 Purchasing, possessing or obtaining tobacco by persons under the age of 18—Civil infractions—Jurisdiction.

RCW 70A.200.030 Definitions.

RCW 70A.200.060 Littering prohibited—Penalties—Litter cleanup restitution payment.

#### **9.50.080 - RCW Title 77, Fish and Wildlife ~~Game and game fish.~~**

The following statutes of RCW Title 77, Game and game fish, are adopted by reference:

~~RCW 77.156.460250 Loaded rifle or shotgun firearms in vehicles—Unlawful use or possession—Unlawful use of a loaded firearm—Penalty.~~

~~RCW 77.16.260 Shooting firearms from public highway.~~

#### **9.50.090 - Effects of amendments or additions.**

Addition of any new section to, or amendment or repeal of any section in this chapter, shall be deemed to amend the section which has been adopted by reference in this chapter or any part thereof.



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6365**  
**November 7, 2023**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6365: Code Amendments Relating to City Fire Department (Ordinance. No. 23C-17, First Reading)	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Set Ordinance No. 23C-17 for second reading and adoption at the November 21, 2023 Meeting.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	City Attorney
<b>STAFF:</b>	Eileen Keiffer, Madrona Law Group, PLLC Bio Park, City Attorney
<b>COUNCIL LIAISON:</b>	n/a
<b>EXHIBITS:</b>	1. Ordinance No. 23C-17
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda bill is legal cleanup to the Mercer Island City Code (MICC) required by the City's transition to Eastside Fire & Rescue for the provision of fire and emergency medical services beginning January 1, 2024. The MICC currently includes references to an in-house fire and emergency medical service department. Accordingly, housekeeping amendments are required for consistency.

### BACKGROUND

Currently, various sections of the MICC reference the operation of an in-house fire and emergency medical services department. On July 5, 2023, the City Council approved Resolution No. 1645 ([AB 6307](#)) authorizing the execution of an Interlocal Agreement (ILA) between the City of Mercer Island (City) and the non-profit corporation Eastside Fire and Rescue (EFR) for the provision of fire and emergency medical services by EFR to the City beginning on January 1, 2024. The ILA was signed by both parties on July 20, 2023. Consequently, those sections of the MICC that reference operation of an in-house fire and emergency medical services department need to be updated.

### ISSUE/DISCUSSION

The proposed housekeeping amendments to the MICC reflect that the City is getting out of the business of providing fire and emergency medical services and will be obtaining such services through a contracted

provider. The amendments clarify that other references within the MICC that refer to the Fire Department or Fire Marshal shall refer to the City's contracted provider. Amendments are proposed to the following sections of code:

- Chapter 3.32, Police Department and Fire Department
- Chapter 3.30, Civil Service Commission
- Section 4.40.100, Firemen's relief and pension system (Funds)
- Section 3.36.030, Membership (Civil Service Commission)

## RECOMMENDED ACTION

Set Ordinance No. 23C-17 for second reading and adoption at the November 21, 2023 Meeting.

**CITY OF MERCER ISLAND  
ORDINANCE NO. 23C-17**

**AN ORDINANCE OF THE CITY OF MERCER ISLAND, WASHINGTON,  
AMENDING MERCER ISLAND CITY CODE CHAPTERS 3.32 AND 3.30 AND  
SECTIONS 4.40.100 AND 3.36.030, RELATING TO CITY FIRE DEPARTMENT;  
PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE  
DATE.**

**WHEREAS**, on July 20, 2023, the City of Mercer Island (City) and the non-profit corporation Eastside Fire and Rescue (EFR) signed an interlocal agreement (ILA) for the provision of fire and emergency medical services by EFR to the City;

**WHEREAS**, pursuant to the above referenced ILA, EFR will provide contract fire and emergency medical services to the City for a period of ten years, effective January 1, 2024; and

**WHEREAS**, the Mercer Island City Code (MICC) currently establishes a City operated fire department and makes other provisions regarding a City operated fire department; and

**WHEREAS**, the City Council finds that edits to the MICC are necessary to reflect that the provision of fire and emergency medical services will be provided to the City via contract beginning on January 1, 2024;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, DO ORDAIN AS FOLLOWS:

- Section 1. Amendment of MICC Ch. 3.32.** MICC Ch. 3.32, Police Department and Fire Department, is hereby amended in the form attached hereto as Attachment A.
- Section 2. Amendment of MICC Ch. 3.30.** MICC Ch. 3.30, Civil Service Commission, is hereby amended in the form attached hereto as Attachment B.
- Section 3. Amendment of MICC 4.40.100.** MICC Section 4.40.100, Firemen's relief and pension system, is hereby amended in the form attached hereto as Attachment C.
- Section 4. Amendment of MICC 3.36.030.** MICC Section 3.36.030, Membership, is hereby amended in the form attached hereto as Attachment D.
- Section 5. Severability.** If any section, sentence, clause, or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, or its application held inapplicable to any person, property, or circumstance, such invalidity or unconstitutionality shall not affect the validity of any other section, sentence, clause, or phrase of this Ordinance or its application to any other person, property, or circumstance.
- Section 6. Publication and Effective Date.** A summary of this Ordinance consisting of its title shall be published in the official newspaper. This Ordinance shall take effect and be in full force on January 1, 2024, provided that the required number of days since publication has passed.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, AT ITS MEETING ON NOVEMBER 21, 2023.

CITY OF MERCER ISLAND

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Salim Nice, Mayor

ATTEST:

APPROVED AS TO FORM

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Andrea Larson, City Clerk

---

Bio Park, City Attorney

Date of publication:

## Attachment A

### Chapter 3.32 - POLICE DEPARTMENT AND FIRE DEPARTMENT

#### **3.32.010 – Police Department Established.**

There is created and established ~~two~~ one departments for the city to be known as the "police department" and the "fire department."

#### **3.32.020 – Police Department functions and duties.**

The functions of the police department and ~~fire department~~ shall be to perform those duties assigned by the city manager. The duties of the police department shall include crime prevention and suppression and traffic control. ~~The duties of the fire department shall include fire prevention, fire suppression, and emergency medical services.~~

#### **3.32.030 - Appointment and duties of Police Chief~~director~~.**

A. The police chief and ~~fire chief~~ shall be appointed by the city manager. The police chief and ~~fire chief~~ shall be the director of ~~each respective~~ the department and shall have all of the powers granted, together with all of the duties imposed, by the laws of the state relating to ~~fire chiefs~~ and police chiefs, and in addition shall have the power and duty to enforce the ordinances of the city and to perform such other services as the laws of the state and the ordinances of the city may require, and shall receive for the faithful performance of his/her duties such compensation as shall be fixed by the city council.

B. The police chief and ~~fire chief~~ shall be the final departmental authority on all matters of policy, operations, and discipline of ~~each respective~~ the police department. The police chief and ~~fire chief~~ shall be authorized to appoint and remove employees of the police department, subject to applicable civil service laws, rules and regulations and approval by the city manager. The police chief and ~~fire chief~~ shall be responsible to the city manager for the operation of the police department and shall provide the city manager with such reports as he/she may require.

#### **3.32.035 - Civil service.**

The police chief, ~~the fire chief~~, police commander(s), ~~fire deputy chief~~ and administrative assistant(s) to these persons shall not be included in classified civil service.

#### **3.32.040 - Emergency management organization—Established.**

Pursuant to RCW Chapter 38.52, there is hereby established in the city of Mercer Island, Washington, an emergency management organization for the purpose of performing local emergency management functions. The organization shall represent only the city of Mercer Island and shall perform functions only within the city.

#### **3.32.050 - Emergency management organization—Administration.**

The emergency management organization shall be administered by the police chief, or designee.

#### **3.32.060 - Emergency management organization—Powers.**

The emergency management organization shall have all of the powers granted under RCW Chapter 38.52 and the regulations adopted pursuant thereto as now or hereafter amended and as may otherwise be provided by law.

#### **3.32.070 - Fire Department.**



Fire and emergency medical services for the City shall be provided by a qualified contractor pursuant to a contract between the City and the contractor. All references in the Mercer Island City Code to "fire department" shall mean the City's contracted provider of fire and emergency medical services.

**3.32.080- Fire Chief and Fire Marshal.**

The Fire Chief of the City's contracted provider of fire and emergency medical services shall serve as the City's Fire Chief. The City's contracted provider of fire and emergency medical services contractor shall provide Fire Marshal services for the City.

## Attachment B

### Chapter 3.30 - CIVIL SERVICE COMMISSION

#### **3.30.010 - Established.**

There is established a civil service commission for the police department ~~and fire department.~~

#### **3.30.020 - Purpose—Function and jurisdiction.**

Pursuant to RCW Chapters ~~41.08 and~~ 41.12, the civil service commission shall exercise the powers and perform the duties established by state law in connection with the selection, appointment and employment of ~~firefighters and~~ police officers of the city.

#### **3.30.030 - Membership—Term.**

A. The civil service commission shall consist of three voting members who shall be appointed by the city manager. In addition to the voting members, the city manager may serve, or she/he may appoint an employee or employees of the city to serve as an ex officio member without authority to vote. Vacancies occurring in any position on the board shall be filled by appointment made by the city manager for the unexpired term.

B. The term of each voting member, unless terminated earlier by the appointing authority, shall be six years and shall expire on May 31 of the last year of the term, or until the member's successor is appointed and qualifies. The city clerk shall stagger the expiration of the terms of the positions. The ex officio member shall serve at the will of the city manager.

#### **3.30.040 - Meetings—Organization.**

The civil service commission shall determine the time and place of its meetings and shall adopt rules and regulations which shall substantially accomplish the purposes of RCW Chapters ~~41.08 and~~ 41.12. The rules shall be reduced to writing and a copy filed with the city clerk. The rules may be amended from time to time by the commission.

## Attachment C

### Chapter 4.40 - FUNDS

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#### **4.40.100 - Firemen's relief and pension system.**

A. The municipal firemen's relief and pension system, created, established, and set forth in RCW Chapters 41.16 and 41.18, is established in the city. All of the provisions, regulations and details of said chapters are by this reference incorporated in this chapter. Any and all amendments of said chapters or of any section thereof hereafter made shall likewise by this reference be constituted amendments of this chapter without the necessity of further adoption by the legislative authority of the city.

~~B. There is established a municipal firemen's pension board, to consist of the officials and persons designated by statute, being initially the mayor, who shall be the chairman of the board, the city manager, the finance director, and, in addition, two regularly employed firemen elected by secret ballot of the firemen.~~ Reserved.

C. There is established in the treasury of the city a fund to be known and designated as the "firemen's pension fund," into which shall be deposited moneys, bequests, fees, gifts, emoluments, donations, taxes, interest, contributions by firemen, including deductions from their pay, and moneys deriving through the state from taxes on fire insurance premiums. Administration of and disbursements from the fund shall be conducted and made as provided by statute.

## Attachment D

### Chapter 3.36 - DISABILITY BOARD

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#### 3.36.030 - Membership.

Disability board members are to be appointed or elected as provided by RCW 41.26.110 and as provided by this chapter with two-year terms which shall expire on May 31 of the last year of the term. The board shall consist of five voting members as follows:

A. Two members from the city council to be appointed by the mayor, subject to approval by the city council;

B. One active or retired firefighter employed by or retired from the city who is a member of LEOFF-I, to be elected by the LEOFF I firefighters employed by or retired from the city who are subject to the jurisdiction of the board;

C. One active or retired law enforcement officer employed by or retired from the city, who is a member of LEOFF-I, to be elected by the LEOFF I law enforcement officers employed by or retired from the city who are subject to the jurisdiction of the board;

D. One member from the public at large who resides within the city to be appointed by the other four members heretofore designated in this section;

E. If there are either no firefighters or law enforcement officers under the jurisdiction of the board eligible to vote, a second eligible employee representative shall be elected by the law enforcement officers or firefighters eligible to vote.

F. If no eligible active or retired firefighter or law enforcement officer is willing or able to be elected to the board pursuant to the provisions above, then the following individuals may be elected to the board:

1. Any active or retired firefighter under this chapter or chapters 41.16, 41.18, and 52.26 RCW or law enforcement officers under this chapter or chapter 41.20 RCW who resides within the jurisdiction served by the board;

2. The surviving spouse or domestic partner of a firefighter or law enforcement officer subject to the jurisdiction of the board.

G. In addition to the voting members, the city manager may serve, or she/he may appoint an employee or employees of the city to serve, as an ex officio member or members without authority to vote. The ex officio member shall serve at the will of the city manager.



## BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

**AB 6354**  
**November 7, 2023**  
**Regular Business**

### AGENDA BILL INFORMATION

<b>TITLE:</b>	AB 6354: King County Solid Waste Rate Restructure	<input type="checkbox"/> Discussion Only
<b>RECOMMENDED ACTION:</b>	Authorize the City Manager to sign Contract Amendment #1 to the 2019-2029 Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract between the City of Mercer Island and Recology King County, Inc., substantially in the form attached as Exhibit 2 to AB 6354.	<input checked="" type="checkbox"/> Action Needed: <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution

<b>DEPARTMENT:</b>	Public Works
<b>STAFF:</b>	Jason Kintner, Chief of Operations
<b>COUNCIL LIAISON:</b>	Jake Jacobson
<b>EXHIBITS:</b>	1. 2019-2029 Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract 2. Contract Amendment #1
<b>CITY COUNCIL PRIORITY:</b>	n/a

<b>AMOUNT OF EXPENDITURE</b>	\$ n/a
<b>AMOUNT BUDGETED</b>	\$ n/a
<b>APPROPRIATION REQUIRED</b>	\$ n/a

### EXECUTIVE SUMMARY

The purpose of this agenda item is to seek City Council approval of an amendment to the 2019-2029 Comprehensive Garbage, Recyclables and Compostables Collection Services Contract between the City of Mercer Island and Recology King County, Inc. to address the required rate adjustment triggered by King County's disposal fee restructure.

- The City entered into a 10-year agreement with Recology for solid waste services in 2019 (see [AB 5514](#)). The City's existing solid waste and recycling contract with Recology adjusts rates annually for CPI and to reflect changes in King County disposal fees.
- In September 2021, King County restructured its garbage disposal fees that affects the 37 cities and unincorporated areas that utilize King County's transfer stations.
- The King County disposal fee restructure lowers the existing per-ton tipping fee and creates a new Fixed Annual Charge per city based upon prior contribution to the garbage tonnage.
- The new Fixed Annual Charge for Mercer Island in 2024 is \$223,407, which equates to \$1.43 per month per cubic yard of garbage and will become a new line item on customer bills.

- The change goes into effect January 1, 2024. The City has an [interlocal agreement](#) with King County that covers solid waste management, governs how disposal rates are set, and allows for this change.
- Because the King County Fixed Annual Charge is a new category of disposal fee, the contract with Recology needs to be amended to describe how this new charge is going to be accounted for, administered, and collected from customers.
- Additionally, the contract amendment clarifies that the City does not currently levy a Sustainability Fee and, if implemented by the City Council, the fee would appear as a separate line item on customers' garbage bills.

## BACKGROUND

King County Solid Waste Division revenues are primarily generated through incoming garbage tonnage at transfer stations. As the County implements its aggressive waste reduction and diversion programs, disposal revenues are expected to be significantly reduced and the current rate structure, which only includes tipping fees, will not cover the operating costs of the transfer stations.

In September 2021, the King County Council approved a new rate restructure for garbage disposal fees that affects the 37 cities and unincorporated areas in King County that utilize King County's transfer stations. The new King County rate restructure lowers existing the per-ton tipping fee and creates a new Fixed Annual Charge per city based upon prior contribution to the garbage tonnage. Mercer Island's 2024 Fixed Annual Charge is \$223,407. This "utility model" allows King County to maintain essential solid waste disposal facilities and recycling services as the volume of municipal solid waste decreases with successful waste reduction and recycling programming. After a one-year implementation delay, the new rate structure goes into effect January 1, 2024. The City has an [interlocal agreement](#) with King County that covers solid waste management, governs how disposal rates are set, and allows for this change.

The City's existing solid waste and recycling contract with Recology includes provisions for rate adjustments not only for annual CPI, but also for changes in King County disposal fees (see Exhibit 1). King County disposal fees, including the new Fixed Annual Charge, are collected by Recology from customers as pass-through charges on behalf of the City, which is required under its interlocal agreement with King County to pay the fees for solid waste management. Therefore, the City's contract with Recology needs to be amended to allow Recology, on behalf of the City, to collect the new King County Fixed Annual Charge from customers. The amendment also establishes the method for accounting and administering this new charge.

While the new King County Fixed Annual Charge is set by King County, the City's solid waste contract with Recology determines how the new fee is collected and allocated across the customer base. To assist cities with contract negotiations required to address the rate restructure, King County retained the services of a solid waste contract consultant, Epicenter Services, to negotiate and draft template contract amendments for each of the three primary waste haulers in the King County: Waste Management, Recology, and Republic Services. Each waste hauler has its own method for allocating the new Fixed Annual Charge across their respective customer bases, but all Recology cities will use a similar method. Several other cities that contract with Recology for solid waste services have adopted the rate restructure language including Tukwila, North Bend, Issaquah, Maple Valley, and Shoreline.

King County's new rate restructure is intended to be revenue-neutral, meaning that the revenue increase associated with the new Fixed Annual Charge will offset the anticipated revenue loss from the tipping fees.

The table below provides a comparison of the 2023 and 2024 Mercer Island monthly garbage fees/charges for common service levels. The rate table reflects the following changes in the rate structure, but does not include taxes:

- 2024 CPI increase of 5.00% which adjusts the service component of the rates. The actual CPI increase is 6.55%, but the contract caps any increase to 5.00%.
- King County tipping fee decreased from \$168.68 per ton to \$150.83 in 2024, adjusting the disposal component of the rates.
- Mercer Island's 2024 Fixed Annual Charge is \$223,407 which calculates to \$1.43 monthly charge per cubic yard of garbage and will become a new line item on the customer bill.

Common Garbage Service Level	2023 Monthly Garbage Rate	2024 Monthly Garbage Rate	2024 Fixed Annual Charge	Total 2024 Monthly Fee/Charge
<b>Residential 32-gallon Cart</b>	<b>\$35.08</b>	\$36.17	\$1.04	<b>\$37.21</b>
<b>Commercial 3-yd Dumpster</b>	<b>\$390.92</b>	\$391.62	\$18.57	<b>\$410.19</b>
<b>Multifamily 3-yd Dumpster</b>	<b>\$458.08</b>	\$444.88	\$18.57	<b>\$463.45</b>

Note that the 2024 rates also reflect residential and multifamily recycling commodity adjustment changes due to updated waste characterization and commodity values. The residential monthly credit will decrease from \$3.24 to \$2.96 and the multifamily per cubic yard credit will decrease from \$2.06 to \$1.88. Most of the change is attributed to the significant decrease in the value of all plastics. This portion of the rate change is separately covered under Section 5.3.4 of the existing contract with Recology, and it is unrelated to changes to King County disposal fees or the proposed amendment to the Recology contract (see Exhibit 2).

## ISSUE/DISCUSSION

The contract amendment with Recology is attached as Exhibit 2 and was negotiated to address the new King County Solid Waste disposal fee structure and includes the following provisions:

- Customer rates will continue to be comprised of a collection component adjusted annually by CPI, and tipping fee component adjusted annually by the proportionate increase or decrease in the County's per-ton tipping fee.
- A new King County Fixed Annual Charge will be added to customer bills as a separate line item. This new charge reflects the proportionate amount of the County's Fixed Annual Charge assigned to the City based on the size of the customer's garbage container. Customers with a smaller garbage container will pay a lower rate than those with a larger container. The application of the County's new Fixed Annual Charge will be recalculated annually based upon current customer counts and container sizes.

One of the complexities of the new King County Fixed Annual Charge is that Recology must pay a fixed rate on behalf of the City over the year, but the customer base and garbage collection container sizes change during that same period. To address this, a reconciliation element was added to the contract amendment to minimize any overcollection or under-collection related to the new Fixed Annual Charge.

- The City and Recology will track customer payments made to Recology associated with the new King County Fixed Annual Charge and compare them to the set rate that Recology pays the County for the City's Fixed Annual Charge. These amounts will be reconciled annually in September, and any overpayment or underpayment will result in an adjustment to the customer rates the following year.
- In the last year of the contract, the Fixed Annual Charge collected from customers will be increased slightly to ensure that customer payments to Recology will satisfy the County's Fixed Annual Charge requirement. Any overpayments at the end of the contract will be paid to the City. This is anticipated to be a very small amount.

### **Sustainability Fee**

Most cities in King County include an administrative fee or sustainability fee in their solid waste contracts, which is used to cover administrative costs related to managing and administering the solid waste collection contract. Although the City of Mercer Island's current contract with Recology allows for implementation of a Sustainability Fee, the City does not currently collect this fee from solid waste customers. The proposed contract amendment with Recology (Exhibit 2) does not change the Sustainability Fee and the fee will remain at 0%.

If the City chooses to implement the Sustainability Fee in the future, it must first be approved by the City Council and it must be, under the current contract with Recology, no greater than 3.5% of gross revenues. In addition, if implemented, the Sustainability Fee would be charged as a separate line item on customers' garbage bills rather than incorporated into solid waste rates.

## **NEXT STEPS**

Recology is creating customer-facing education and outreach related to the new Fixed Annual Charge, including information in the annual rates mailer, a bill insert, and social media promotion. King County has posted information on their website explaining the new charge. New rates will go into effect on January 1, 2024.

## **RECOMMENDED ACTION**

Authorize the City Manager to sign Contract Amendment #1 to the 2019-2029 Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract between the City of Mercer Island and Recology King County, Inc., substantially in the form attached as Exhibit 2 to AB 6354.



# COMPREHENSIVE GARBAGE, RECYCLABLES, AND COMPOSTABLES COLLECTION SERVICES CONTRACT

City of Mercer Island  
and  
Recology King County Inc.

October 1, 2019 – September 30, 2029



**Comprehensive Garbage, Recyclables, and Compostables  
Collection Services Contract  
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EXHIBIT C: Recyclables List  
EXHIBIT D: Rate Modification Example  
EXHIBIT E: Commodity Value Calculation  
\*\*\*

**Comprehensive Garbage, Recyclables, and Compostables  
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This Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract (hereafter, "Contract"), passed by the Mercer Island City Council at its regular meeting on the 11<sup>TH</sup> day of December, 2018. This Contract is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2019 (hereafter the "Date of Execution"), by and between the City of Mercer Island, a municipal corporation (hereafter "City"), and Recology King County Inc. (hereafter "Contractor").

**RECITALS**

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

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

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

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

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

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

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

**AGREEMENT**

**1. DEFINITIONS**

The following definitions apply to terms used in this Contract:

**Bulky Waste:** Discrete items of Garbage of a size or shape that precludes collection in regular collection containers. Bulky Waste includes: large appliances (such as refrigerators, freezers, stoves, dishwashers, clothes washing machines or dryers), water heaters, furniture (such as chairs or sofas), televisions, mattresses, and other similar large items placed at the Curb as discrete separate items. Bulky Waste

does not include piles of debris, car parts, construction or demolition debris, any item that would be considered Hazardous Waste, or stumps.

**Cart:** A Contractor-provided 20-, 35-, 64-, or 96-gallon wheeled Container with attached lid suitable for collection, storage, and Curbside placement of Garbage, Recyclables, or Compostables. Carts shall be rodent and insect resistant.

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

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

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

**Compostables:** Any organic waste material that is Source-separated for processing or composting, such as Yard Debris and Foodscraps generated by any Residential or Commercial customers. Shredded uncontaminated paper shall be accepted as a Compostable material.

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

**Container:** Any Garbage Can, Cart, Detachable Container, or Drop-box Container used in the performance of this Contract.

**Contract:** Refers to this contract for comprehensive garbage, recyclables and compostable collection services.

**Contract Term:** Refers to the term of this Contract as provided for in Section 2.

**County:** King County in Washington State.

**Curb or Curbside:** Refers to the Customers' property, within five (5) feet of the Public Street or Private Road (or on the sidewalk without completely obstructing the sidewalk, if there is no Customer property within five (5) feet of the Public Street or Private Road) without blocking driveways or on-street parking.

If extraordinary circumstances preclude such a location, Curbside shall be considered a placement suitable to the Customer, convenient to the Contractor's equipment, and mutually agreed to by the City and Contractor.

**Customer:** All account-holders of the Contractor's services within the City.

**Date of Commencement of Service:** October 1, 2019, which is the date that the Contractor agrees to commence the provision of Services as described throughout this Contract.

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

**Day/Days:** Calendar days unless otherwise specified.

**Detachable Container:** 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.

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

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

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

**Extra Unit:** Excess material that does not fit in the Customer's primary Container. In the case of Garbage and Compostables Cart services, an Extra Unit is 32-gallons and may be contained in either a plastic bag or Garbage can. In the case of Garbage Containers one (1) cubic yard or more in capacity, an Extra Unit is one (1) cubic yard.

**Food Scraps:** All compostable pre- and post-consumer food waste, such as whole or partial pieces of produce, meats, bones, cheese, bread, cereals, coffee grounds, or 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 dead animals, plastics, diapers, cat litter, liquid wastes, ashes, pet wastes, or other materials prohibited by the selected composting facility. The range of materials handled by the Compostables collection program may be changed from time to time upon the mutual agreement of the Parties to reflect those materials allowed by the jurisdictional health department for the frequency of collection provided by the Contractor.

**Garbage:** All putrescible and non-putrescible solid and semi-solid wastes, including, but not limited to, rubbish, ashes, industrial wastes, swill, demolition and construction wastes, dead small animals completely wrapped in plastic and weighing less than fifteen (15) pounds, and discarded commodities that are placed by Customers in appropriate Containers, bags, or other receptacles for collection and disposal by the Contractor. Needles or "sharps" used for the administration of medication can be



included in the definition of "Garbage," provided that they are placed within a sealed, secure container as agreed upon by the City and the Contractor and this handling is consistent with current King County sharps policy. The term "Garbage" shall not include Hazardous Wastes, Source-separated recyclable materials, or Source-separated Compostables.

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

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

- A. Defined as hazardous by 40 C.F.R. Part 261.3 and regulated as hazardous waste by the United States Environmental Protection Agency under Subtitle C of the Resource Conservation and Recovery Act ("RCRA") of 1976, 42 U.S.C. § 6901 et seq., as amended by the Hazardous and Solid Waste Amendments ("HSWA") of 1984; the Toxic Substances Control Act, 15 U.S.C. § 2601 et seq., as may be amended; or any other federal statute or regulation governing the treatment, storage, handling, or disposal of waste imposing special handling or disposal requirements similar to those required by Subtitle C of RCRA;
- B. Defined as dangerous or extremely hazardous by WAC 173-303-040, as may be amended, and regulated as dangerous waste or extremely hazardous waste by the Washington State Department of Ecology under the State Hazardous Waste Management Act, Chapter 70.105 RCW, or any other Washington State statute, regulation or rule governing the treatment, storage, handling, or disposal of wastes and imposing special handling requirements similar to those required by Chapter 70.105 RCW; and
- C. Any substance that comes within the scope of this definition as determined by the City after the Date of Execution of this Contract.

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

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

**Multifamily Complex:** A multiple-unit Residence with multiple attached or unattached dwellings billed collectively for collection service.

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

**Party:** Either the City or the Contractor.

**Parties:** The City and Contractor.

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

**Public Street:** A public right-of-way used for public travel, including public alleys.

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

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

**Residence/Residential:** A single-family and/or multifamily living space individually rented, leased or owned.

**Services:** Refers to the comprehensive garbage, recyclables and compostables collection and processing services provided by the Contractor pursuant to the Contract.

**Service Area:** The service boundaries indicated in Exhibit A as of the Date of Commencement of Service, which shall be the City's corporate boundaries.

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

**Source-separated:** Certain reclaimable materials that are separated from Garbage by the generator for recycling or reuse, including but not limited to Recyclables, Compostables, and other materials.

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

**Strike Contingency Plan:** The plan the Contractor will develop pursuant to Section 4.1.19 of this Contract.

**Transition and Implementation Plan:** The plan that the Contractor will develop pursuant to Section 4.1.22 of this Contract.

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

**WUTC:** The Washington Utilities and Transportation Commission.

**Yard Debris:** Leaves, grass, prunings, branches and small trees. 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 in diameter by four (4) feet in length and no more than fifty-five (55) pounds, shall be allowed, and shall be secured by degradable string or twine, not nylon or other synthetic materials. Un-flocked, undecorated whole Christmas trees cut to less than six (6) feet in height are acceptable. Kraft paper bags, or Garbage Cans labeled "Yard Debris" may also be used to contain extra Yard Debris.

## 2. TERM OF CONTRACT

The Term of this Contract is ten (10) years starting on the Date of Commencement of Service. The City and Contractor, may, at the sole option of the City, extend the Contract for an extension of up to two (2) years in duration. The extension shall be under the original terms and conditions of this Contract or (if the Contract has been amended) as the Contract may have been amended at the time of the extension. To exercise the option to extend this Contract, written notice shall be given by the City to the Contractor not less than one hundred and eighty (180) days prior to the expiration of the Contract Term. With the parties' written consent, the requirement of one hundred and eighty days prior notice may be waived. At the time the City provides the Contractor with written notice of extension the Contractor may provide the City with a written proposal detailing services, terms, and rates for a longer contract extension or renegotiation of this Contract. The City shall review the proposal and may, at its sole discretion, determine whether to enter into negotiations regarding the proposal.

## 3. CONTRACTOR REPRESENTATIONS AND WARRANTIES

The Contractor represents and warrants to the City as follows:

- *Organization and Qualification.* The Contractor is duly incorporated, validly existing, and in good standing under the laws of the state of Washington, and has all requisite corporate power and authority to enter into and to perform its obligations under this Contract.
- *Authority.* The Contractor has the authority to execute this Contract, to make the representations and warranties set forth in it, and to perform the obligations of the Contractor under this Contract in accordance with its terms. This Contract has been validly executed by an authorized representative of the Contractor, with the authority to sign on behalf of and bind the Contractor, and this Contract constitutes a valid and legally binding and enforceable obligation of Contractor.
- *Government Authorizations and Consents.* The Contractor has or will obtain at its sole cost prior to the Date of Commencement of Service any such licenses, permits, and other authorizations from federal, state, and other governmental authorities, as are necessary for the performance of its obligations under this Contract.
- *Compliance with Laws.* The Contractor is not in violation of any applicable laws, ordinances, or regulations, which may impact the Contractor's ability to perform its obligations under this Contract or which may have any impact on the City. The Contractor is not subject to any order or judgment of any court, tribunal, or governmental agency that impacts its operations or assets or its ability to perform its obligations under this Contract.

- *Accuracy of Information.* None of the representations or warranties in this Contract, and none of the documents, statements, reports, certificates, or schedules furnished or to be furnished by the Contractor pursuant to this Contract or in connection with the performance of the obligations contemplated under this Contract, at any time contain or will contain untrue statements of a material fact or omissions of material facts.
- *Independent Examination.* In accepting these responsibilities, the Contractor represents and affirms that it has made its own examination of all conditions affecting the performance of this Contract, currently and into the future, and of the quantity, quality, and expense of labor, equipment, vehicles, facilities, properties, materials needed, and of applicable taxes, permits, and applicable laws. The Contractor affirms that within the Service Area it is aware of the present placement and location of all Containers. The Contractor represents and warrants that it is capable of collecting all Containers from their present locations, and that it is capable of providing service to and collection of Containers in any areas of the Service Area that may be built out or developed during the term of this Contract.

#### **4. SCOPE OF WORK**

##### **4.1 General Collection System Requirements**

###### **4.1.1 Service Area**

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

###### **4.1.2 Service to Residences on Private Roads and Driveways**

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

In the event that the Contractor believes that a Private Road cannot be safely negotiated or that providing walk-in service on Driveways for Single-Family Residence Customers is impractical due to distance or unsafe conditions, the Contractor may request that the City evaluate on-site conditions and make a determination of the best approach for providing safe and appropriate service to the Customer. The City's determination shall be final, provided that the Contractor shall not be required to endanger workers, equipment, or property.

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

#### **4.1.3 Hours/Days of Collection**

All collections from Single-family Residential Customers and Residential zones, including mixed-use areas shall be made between the hours of 7:00 a.m. and 4:00 p.m. on a consistent weekday, unless the City authorizes a temporary extension of hours or days. Saturday collection is allowed to the extent consistent with holiday and inclement weather schedules.

All collections from Commercial Customers shall be made between the hours of 4:00 a.m. and 4:00 p.m., provided that service to those Customers shall neither disturb Residential Customers in adjoining Residential zoned areas, nor violate the noise provisions of the Mercer Island Municipal Code, as amended. Collections from Commercial Customers within audible distance of Residential Customers shall be made only between the hours of 7:00 a.m. and 4:00 p.m., and no earlier than 9:00 a.m. on Saturday in the event of make-up collections. Exemptions to the hour requirements may be granted in writing in advance by the City to accommodate the special needs of Commercial Customers where allowed by the Mercer Island Municipal Code. The City's noise ordinance, as amended, may further restrict these terms and hours of collection.

#### **4.1.4 Employee Conduct**

The Contractor's employees collecting Garbage, Recyclables, or Compostables shall at all times be courteous, refrain from loud, inappropriate or obscene language, exercise due care, perform their work without delay, minimize noise, and avoid damage to public and private property. If on private property, Contractor employees shall follow the regular pedestrian walkways and paths, returning to the street after replacing empty Containers. Contractor employees shall not trespass or loiter, cross flowerbeds, hedges, or property of adjoining premises, or meddle with property that does not concern them or their task at hand. While performing work under the Contract, Contractor employees shall wear a professional and presentable uniform with a company emblem visible to the average observer, and carry photo identification on their person. At the City's option and direction, Contractor employees shall work with groups or organizations, such as neighborhood community organizations, homeowner associations, or the City's Utilities, Police, or Fire Departments, for training to recognize and call the appropriate agency when suspicious activities are observed.

If any person employed by the Contractor to perform collection services is, in the opinion of the City, incompetent, disorderly, or otherwise unsatisfactory, the City shall promptly document the incompetent, disorderly, or unsatisfactory conduct in writing and transmit the documentation to the Contractor with a demand that such conduct be corrected. The Contractor shall promptly investigate any written complaint from the City regarding any unsatisfactory performance by any of its employees and take immediate corrective action. The City reserves the right to request at any time that the person be removed from all performance of additional work under this Contract. The Contractor shall remove the employee from Contract work within four hours of City notification.

#### **4.1.5 Disabled Persons Service**

The Contractor shall provide carryout service for Garbage, Recyclables, and Compostables to Single-Family Residence Customers in cases where no household member has the ability to place Containers at the Curb, at no additional charge. The Contractor shall use criteria that are fair and meet the needs of

the City's disabled residents. These criteria shall comply with all local, state and federal regulations, and shall be subject to City review and approval prior to program implementation, which shall not be unreasonably withheld by the City.

#### **4.1.6 Holiday Schedules**

The Contractor shall observe the same holiday schedule as the King County Transfer Stations. When observed holidays fall on a regular collection day, the Contractor shall reschedule the remainder of the week of regular collection to the next succeeding business day, which shall include Saturdays. The Contractor may not collect Single-Family Residence and Multifamily Complex Garbage, Recyclables, or Compostables earlier than the regular collection day due to a holiday. Commercial collections may be made one (1) day early only with the consent of the Commercial Customer. Holiday scheduling information shall be included in written program materials, on the Contractor's web site, and by press releases to general news media in the Mercer Island area by the Contractor the week prior to the holiday affecting service.

#### **4.1.7 Inclement Weather**

The Contractor shall provide all collection services unless weather conditions are such that continued operation would result in danger to the Contractor's staff, area residents, or property. In that event, the Contractor shall collect only in areas that do not pose a danger. The Contractor shall notify the City by telephone or email of the areas not to be served by 6:00 a.m. on the same business day. Once Contractor vehicles are on-route, areas intentionally missed due to hazardous conditions and not previously reported to the City, shall be approved by a route supervisor and reported to the City not later than 5:00 p.m. on the same day. The Contractor shall coordinate missed collection areas so that Customers either have all or none of their materials collected to avoid Customer complaints and calls. The Contractor shall provide automated notification calls, texts or e-mails (at Customers' preference) to all missed Customers by 3:00 p.m., including information about when their next collection is expected.

In the event that collection services are interrupted for one week for any Single-Family Residential Customers, the Contractor shall collect Garbage and Compostables from those Customers with interrupted service on their next regularly scheduled collection day and Recyclables shall be collected the next calendar day, with routes shifted one day back, with Friday's collection on Saturday. If such conditions continue for a second consecutive day or more, the Contractor shall, on the first day that regular service to a customer resumes, collect all the materials that the customer places out for collection, including Recyclables, even if not scheduled that week. The Contractor is authorized to perform collection services after 4:00 pm during, or immediately after, disruptions due to weather in order to finish the collection routes.

The Contractor shall collect Garbage, Recyclables and Compostables from Multifamily Complex and Commercial Customers as soon as safely possible.

In the event that collection services are interrupted for two or more collection cycles for one or more Single-family Residential Customers, the Contractor shall provide a temporary Residential Garbage and Recycling collection site on the day of the second missed day using driver-staffed Drop-box Containers or other suitable equipment, with no extra charge assessed for such temporary service.

For all Customers, the Contractor shall collect reasonable accumulated volumes of materials equal to what would have been collected on the missed collection day(s) from Customers at no extra charge. On the day that collections resume, the Contractor shall take bags, boxes and other secure material, and shall empty temporary receptacles that customers have used when the collection Containers have been filled.

Following notification to the City, the Contractor will be provided temporary authorization to perform collection services after 4:00 p.m. and/or on Saturdays following disruptions due to weather in order to finish collection routes.

Weather policies shall be included in program information provided to Customers and on the Contractor's city-specific webpage. On each inclement weather day, the Contractor shall release notices to local newspapers and radio stations notifying residents of the modification to the collection schedule.

#### **4.1.8 Suspending Collection from Problem Customers**

The City and Contractor acknowledge that, in rare cases, 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-provided containers, repeated suspect claims of timely set-out followed by demands for return collection at no charge, repeated unsubstantiated claims of Contractor damage to a Customer's property, repeated contamination of Recyclables or Compostables, or other such problems.

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

#### **4.1.9 Missed Collections**

If Garbage, Recyclables, or Compostables are set out inappropriately, improperly prepared, or contaminated with unacceptable materials, the Contractor shall place in a prominent location a written notification tag that identifies the specific problem(s) and reason(s) for rejecting the materials for collection. Failure to provide proper written notification to Customers, per the contamination reduction program referenced in Section 4.1.11, of the reason for rejecting materials for collection shall be considered a missed collection and subject to performance fees due to lack of proper Customer notification.

The failure of the Contractor to collect Garbage, Recyclables, or Compostables that has been set out by a Customer in the proper manner on the appropriate day shall be considered a missed collection, and the Contractor shall collect the materials from the Customer within one business day of the Contractor's receipt of notification of the missed pick-up. If the Contractor is notified of a missed pick-up by 9:00 AM the following business day, the missed pick-up shall be collected that same day. The Contractor shall

maintain an electronic record of all calls related to missed collections and the response provided by the Contractor. Such records shall be made available for inspection upon request by the City, and the information shall be included in monthly reports. (See Reporting requirements set forth in Section 4.3.4).

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

#### **4.1.10 Same Day Collection**

Garbage, Recyclables, and Compostables collection shall occur on the same regularly scheduled day of the week for Single-Family Residence Customers. The collection of Garbage, Recyclables, and Compostables from Multifamily Complexes and Commercial Customers need not be scheduled on the same day.

#### **4.1.11 Requirement to Recycle and Compost and Quality Assurance**

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

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

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

The Contractor shall develop and implement a program to reduce contamination in Customers' Recyclables and Compostables Containers. The Contractor's program shall include communication, education and outreach to Customers, and methods for evaluating Customer compliance with recycling and contamination standards.

Contractor shall provide such information as the City may request regarding aggregate contamination data that is collected and maintained by the Contractor on a quarterly basis. However, notwithstanding



the foregoing or any other provision of this Agreement, the Contractor shall not provide any information to City regarding the contents of any individual Customer's Container.

#### **4.1.12 Routing, Notification and Approval**

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

The Contractor may change the day of collection by giving notice at least thirty (30) days prior to the effective date of the proposed change to and obtaining written approval from the City. On the City's approval, the Contractor shall provide affected Customers with at least fourteen (14) days written, telephone, and/or e-mail notice of pending changes of collection day. The Contractor shall obtain the prior written approval from the City of the notice to be given to the Customer, such approval shall not be unreasonably withheld.

#### **4.1.13 Vehicle and Equipment Type/Age/Condition/Use**

The Contractor shall use new 2018 or later model year collection vehicles for Garbage, Recyclables, and Compostables collection services performed under this contract under this Contract. Back-up vehicles used fewer than thirty (30) operating days a calendar year shall not be subject to the age that apply to regularly-used vehicles, but shall be presentable, shall be in safe working order, and shall be subject to all other conditions of this section. The accumulated annual use of individual back-up vehicles shall be reported in the Contractor's monthly report.

Vehicles used in the performance of this Contract shall be of sufficient size and dimension to provide service to all Customers, regardless of location. In some cases, this may mean that a small collection vehicle, capable of servicing narrow and/or tight locations must be used, and the Contractor shall make such vehicles available to ensure smooth and effective collection services throughout the Service Area. Vehicles shall have a switchable placard that clearly indicates the material stream currently being collected by that vehicle. The colors, trim scheme, and design to be used by the Contractor on the switchable placards shall be subject to the prior written approval of the City. The lack of switchable placards on collection vehicles shall be cause for performance fees as described in Section 6.1.

Vehicles shall be maintained in a clean and sanitary manner, and shall be thoroughly washed at least once each week. All collection equipment shall have appropriate safety markings, including all highway lighting, flashing and warning lights, clearance lights, and warning flags, all in accordance with current statutes, rules and regulations. Equipment shall be maintained in good condition at all times. Vehicles shall be repaired and/or have damaged areas repainted upon showing rust on the body or chassis or at the request of the City. All parts and systems of the collection vehicles shall operate properly and be maintained in a condition compliant with all federal, state, and local safety requirements and be in a condition satisfactory to the City. All vehicles shall be equipped with variable tone or proximity activated reverse movement back-up alarms.

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

shall not be used within the Service Area until repairs are made. Clean-up of any discharge of liquid wastes or oils that may occur from Contractor's vehicles or Containers prior to them being removed from service shall be initiated within three (3) hours of being noticed/notified by route staff, customers, or the City, and shall be remediated by the Contractor at its sole expense. Such clean-up or removal shall be documented with pictures, and notice of such clean-up or removal shall be provided to the City in writing. The Contractor shall notify the City-designated spill reporting telephone number of any spills that enter drainages within four hours. Failure by the Contractor to clean-up or remove the discharge in a timely fashion to the satisfaction of the City shall be cause for performance fees, as described in Section 6.1. The Contractor shall notify the City and the Customer of any leakage from non-Contractor-owned Containers within four hours of observation so that those spills may be addressed in a timely manner.

No advertising shall be allowed on Contractor vehicles other than the Contractor's name, logo, customer service telephone number, and website address, unless otherwise previously approved in writing by the City. Special promotional messages may be permitted by the City; provided they are either painted directly on vehicles or on special placards attached to vehicles. The City's approval shall be in writing and solely within the City's discretion. Vehicle inventory numbers shall be displayed on the rear panel of the vehicle body and shall show, in lettering at least 6" high, an abbreviated truck designation number specific to the City. For example, N-1, N-2, etc. limited to a two digit letter and numeral to aid in rapid identification of vehicles to allow more precise reporting and correction of any unsatisfactory condition related to specific vehicles. The City may approve a different numbering system proposed by the Contractor provided that it meets the objective of rapid and memorable truck identification. The City will provide the Contractor with policy timelines for reporting spills versus driving complaints to the City. Spills should be reported within four hours to the City as directed by the City's reporting policies, which will be provided to the Contractor by the City.

All Contractor route, service, and supervisory vehicles shall be equipped with properly licensed two-way communication equipment. The Contractor shall maintain a base station or have equipment capable of reaching all collection areas. Collection vehicles shall also be equipped with back-up cameras, as well as route-recording cameras integrated with their on-board route management system.

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

#### **4.1.14 Container Requirements and Ownership**

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

Single-Family Residence, Multifamily Complex, and Commercial Customers must use Contractor-provided Containers for their initial Container of Garbage collection service, with the exception of

compacting Drop-box Containers, which may be Customer-owned or –leased from other parties. Plastic bags or Garbage Cans may be used for excess volumes of Garbage, but not as a Customer's primary container.

In the event the Customer uses a Garbage Can for Extra Units, the Contractor shall handle the Customer-owned Garbage Container in such a way as to prevent undue damage. The Contractor shall be responsible for unnecessary or unreasonable damage to Customer-owned Containers.

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

#### **4.1.14.1 Garbage, Recyclables, and Compostables Carts**

The Contractor shall provide a 20-, 35-, 64-, and 96-gallon Garbage Carts for the respective level of Garbage collection, 35-, 64-, and 96-gallon Carts for Recyclables collection, and 20-, 35-, 64-, and 96-gallon Compostables Carts for Compostables collection. All Carts used at the start of this Contract shall be new. All Carts shall be manufactured from a minimum of fifteen percent (15%) post-consumer recycled plastic, with a lid that will accommodate a label. Carts shall be provided to requesting Customers within seven (7) days of the Customer's initial request. All Carts must have materials preparation instructions and telephone and website contact information printed on a sticker on the lid.

All Contractor-provided Carts shall be maintained by the Contractor in good condition for material storage and handling; contain no jagged edges or holes; contain wheels or rollers for movement and be equipped with an anti-skid device or sufficient surface area on the bottom of the container to prevent unwanted movement. Carts shall contain instructions for proper use, including any Customer actions that would void manufacture warranties (such as placement of hot ashes in the container causing the container to melt), and procedures to follow to minimize potential fire problems.

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

In the event that a Customer repeatedly damages a Container or requests more than one replacement Container during the term of the Contract due to negligence or intentional misuse, the Contractor shall forward in writing the Customer's name and address to the City. The City shall then attempt to resolve

the problem. In the event that the problem continues, the Contractor may charge the Customer a City-approved Container repair or replacement fee and/or discontinue service to that Customer, provided the City provides previous written approval.

#### **4.1.14.2 Detachable Containers and Drop-box Containers**

The Contractor shall furnish and install 1-, 1.5-, 2-, 3-, 4-, 6-, and 8-cubic yard Detachable Containers, and 10-, 20-, 30-, and 40-cubic yard un-compacted Drop-box Containers to any Customer who requires their use for storage and collection of Garbage or Recyclables within three (3) days of the Customer's request. Containers shall be located on the premises in compliance with any related ordinance, and a manner satisfactory to the Customer and for collection by the Contractor.

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

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

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

As between the Contractor and the City, all Containers on Customers' premises are at the Contractor's risk and not the City's. The Contractor shall repair or replace within one business day any Container that was supplied by or taken over by the Contractor and was in use if the City Code Compliance Inspector, King County Health Department inspector, or other agent having safety or health jurisdiction determines that the Container fails to comply with reasonable standards or constitutes a health or safety hazard. The Contractor shall place Detachable Containers in areas mutually agreed upon by the Contractor and Customer with the least slope and best vehicle access possible. For Customers that must stage their Detachable Containers on Public Streets or on significantly sloped hills, the Contractor shall make a good faith effort to work with the Customer to ensure that Detachable Containers are not left unattended in potentially problematic staging areas and are sufficiently restrained such that the Container may not roll and cause harm to persons or property. The Contractor may require a Customer to attend to the Containers immediately prior to and after collection. Any disputes arising between the Contractor and a Customer as to what constitutes a "significantly sloped hill" or a "safety hazard" shall be submitted in writing to the City, and the City's decision shall be final. Containers shall be replaced after emptying in the same location as found, with the lid closed.

Customer containers shall be supplied by the Contractor, with the exception of compactors. Customers may elect to own or secure secondary Containers from other sources, and shall not be subject to discrimination by the Contractor in collection services on that account, provided that such Containers

(including Carts) are compatible with the Contractor's collection equipment. However, Containers owned or secured by Customers must be properly labeled with Contractor-provided stickers to be eligible for collection. The Contractor is not required to service Customer Containers that are not compatible with the Contractor's equipment.

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

#### **4.1.14.3 Ownership**

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

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

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

#### **4.1.14.4 Container Colors and Labeling**

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

All Containers shall be labeled with instructional information and contact information that include both a customer service phone number and website address. All labels shall be approved by the City prior to ordering by the Contractor. Location of the label on Containers shall be subject to the City's prior approval. Labels shall be redone when faded, damaged, or upon the City or customer request. Should any changes be made to the Garbage, Recycling, or Compostables collection program, the Contractor at their sole expense shall reproduce and reaffix labels on all Containers.

All Detachable Containers and Drop-box Containers to be used for Garbage or Recyclables collection shall have materials preparation instructions and telephone/contact information, including both a customer service phone number and a website address, printed on a sticker, and subject to the prior written approval of the City. All Detachable Containers and Drop-box Containers to be used for Garbage or Recyclables shall have a sticker affixed that states: "Leaky dumpster? Damaged Lid?" and provides a

phone number to call for repair or replacement. Information shall be printed in a size that is easily read by the users, on durable UV-resistant label stock squarely affixed to each Container. All labels shall be approved in writing by the City prior to ordering by the Contractor. Location of the label on the Containers shall be subject to the City's prior written approval.

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

#### **4.1.14.5 Container Weights**

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

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

#### **4.1.14.6 Container Removal Upon City or Customer Request**

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

#### **4.1.15 Inventory of Vehicles and Facilities**

The Contractor shall provide to the City, on the Date of Commencement of Service of this Contract, a complete initial inventory of the vehicles and facilities to be used in the performance of this Contract. The inventory shall include each vehicle (including chassis model year, type of body, material collected, capacity, model, and vehicle identification number) and each facility to be used in performance of this Contract (including address and purpose of the facility). The Contractor may change vehicles and facilities from time to time, and shall include the revised inventory in the monthly report provided for in Section 4.3.4.1. The Contractor shall maintain vehicles and facilities levels during the performance of this Contract at least equal to those levels described in the initial inventory. The City reserves the right to request maintenance history logs for vehicles or equipment during the performance of this Contract.

#### **4.1.16 Spillage**

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

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

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

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

#### **4.1.17 Pilot Programs**

The City may wish to test and/or implement one or more new services or developments in waste stream segregation, materials processing, or collection technology at some point during the term of this Contract. The City shall notify the Contractor in writing at least ninety (90) days in advance of its intention to implement a pilot program or of its intentions to utilize a new technology system on a partial or city-wide basis, or as negotiated between the City and Contractor. The costs (or savings) accrued by city-initiated pilot programs shall be negotiated prior to implementation. If the City deems the pilot a success, and desires to incorporate the service or development represented in the pilot program in the terms of this Contract, the City and Contractor each agrees to negotiate in good faith and in accordance with Section 8.14 to include the provisions of the pilot program into this Contract, including any costs or savings to be accrued.

Contractor-initiated pilot programs shall require prior written notification to and written approval by the City. Contractor-initiated pilot programs shall be performed at no additional cost to the City or the Contractor's Customers; however, costs (or savings) accrued may be subject to negotiations prior to implementation at the City's request. Results of any Contractor-initiated pilot program shall be reported to the City in the monthly reports described in Section 4.3.4.1. The Contractor shall not be required to test or implement any pilot program, new technology, service or development unless the terms and conditions thereof (including any savings or additional compensation to Contractor) have been mutually agreed in writing by the City and Contractor.

#### **4.1.18 Disruption Due to Construction**

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

#### **4.1.19 Contractor Planning and Performance Under Labor Disruption**

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

1. The Contractor's specific staffing plan to cover Contract services, including identification of staff resources moved from out-of-area operations and the use of local management staff to provide basic services. The staffing plan shall be sufficient to provide recovery of full operations within one week following the initiation of the disruption.
2. Contingency training plans to ensure that replacement and management staff operating routes are able to continue to collect route data and follow collection and material delivery procedures for all material streams collected from Customers.
3. Identification of temporary Drop-box Containers or staffed packer truck locations for all material streams. For all sites identified in the Contractor-prepared Strike Contingency Plan, the Contractor shall list the property owner/lessee's contact information and the date on which permission for temporary use was received. The City shall review these locations, after which the City shall approve or deny in writing use of specific locations.
4. A recovery plan to address how materials will be collected in the event of a short-notice disruption that does not allow the Contractor to collect all materials on their regular schedule (e.g. a wildcat strike) within one week following the initiation of the disruption.

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



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

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

If there is no make-up collection, the Contractor shall provide a credit for all service missed equal to the Customers' pro-rata regular rate minus the disposal component on the Customer's next regular invoice.

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

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

The performance fees listed as 2 through 4, above, are intended to apply to any complete work stoppage where alternative but substantially equivalent service by non-striking employees is not provided by the Contractor or otherwise. In the event substantially equivalent service is provided by the Contractor through the employment of non-striking employees at any point during the course of the labor disruption, the Contractor is entitled to reduce the amount of the performance fees that otherwise would be due on a pro-rata basis, based on the percentage of Contract service provided to Customer provided on that day. Given the nature of the failure arising from labor disruptions, the Contractor shall not be allowed any cure period opportunity or rectification process; provided, however, that the City may elect to receive the equivalent value of additional services, as negotiated, in lieu of these specific performance fees.

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

Fees paid by the Contractor under the terms of this Section 4.1.19 are not regular performance fees for the purposes of Section 6 and shall not be counted in the cumulative performance fee default threshold referenced in Section 6.2 (6).

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

#### **4.1.20 Site Planning and Building Design Review**

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

#### **4.1.21 Safeguarding Public and Private Facilities**

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

#### **4.1.22 Transition and Implementation of Contract**

The Contractor shall develop, with the City's input and prior written approval, and submit to the City no later than thirty (30) days after the Date of Execution of this Contract, a Transition and Implementation Plan for introducing the new and revised services to the different Customer sectors (i.e., Single-family, Multifamily Complex, and Commercial Customers), and detailing a specific timeline as to when different activities and events will occur, including details of Container delivery, how different events impact other events in the timeline and the process to be used to ensure that implementation occurs with no disruption. The Transition and Implementation Plan shall cover the entire period following the Date of Execution of this Contract, up through and including the six (6) month period following the Date of Commencement of Service. The Contractor shall separately describe in detail what is involved with each of the activities and events listed in the timeline. The Transition and Implementation Plan shall specifically address how the Contractor intends to proceed in the event of inclement weather and what contingency plans will be in place to accelerate implementation if Container delivery or other planned activities are impacted by inclement weather.

The Contractor shall be responsible for funding all the design, development, printing, sorting, mail prep, delivery, and mailing costs, including the cost of the postage-prepaid mail-back cards and any costs

associated with the website ordering services, and of all new and continuing service and educational materials described above and needed to comply with the Transition and Implementation Plan outreach described in this section of the Contract.

Any additional promotional, educational, informational, and outreach materials provided by the Contractor to Customers in connection with the initial transition and implementation of the Contract shall be designed, developed, printed, and delivered by the Contractor unless otherwise directed by the City, at the Contractor's cost, and subject to the City's prior review and written approval and the City's final approval as to method of delivery. The City will be provided a minimum of two (2) weeks to review any of the materials included in the Contractor's Transition and Implementation Plan schedule to allow sufficient time for the City prior review and written approval.

#### **4.1.23 Hiring Preference**

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

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

#### **4.1.24 Performance Review**

The City may, at its option, and upon reasonable notice to the Contractor, conduct a review of the Contractor's performance under this Contract. If conducted, the performance review shall include, but is not limited to, a review of the Contractor's performance relative to requirements and standards established in this Contract, including Customer service standards. The Contractor agrees to fully cooperate with the performance review and work with City staff and consultants to ensure a timely and complete review process.

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

The costs of the development and implementation of any action plan required under this Section 4.1.24 or Section 6.1 for the purpose of addressing failures on the part of the Contractor to perform in accordance with the terms and conditions of this Contract shall be paid for solely by the Contractor, and the costs of developing or implementing such action plan may not be passed on to Customers or the City, or included in rates or fees charged Customers.

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

#### **4.1.25 Continual Monitoring and Evaluation of Operations**

The Contractor's supervisory and management staff shall be available to meet with the City at either the Contractor's office or Mercer Island City Hall, at the City's option, on a weekly basis during the period three months before and two months after the Date of Commencement of Service and monthly throughout the term of the Contract to discuss operational and Contract issues.

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

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

#### **4.1.26 Collection/Disposal Restrictions**

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

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

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

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

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

#### **4.1.27 Emergency Response**

Contractor shall assist the City in the event of a disaster or emergency declaration. Contractor services shall be provided as soon as practical upon City direction and paid at the Contract rates in Exhibit B.

Contractor shall keep full and complete records and documentation of all costs incurred in connection with disaster or emergency response, and include such information in the monthly and annual reports required under Section 4.3.4. Contractor shall maintain such records and documentation in accordance with the City's prior written approval and any standards established by the Federal Emergency Management Agency, and at the City's request, shall assist the City in developing any reports or applications necessary to seek federal assistance during or after a federally-declared disaster.

### **4.2 Collection Services**

#### **4.2.1 Single-Family Residence Garbage Collection**

##### **4.2.1.1 Subject Materials**

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

##### **4.2.1.2 Containers**

The Contractor shall provide collection Containers to Customers at no additional charge as part of the Customer-chosen service level. Garbage Carts shall be delivered by the Contractor to Single-Family

Residence Customers within seven (7) days of the Customer's initial request. Each Customer's initial Container must be Contractor-provided Container, provided that Garbage in excess of the Customer's initial Container may be bundled or placed in a Customer-owned Garbage Can or plastic bag.

#### **4.2.1.3 Specific Collection Requirements**

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

1. One 20-gallon Garbage Cart;
2. One 35-gallon Garbage Cart;
3. One 64-gallon Garbage Cart; and
4. One 96-gallon Garbage Cart.

The Contract shall also offer a service of once per month collection of non-putrescible waste in a 35-gallon Cart.

Carry-out charges shall be assessed only to those Customers who choose to have the Contractor move Containers to reach the collection vehicle at its nearest point of access. Garbage in excess of Container capacity or the subscribed service level shall be collected and properly charged as Extra Units to the Customer; with the exception of excess Garbage collection otherwise authorized under this Contract at no charge to the Customer. The Contractor shall maintain route lists in sufficient detail to allow accurate recording and charging of all Extra Units. Customers shall be allowed to specify that no Extra Units be collected without prior Customer notification, which shall be provided by the Single-Family Residence Customer no less than one business day prior to that Customer's regular collection. Sunken cans shall be collected and assessed the sunken can surcharge listed in Exhibit B.

Collections shall be made from Single-Family Residences on a regular schedule on the same day and as close to a consistent time as possible. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return all Containers, in an upright position, with lids closed and attached, to their original set out location.

The Contractor shall offer Single-Family Residential Customers an On-Call clean-up program that allows each Single-Family Customer to place up to one cubic yard of Garbage once each year at the Curb for collection on the Customer's regular collection day, provided that any individual item is no larger than three feet by three feet and weighs no more than sixty-five pounds, plus two non-appliance bulky items such as couches or large chairs. The Contractor shall track usage to ensure that no Customer uses more than their allowed one collection per calendar year, unless they pay for regular Extra Units or Bulky Waste collection service.

Extra charges may be assessed for materials loaded so as to lift the Garbage Can, or Garbage Cart lid in excess of six (6) inches from the normally closed position. The Contractor may charge for an overweight Container at the Extra Unit rate, provided that the Container weight is documented in writing, and the Customer agrees to pay for special handling. Otherwise, an overweight Container shall be left at the Curb and tagged with written notification as to why it was not collected. Customers may specify to the Contractor that they may not be charged for overweight or extra Containers, in which case any such Containers shall be left at the Curb uncollected and tagged with written notification as to why it was not collected.

## **4.2.2 Single-Family Residence Recyclables Collection**

### **4.2.2.1 Recyclable Materials**

Residential Recyclables shall be collected from all participating Single-Family Residences Customers as part of basic Garbage collection services, without extra charge. If operational or recycling processing improvements are made that allow additional materials to be recycled at no additional cost to the Contractor, the Contractor agrees to expand the defined list of Residential Recyclables to cover such materials, subject to prior written approval by the City. The Contractor shall collect Curbside prepared and either called-in or set-out Recyclables as described in Exhibit C. With the exception of Corrugated Cardboard, the maximum dimensions for Recycling materials shall be two (2) feet by two (2) feet.

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

### **4.2.2.2 Containers**

The Contractor shall provide collection Containers to Customers at no charge. The default Recycling Cart size shall be 96-gallons, provided that the Contractor shall offer and provide 35- or 64-gallon Recycling Carts on request to those Single-Family Residence Customers requiring less capacity than provided by the standard 96-gallon Recycling Cart. A Customer may request and receive one or more additional Recycling Carts at the fee listed in Attachment B.

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

### **4.2.2.3 Specific Collection Requirements**

Single-Family Residence Recyclables collection shall occur every-other-week on the same day as each household's Garbage and Compostables collection. Collections shall be made from Residences on a regular schedule on the same day and as close to a consistent time as possible. The Contractor shall collect on Public Streets and Private Roads in the same location as Garbage collection service is provided. The Contractor's crews shall make collections in an orderly, non-disruptive and quiet manner, and shall return Containers with their lids closed and attached to their set out location, and out of any Public Street, in an orderly manner.

The defined list of Residential Recyclables in Exhibit C shall be collected from all participating Single-Family Residences as part of basic Garbage collection services, without extra charge. The Contractor shall collect all Residential Recyclables from Single-Family Residences that are placed in Contractor owned Carts or are boxed or placed in a paper bag next to the Customers' Recycling Cart. Recyclables must be prepared as described in Exhibit C and uncontaminated with food or other residues. No limits shall be placed on set-out volumes for Curbside Recyclables, other than those specifically listed in Exhibit C.

Upon one-hundred-eighty-days (180) written notice from the City, the Contractor shall shift Single-Family Residence Recyclables collection to weekly. In the event that the City implements this increased collection frequency, the Single-Family Garbage rates in Attachment B shall be increased by \$2.78/month (adjusted as provided below) plus the City's then-current Sustainability Fee and corresponding State B&O tax on the Sustainability Fee related to this increase. The \$2.78/month amount shall be subject to the same CPI adjustments that are applied to the collection fee component of Contractor's rates under Section 5.3.1.

#### **4.2.3 Single-Family Residence Compostables Collection**

##### **4.2.3.1 Subject Materials**

Properly-prepared Compostables shall be collected from all Single-Family Residence Customers.

##### **4.2.3.2 Containers**

The Contractor shall provide one Compostables Cart to each Single-Family garbage Customer at no charge and shall provide additional Compostable Carts and service at the additional Compostable Cart fee provided in Exhibit B. The default Compostables Cart size shall be 96-gallons, provided that the Contractor shall offer and provide 35- or 64-gallon Compostables Carts on request to those Single-Family Residence Customers requiring less capacity than provided by the default Compostables Cart.

Excess Yard Debris material that does not fit in a Compostables Cart shall be bundled or placed in Kraft paper bags or properly labeled Customer-owned Garbage Cans. Customers choosing to use their own Garbage Can for excess Yard Debris shall be provided durable stickers by the Contractor that clearly identify the container's contents as "Yard Debris." Excess Yard Debris shall be charged at the Extra Unit rate specified in Exhibit B.

Compostables Carts shall be delivered by the Contractor to new Customers and Customers requesting a replacement Compostables Cart within seven (7) days of the Customer's initial request.

The Contractor shall provide an on-call fee-based Compostables Container cleaning service to Customers at the rate provided in Exhibit B.

##### **4.2.3.3 Specific Collection Requirements**

Properly prepared Compostables shall be collected weekly on the same day as each household's Garbage and Recyclables collection from all subscribers. Collections shall be made from Single-Family Residence Customers on a regular schedule on the same day and as close to a consistent time as possible. Compostables in excess of 96 gallons may be charged at the additional Cart rate (if that Customer has ordered one or more additional Compostables Carts) or as Compostables Extra Units in 32 gallon increments in accordance with Exhibit B.

Compostables may be placed in Carts, paper bags, bundles, or relabeled Garbage Cans next to the initial Compostables Cart, provided that Food Scraps shall be contained in the initial Cart and only Yard Debris shall be placed in bags, bundles, or open cans.



The Contractor shall collect on Public Streets and Private Roads in the same location as Garbage collection is provided. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return Containers in an upright position, with lids attached, to their set out location and out of the public street

#### **4.2.4 Multifamily Complex and Commercial Customer Garbage Collection**

##### **4.2.4.1 Subject Materials**

The Contractor shall collect all Garbage set out for disposal by Multifamily Complex and Commercial Customers in or properly prepared and contained materials next to Containers.

##### **4.2.4.2 Containers**

Multifamily Complex and Commercial Customers shall be offered a full range of Container and service options, including Garbage Carts, one (1) through eight (8) cubic yard non-compacted Detachable Containers, and one (1) through six (6) cubic yard compacted Detachable Containers. Containers shall be provided to Customers at no charge, except for compacting Containers or unless otherwise set forth in this Contract and directed by the City.

Materials in excess of Container capacity or the subscribed service level shall be collected and properly charged as Extra Units as directed by the City. The Contractor shall develop and maintain route lists in sufficient detail to allow accurate recording and charging of all Extra Units.

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

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

##### **4.2.4.3 Specific Collection Requirements**

Collections from both Multifamily Complex and Commercial Customers shall be made on a regular schedule on the same day and as close to a consistent time as possible to minimize Customer confusion.

The Contractor shall provide locks for Containers upon request and remove and replace Containers from enclosures and position (roll-out) Containers up to twenty-five (25) feet for Garbage (and Recycling and Compostable) collection at no additional charge. Additional roll-out charges may be assessed in twenty-five (25) foot increments only to those Multifamily Complex and Commercial Customers for whom the Contractor must move a Container over twenty-five (25) feet to reach the collection vehicle at its nearest point of access. Extra charges may be assessed for materials loaded so as to lift the Container lid in excess of six (6) inches from the normally closed position. The Contractor shall not charge fees for either opening gates or unlocking containers. Customers with hard-to-access Containers requiring the Contractor to wait for Customer Container relocation or requiring Contractor's use of specialized

equipment for Container relocation may charge those Customers additional access fees and/or hourly fees consistent with Exhibit B.

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

#### **4.2.5 Multifamily Complex Recyclables Collection**

##### **4.2.5.1 Subject Materials**

All properly prepared Recyclables listed in Exhibit C for Multifamily Customers, shall be collected as part of the basic Garbage collection services, without extra charge and without limit. The City reserves the right to engage in product stewardship and/or waste prevention activities that may result in one or more materials being removed from the Recyclables listed in Exhibit C.

##### **4.2.5.2 Containers**

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

The Contractor shall encourage and promote recycling and recommend appropriate Container sizes through its site visit and evaluation process. The Contractor shall encourage the use of Detachable Containers or Drop-box Containers instead of multiple Carts at locations where more than one cubic yard of Recycling capacity is provided, unless space or other constraints favor the use of Carts. Containers used for the collection of Recyclables shall be delivered by the Contractor to requesting Customers within three (3) days of the Customer's initial request. The Contractor may decline to collect Recyclables if the Container in which they are placed by the Customer contains Excluded Materials or other materials that do not conform to the definition of Recyclables or that do not meet specifications.

##### **4.2.5.3 Specific Collection Requirements**

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

#### **4.2.6 Multifamily Complex and Commercial Customer Compostables Collection**

The Contractor shall provide subscription-based Compostables collection services to requesting Multifamily Complexes and Commercial Customers.

##### **4.2.6.1 Subject Materials**

The Contractor shall provide collection of Compostables from any requesting Multifamily Complex or Commercial Customer, subject to that Customer's continued compliance with material preparation

requirements. Contaminated or oversized Compostables materials rejected by the Contractor shall be tagged in writing in a prominent location with an appropriate problem notice explaining why the material was rejected.

#### **4.2.6.2 Containers**

Carts shall be provided to subscribers as part of the service at no additional charge. Compostables Containers shall be delivered by the Contractor to Multifamily Complex and Commercial Customers within three (3) days of a Customer's initial request.

The Contractor shall offer regular weekly or twice-weekly collection of the following service levels, at the rates set forth in Exhibit B:

1. One 35-gallon cart (weekly)
2. One 64-gallon cart (weekly or semi-weekly)
3. One 96-gallon cart (weekly or semi-weekly)

#### **4.2.6.3 Specific Collection Requirements**

Multifamily Complex and Commercial Customer Compostables collection shall occur weekly or twice-weekly, as subscribed for and requested by the Customer. Collections shall be made on a regular schedule on the same day(s) of the week and as close to a consistent time as possible to minimize Customer confusion. The Contractor's crews shall make collections in an orderly and quiet manner, and shall return Containers after emptying to the same location as found, with their lids closed.

#### **4.2.7 Drop-Box Container Garbage Collection**

##### **4.2.7.1 Subject Materials**

The Contractor shall provide Drop-Box Container Garbage collection services to Customers, in accordance with the service level selected by the Customer.

##### **4.2.7.2 Containers**

The Contractor shall pay the cost of procuring and providing Containers for Garbage meeting the standards described in Section 4.1.15. Both Customer-owned and Contractor-owned Drop-box Containers shall be serviced, including Customer-owned compactors.

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

##### **4.2.7.3 Specific Collection Requirements**

The Contractor shall provide dispatch service and equipment capable of collecting full Drop-box Containers on the same business day if the Customer's initial request is received by the call center before or at 10:00 a.m., and no later than the next business day if the Customer's initial call is received

by the call center after 10:00 a.m. At the Customer's request, the Contractor shall deliver an empty Drop-box Container to the Customer at the time of collecting the full Drop-box Container. Drop-box Containers shall be delivered to new Customers within one business day of their initial request.

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

#### **4.2.8 Temporary (Non-Event) Container Customers**

The Contractor shall maintain a sufficient Container inventory, including Detachable Container and Drop-box Containers, to provide delivery of empty Containers by the Contractor to temporary Customers within three business days after the Customer's initial request. The charges for temporary Detachable Container service as listed in Exhibit B shall include delivery, collection, distance, and disposal or processing for Recyclables or Compostables. No additional fees other than those included in Exhibit B may be charged. Temporary Garbage services do not include embedded Recycling or Compostables collection and shall not exceed ninety (90) days in duration. Customers requiring service for more than ninety (90) days shall subscribe for regular combined Garbage, Recycling, and Compostables service.

#### **4.2.9 Special Event Services**

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

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

#### **4.2.10 City Services**

The Contractor shall provide weekly Garbage, Recyclables and Compostables collection to all City - owned municipal facilities and parks as a part of this Agreement and at no additional charge. The service levels for each City facility listed may be changed at the City's discretion at no additional cost to the City. As of the date herein, these facilities consist of the following:

Facility	Address	Service Levels
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City of Mercer Island  
Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract

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December, 2018

Mercer Island City Hall	9611 SE 36th Street	Garbage 2 yd (1x service per week) Recycle 4yd (1x service per week)
Mercer Island Maintenance Facility	9601 SE 36th Street	Garbage 6 yd (3x service per week) Garbage 6yd (1x service per week) Recycle 4yd (3x service per week)
Mercer Island Reservoir Facility	4350 88th Ave SE	Garbage 2 yd (1x service per week)
Luther Burbank Park	2040 84th Ave SE	Garbage 6 yd (2x service per week) Recycle 6 yd (1x service per week)
Aubrey Davis Park	2101 72nd Ave SE	Garbage 6 yd (2x service per week)
Fire Station #91	3030 78th Ave SE	Garbage 2 yd (1x service per week) Recycle 1.25 yd (1x service per week)
Mercer Island Boat Launch	3600 East Mercer Way	Garbage 6 yd (2x service per week seasonal use (April – October)
Island Crest Park	5000 Island Crest Way	Garbage 6 yd (1x service per week)
Mercerdale Park/Mercer Island Thrift Shop Drop-box	7710 SE 34th	Up to 125 drop-box hauls and 155 tons annually. Additional hauls or tonnage shall be at Contract rates
Mercer Island Community & Event Center	8236 SE 24th	Garbage 4yd (3x service per week), Recycle 3 yd (2x service per week), Compostables 90 gal (every other week)
Fire Station #92	8473 SE 68th	Garbage 2 yd (1x service per week) Recycle 2-90 gal (every other week) Compostables 90 gal (every other week)
South Mercer Playfields	84th Ave SE and SE 78th	Garbage 4 yd (1x service per week)

Downtown receptacles (up to 34 )	34 locations within the downtown zone.	1x service per week (November – March); 2x service per week April - October
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At any time during the Term of this Contract, the City may add up to two City facilities and up to two additional City parks in addition to those listed above.

In cases in which Garbage, Recyclables or Compostables are generated through the performance by third parties of services for the City outside of the normal operation of a municipal facility, Contractor may charge for the collection of such materials in accordance with charges listed in Exhibit B. For example, the City could be required by Contractor to pay for the disposal of debris generated by the replacement of the roof of a City facility. Regular Garbage, Recyclables and Compostables generated on an ongoing basis at all City facilities in the ordinary course of their operations, however, whether generated by staff or third parties (e.g. janitorial contractor) will be collected by the Contractor without charge to the City. Tenants or other occupants of a municipal facility, other than those who operate the facility as a City contractor of municipal services may be charged by Contractor in accordance with this Contract for the collection from them of associated Garbage, Recyclables and Compostables.

#### **4.2.11 Community Events**

The Contractor shall provide support for up to three City-sponsored events each year. That support shall include Garbage, Recyclables, and Compostables Cart collection as necessary, including delivery, placement, collection, disposal/diversion of materials, and removal of Carts after the event. The three initial public events designated by the City are SeaFair, Summer Celebration, and Leap for Green.

Additional event services for public (above the three provided at no cost each year) or all events conducted by private Customers shall be charged at the rate listed in Exhibit B. Rates are all-inclusive for delivery, setup and collection of containers.

#### **4.2.12 On-call Bulky Waste Collection**

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

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

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

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

direct Customers to remove doors from refrigerators and freezers before collection and not to place Bulky Waste at the Curb prior to twenty-four (24) hours before scheduled collection.

The Contractor shall maintain a separate log listing service date, materials collected, Customer charges, weights, and whether the item was recycled or disposed. This log shall be provided to the City on a monthly basis in accordance with Section 4.3.4. On-call Bulky Waste collection must occur during the hours and days specified in Section 4.1.3, with the exception that Saturday collection is permissible if it is more convenient for Customers. The Contractor's crews shall make collections in an orderly, non-disruptive and quiet manner.

#### **4.2.13 Excluded Services**

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

### **4.3 COLLECTION SUPPORT AND MANAGEMENT**

#### **4.3.1 General Customer Service**

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

- Answering Customer telephone calls and e-mail requests;
- Requesting at start of service Customer's preference for notification of service changes via robo-calls, texts or emails;
- Informing Customers of current, new, and optional services and charges;
- Handling Customer subscriptions and cancellations;
- Receiving and resolving Customer complaints;
- Dispatching Drop-box Containers, temporary containers, and special collections;
- Billing;
- Maintaining and updating regularly as necessary a user-friendly internet website; and
- Maintaining and updating regularly as necessary a user-friendly mobile application.

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

#### **4.3.2 Specific Customer Service Requirements**

The Contractor shall maintain a service base for storing and/or maintaining collection vehicles within fifteen (15) miles of the City's corporate limits. Operations and management staff shall be located at that site, provided that call center operations may be remotely provided. The Contractor's call center shall be open at a minimum from 7:00 a.m. to 7:00 p.m. weekdays, and no less than four hours on Saturdays. The holiday collection schedule described in Section 4.1.6 shall also apply to Customer service coverage. Customer service representatives shall be available through the Contractor's call center during office hours for communication with the public and City representatives. Customer calls shall be taken during office hours by a person, not by voice mail. During all non-office hours for the call center, the Contractor shall have an answering or voice mail service available to record messages from

all incoming telephone calls, and include in the message an emergency telephone number for Customers to call during outside normal office hours in case of an emergency.

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

#### **4.3.2.1 Customer Service Representative Staffing**

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

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

The Contractor shall provide additional staffing during the transition and implementation period, and especially from six (6) weeks prior to the Date of Commencement of Service, through the end of the fourth month after the Date of Commencement of Service, to ensure that sufficient staffing is available to minimize Customer waits and inconvenience. The Contractor shall receive no additional compensation for increased staffing levels during the transition and implementation period. Staffing levels during the transition and implementation period shall be subject to the City's prior review and approval.

#### **4.3.2.2 City Customer Service**

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

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

A Contractor-designated service expert shall be accessible by staff to address emerging problems as needed, and shall return messages (telephone, mobile messaging, or e-mail) within four (4) hours of the City's leaving or sending a message.



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

#### **4.3.2.3 Service Recipient Complaints and Requests**

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

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

#### **4.3.2.4 Handling of Customer Calls**

All incoming telephone calls shall be answered promptly and courteously, with an average speed of answer of less than thirty (30) seconds. No telephone calls shall be placed on hold for more than two (2) minutes per occurrence, and on a monthly basis, no more than 10% of incoming telephone calls shall be placed on hold for more than twenty (20) seconds. A Customer shall be able to talk directly with a Customer service representative when calling the Contractor's Customer service telephone number during office hours without navigating an automated phone answering system. An automated voice mail service or phone answering system may be used when the office is closed.

A Customer calling into the Customer service phone lines and placed on hold shall hear either the City - specific messages or messages that are applicable and not misleading to Customers.

#### **4.3.2.5 Corrective Measures**

Upon the receipt of Customer complaints in regard to busy signals or excessive delays in answering the telephone, the City may request the Contractor submit a plan to the City for correcting the problem. Once the City has approved the plan, the Contractor shall have sixty (60) days to implement the corrective measures, except during the transition and implementation period from one (1) month prior to the Date of Commencement of Service, through the end of the fourth month after the Date of Commencement of Service, during which the Contractor shall have one (1) week to implement corrective measures. Reasonable corrective measures shall be implemented without additional compensation to the Contractor. Failure to provide corrective measures shall result in possible performance fees for the Contractor.

#### **4.3.2.6 Contractor Internet Website**

The Contractor shall maintain a website containing information specific to the City's collection programs, including at a minimum contact information, collection schedules, current day of collection map, material preparation requirements, available services and options, rates and fees, inclement weather service changes, and other relevant service information for its Customers. The website shall include contact function for Customer communication with the Contractor, and the ability for Customers to submit service requests and manage their services on-line. Electronic Customer service requests shall be answered within one business day of receipt.

The website design shall be usability tested and then submitted to the City for approval a minimum of three (3) months prior to the Date of Commencement of Service of this Contract, and then changes shall be subject to the City's prior approval throughout the term of this Contract. The Contractor shall provide among its local staff a knowledgeable and proficient website manager that is responsive to the City's request(s) for changes to the Contractor's website. Changes requested by the City consisting of textual messages only shall be uploaded to the website within seventy-two (72) hours of the time of the request(s). Changes requested by the City, of a textual nature, that are related to an emergency or time-sensitive situation (such as an inclement weather event, windstorm, or event preventing access to a Customer's regular place of container set-out) shall be uploaded to the website as soon as possible and not more than six (6) hours from the time of request. Changes requested by the City that include a graphical component must be uploaded to the website within ten (10) days of the time of the request.

The Contractor shall provide timely updates to the website, and provide links to the City's website, checking on a regular basis that all links are current. The website shall include information requested by the City translated into a minimum of four (4) languages other than English, including Spanish, Chinese, Korean, Russian, and one other language to be identified by the City. Upon the City's request, the Contractor shall provide a website utilization report indicating the usage of various website pages and e-mail option.

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

The Contractor's Customer service representatives shall be fully knowledgeable of all collection services available to Customers, including the various services available to Single-Family Residence, Multifamily Complex and Commercial Customers. For new Customers, Customer service representatives shall explain all Garbage, Recyclables, and Compostables collection options available depending on the sector the Customer is calling from. For existing Customers, the representatives shall explain new services and options, and resolve recycling issues, collection concerns, missed pickups, container deliveries, and other Customer concerns. Customer service representatives shall be trained to inform Customers of Recyclables and Compostables preparation specifications. City policy questions shall be forwarded to the City for response.

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

#### **4.3.2.8 Customer Communications**

All Customer communications (other than routine service and billing interactions with individual Customers) shall be reviewed and approved by the City before distribution.

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

#### **4.3.3 Contractor's Customer Billing Responsibilities**

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

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

Customers may temporarily suspend collection services due to vacations or other reasons for as long and as often as desired in two (2) week increments and be billed pro-rata for actual services received.

The Contractor shall be responsible for the following:

- Generating combined Garbage, Recyclables, and Compostables collection bills for all Customers;
- Generating bills printed double-sided, on at least thirty percent (30%) post-consumer recycled-content paper;

- Generating bills that include at a minimum a statement indicating the Customer's current service level, current charges and payments, appropriate taxes and fees, Customer service contact information and website information;
- Generating bills that clearly state the date at which late fees will be assessed for non-payment;
- Generating bills that have sufficient space on the front or back of the bill for educational or informational messaging, as directed by the City;
- Accepting automatic ongoing payments from Customers via debit or credit card, checking or savings account withdrawal, or by wire transfer. No transaction fees may be levied on any Customer payments;
- Accepting, processing, and posting payment data each business day;
- Accepting bill inserts from the City for specific Customer sectors;
- Maintaining a system to monitor Customer subscription levels, record excess Garbage or Compostables collected, place an additional charge on the Customer's bill for the excess collection, and charge for additional services requested and delivered. This system shall maintain a Customer's historical account data for a period of not less than six (6) years from the end of the fiscal year in accordance with the City's record retention policy, and in a manner that is instantaneously accessible to Customer service representatives needing to refer to Customer service data and history;
- Accepting and responding to Customer requests for service level changes, missed or inadequate collection services, and additional services;
- Collecting unpaid charges from Customers for collection services; and
- Implementing rate changes as specified in Section 5.3.

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

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

#### 4.3.4 Reporting

The Contractor shall provide monthly, annual, and ad hoc reports to the City. The Contractor report formats may be modified from time to time at the City's request at no cost to the City. In addition, the Contractor shall allow City staff access to pertinent operations information related to compliance with the obligations of this Contract, such as vehicle route assignment and maintenance logs, Garbage, Recyclables, and/or composting facility certified weight slips, and Customer charges and payments.

##### 4.3.4.1 Monthly Reports

On a monthly basis, by the last working day of each month, the Contractor shall provide a report containing the following information for the previous month. Reports shall be submitted in an electronic format approved by the City and shall be certified as accurate by the Contractor. At minimum, reports shall include:

1. A log of all Customer complaints including Customer name, property name and address, date of contact, complaint, and resolution.
2. A tabulation of the number of Single-Family, Commercial, and Multifamily Complex accounts by service level/Container size, and service frequency.
3. Report from the Contractor's customer service telephone system showing total call volume, total calls answered, and average speed of answer.
4. Website utilization report showing total number of Customers managing their services on-line, total number of messages received via website, data on site usage, and other data or information as Mercer Island may require for internal reporting purposes.
5. A summary of total Garbage, Recyclables, and Compostables quantities collected (in tons) for each collection sector by month and year-to-date. The summary shall include program participation statistics including: a summary of Multifamily Complex and Commercial participation in recycling programs and set-out statistics for Residential Garbage, Compostables, and Recyclables collection services. Where item counts are more appropriate for certain Recyclables or Bulky Wastes (e.g. appliances, etc.), reporting item counts are sufficient. The summary shall include the names of facilities used for all materials and tonnage delivered to each facility.
6. A summary of Recyclables quantities, contamination levels and processing residues disposed as Garbage, and notice of any significant changes in market value, if any.
7. A description of any vehicle accidents, infractions and reported leaks.
8. A description of any changes to collection routes, Containers, vehicles (including the identification of back-up vehicles not meeting contract standards with the truck number and date of use), customer service or other related activities affecting the provision of services.

9. A description of any promotion, education, and outreach efforts, including where possible, samples of materials, and summary of any feedback or response received from Customers.
10. A description of Contractor activities and tonnages for City services and events.

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

#### **4.3.4.2 Annual Reports**

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

1. A consolidated summary and tabulation of the monthly reports, described above.
2. A discussion of highlights and other noteworthy experiences, along with measures taken to resolve problems, increase efficiency, and increase participation in, and volume of, Recyclables and Compostables collection programs.
3. A discussion of opportunities and challenges expected during the current year, including steps being taken to take advantage of opportunities and resolve the challenges.
4. A discussion of promotion, education, and outreach efforts, and accomplishments for each sector.
5. An inventory of current collection vehicles and other major equipment, including model, year, make, serial or VIN number, assigned vehicle number, mileage (if vehicle), collection sector assigned to or used in, and maintenance history, including vehicle painting.
6. An inventory of all Containers used in the performance of this Contract, including location address, Customer name and contact information, and the size of all Containers used at that address.
7. A list of Multifamily Complexes eligible for Recycling and Compostables collection service but not receiving one or both services, with the results of required contacts made during the year to promote the Recycling and/or Compostables service to those complexes, including the reason why the Multifamily Complex is not receiving Recycling and/or Compostables service.
8. A list of Commercial Customers eligible for Recycling and Compostables collection service but not receiving one or both services, with the results of required contacts made during the year to promote the Recycling and/or Compostables service to those sites, including the reason why the Commercial Customer is not receiving Recycling and/or Compostables service.

9. A detailed report on Container change-out, cleaning, painting, re-stickering and/or labeling, and replacement completed or not completed on schedule during the previous year.
10. A summary of the monthly logs of Customer requests, complaints, inquiries, site visits, and resolutions or results, as required in Section 4.3.4.1. The summary shall organize Customer requests, complaints, inquiries, and site visits by category (e.g., missed pickups, improper set-ups).

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

#### **4.3.4.3 Ad Hoc Reports**

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

#### **4.3.4.4 Other Reports**

If requested by the City, the Contractor shall provide daily route information for all service sectors and collection streams for the purpose of evaluating potential collection system changes during the Term of the Contract. Information received by the City shall be subject to existing laws and regulations regarding disclosure, including the *Public Records Act*, Chapter 42.56 of the Revised Code of Washington.

#### **4.3.5 Promotion and Education**

The Contractor, at its own cost and at the direction of the City, shall have primary responsibility for developing, designing, executing, and distributing public promotion, education, and outreach programs. The Contractor shall also have primary responsibility for Customer recruitment, providing annual service-oriented information and outreach to Customers, distributing City-developed promotional and educational pieces at the City's direction, and implementing on-going recycling promotions, education, and outreach programs at the direction of the City. All written materials, Customer surveys and other general communications provided to Customers by the Contractor shall be approved in advance by the City. Each September, the City and Contractor shall jointly plan the Contractor's specific promotion and education program for the following year, including adjustments in materials and/or targeted audiences. The City may elect to assist the Contractor with development of promotional material layout and text, as staff time allows, otherwise the Contractor shall be responsible for all design and development work, subject to City approval.

Each year, the Contractor shall deliver an annual comprehensive service guide to each Single-Family Residential and Multifamily Complex customer which shall include, at a minimum, information on the proper disposal of Garbage, Recyclables, and Compostables; City rates information; disposal options for difficult-to-recycle items and hazardous wastes; collection guidelines; contact information; and any

other pertinent information. The service guide may be printed or electronic (e.g. link to a website with a condensed service guide), as the option of the Contractor.

The Contractor shall contact, at the City's request, the manager or owner of Multifamily Complex sites to encourage recycling participation, address concerns, space or contamination problems, provide outreach to residents, and inform the manager or owner of all available services and ways to decrease Garbage generation. The Contractor shall coordinate and work cooperatively with City staff and/or consultants hired to conduct outreach and education, and provide technical assistance.

Any additional promotional, educational, and informational materials provided by the Contractor to Customers in connection with the Contract shall be designed, developed, printed, and delivered by the Contractor, at the Contractor's cost, and subject to the City's final written approval as to form, content, and method of delivery. The City shall review and approve all materials and a minimum of a two (2) weeks review period shall be provided in all cases by the Contractor to allow sufficient time for review and approval.

#### **4.3.6 Transition to Next Contractor**

The Contractor shall work with the City and any successive contractor in good faith to ensure minimal Customer disruption during the transition period from the City's previous contractor to the City's new Contractor. Cart and Container removal and replacement shall be coordinated between the Contractor and a successive contractor to occur simultaneously in order to minimize Customer inconvenience. In the event that the City does not elect to retain the Contractor's Containers pursuant to Section 4.1.15.3, the Contractor shall remove any Containers for all services or any portion of services provided under this Contract upon sixty (60) days written notice from the City.

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

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

### **5. COMPENSATION**

#### **5.1 Compensation to the Contractor**

##### **5.1.1 Rates**

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



In the event that a Customer places Excluded Materials or Unacceptable Materials in a Container, and the Contractor collects those materials inadvertently and incurs extraordinary expenses dealing with those materials, the Contractor may charge the Customer the actual costs of managing those materials, as approved by the City. Actual costs shall include additional transportation, handling, and disposal costs incurred by the Contractor for handling only those specific materials traceable to that Customer.

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

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

#### **5.1.2 Itemization on Invoices**

All applicable City, County, and Washington State solid waste or household hazardous waste taxes or fees, utility taxes, and certain sales taxes shall be itemized separately on Customer invoices and added to the charges listed in Exhibit B, except that the City Sustainability Fees (if any) shall be included in Exhibit B rates and shall not be itemized separately on Customer invoices.

All Recyclables and Compostables collection costs for the initial Cart of each service provided to Single-Family Residences shall be included in the Garbage collection rates for all Customers and are included in the Customer rates listed in Exhibit B.

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

The County disposal fee as it exists on the date of execution or as thereafter modified shall be itemized separately on Customer invoices with charges for Drop-box Container service. The Contractor shall charge Drop-box Customers the actual disposal cost plus five (5) percent to reflect the Contractor's costs and margin related to handling the pass-through disposal component.

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

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

## **5.2 Compensation to the City**

The Contractor shall pay to the City a one-time fee of thirty-five thousand dollars (\$35,000) upon Contract execution to cover City costs for procuring this Contract.

If implemented by the City, the Contractor shall also pay to the City a Sustainability Fee on or before the fifteenth (15<sup>th</sup>) day of each month during the term of this Contract, starting the February 15 following the January 1 initiation of the fee. The Sustainability Fee shall be based on the gross revenues received by the Contractor from all Customers under this Agreement, excluding Drop-box disposal fees. If implemented, the Sustainability Fee shall be no greater than three and one half percent (3.5%) of gross revenues received by the Contractor from those Customers. The Contractor's obligations to pay the Sustainability Fee shall survive the termination date of this Contract until the Contractor is no longer receiving payments from Customers for services provided under this Contract.

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

The City may implement or change the Sustainability Fee level in any year, provided that the change is synchronized with the annual Contractor rate modification described in Section 5.3.1, and that the Contractor's rates are adjusted to cover the full amount of the fee as of the date the new or changed fee takes effect. The City shall notify the Contractor of the new Sustainability Fee for the following year by September 1<sup>st</sup>, and the Contractor shall itemize and include the appropriate adjustment in its Rate Adjustment Statement provided October 1<sup>st</sup> of each year. In the event that the Sustainability Fee is implemented or adjusted, either up or down, the Contractor shall add or subtract an amount equivalent to the state excise tax (1.5% in 2018), as may be adjusted from time to time by the State of Washington.

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

## **5.3 Compensation Adjustments**

### **5.3.1 Annual CPI Service Component Modification**

The collection fee component of the Contractor's service fees contained in Exhibit B, and the miscellaneous fees and charges contained in Exhibit B that do not have separate disposal fee components, for each level of service shall increase each year by one hundred percent (100%) of the annual percentage change in the Consumer Price Index (CPI) for Seattle-Tacoma-Bellevue, Urban Wage Earners and Clerical Workers, All items, Series ID: CWURS49DSA0 (1982-84=100) prepared by the United States Department of Labor, Bureau of Labor Statistics, or a replacement index. Adjustments shall be based on the twelve (12) month period ending June 30<sup>th</sup> of the previous year that the request for

increase is made. For example, an adjustment to the Contractor's collection service charge effective January 1, 2021 will be based on the CPI for the twelve (12) month period ending June 30, 2020.

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

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

Beginning January 1, 2021, Contractor's compensation shall be adjusted annually pursuant to this section. The Contractor shall submit in writing and electronic form to the City for review and verification a Rate Adjustment Statement, calculating the new rates for the next year, on or by October 1<sup>st</sup> of each year, starting October 1, 2020. In the event that the Contractor does not submit a Rate Adjustment Statement by October 1<sup>st</sup>, the City shall calculate and unilaterally implement a rate adjustment based on the best available information as of October 1<sup>st</sup> of that year for the applicable period and the Contractor may not appeal this action. On the City's review and verification, absent any City exception to the Contractor's calculations, the new rates shall take effect on January 1<sup>st</sup> of the following year. An example of rate adjustments due to Consumer Price Index changes is provided in Exhibit D.

### **5.3.2 Changes in Disposal Fees**

Periodic adjustments shall be made to the disposal fee component of the Contractor's service fees contained in Exhibit B to reflect increases or decreases in County disposal fees for Garbage. In the event of a change in the County disposal fees, the disposal fee component of each service fee charged to Customers shall be adjusted by the percentage increase or decrease in the County disposal fees. Disposal fee changes shall be effective on the date of the County's implementation, provided that the Contractor has provided Customers 45-days notification. An example of rate modifications due to Garbage disposal fee changes is provided in Exhibit D.

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

### **5.3.3 Changes in Disposal or Compostables Processing Sites**

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

the Contractor or any additional savings to the Contractor to the City. The City and Contractor agree to negotiate in good faith to make any changes to the rates to accomplish a pass-through of any such costs or savings.

If the Contractor is no longer be able to find a processing site for all collected Compostables, after a good faith effort to locate a processing facility acceptable to the City, the City reserves the right to drop the collection of affected components of Compostables, such as Food Scraps, from the Contract and the City and the Contractor shall negotiate rate reduction in good faith to reflect the reduction in service. If the Contractor is subsequently able to find a processing site for Compostables or the site that was originally used for processing Compostables is able to resume taking the dropped materials, the City reserves the right to reinstate the collection of those materials and to reverse the previously agreed rate reduction for the reduction in service.

#### **5.3.4 Recycling Market Payment and Adjustments**

The Contractor shall provide Single-Family and Multifamily Complex Customers a Recyclables commodity credit or debit based on an allocation of the commodity revenue consistent with the amount of Recyclable material collected from each collection sector during the previous year. The commodity credit or debit shall be itemized on Customer's invoices.

During the initial three months of the Contract (October 1, 2019 through December 31, 2019), the Contractor shall provide a commodity credit of \$2.39 to Single-Family Customers, based on an initial average commodity value of sixty-five dollars \$65.00 per ton and an average collection weight of 73 pounds per month per Customer. Multifamily Complex Customers shall receive an initial commodity credit of \$1.52 per yard of Garbage service, based on a commodity value of sixty-five dollars \$65.00 per ton and an average collection weight of 47 pounds per month per yard of Garbage service.

Starting January 1, 2020, and each successive January 1 of the Contract term, the commodity credit value shall be adjusted by the results of the Contractor's previous year Recyclables composition analysis and the percentage change in reference commodity values, using the methodology described in Exhibit B.

#### **5.3.5 New or Changes in Existing Taxes**

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

### 5.3.6 Changes in Service Provision

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

### 5.4 Change in Law

Except to the extent addressed otherwise in this Contract, changes in federal, state, or local laws or regulations that result in a detrimental change in circumstances or a material hardship for the Contractor in performing this Contract may be the subject of a request by the Contractor for a rate adjustment, subject to review and approval by the City, such approval not to be unreasonably withheld. If the City requires review of financial or other information in conducting its rate review under this provision, then the City may retain a third-party to review such information at the Contractor's expense, taking whatever steps are reasonably feasible, appropriate and lawful to protect the Contractor's documents identified as confidential and proprietary by the Contractor.

## 6. FAILURE TO PERFORM, REMEDIES, TERMINATION

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

### 6.1 Performance Fees

The City reserves the right to make periodic, unscheduled inspection visits to determine the Contractor's compliance with the provisions and requirements of this Contract. In the event that the City's inspection reveals that the Contractor has failed to satisfactorily perform any duties of this Contract, the City shall present an incident report to the Contractor detailing such unsatisfactory performance. The Contractor and the City agree that upon receiving such report, the Contractor shall pay the following dollar amounts, not as a penalty, but as performance fees for failure to satisfactorily perform its duties under this Contract. The City and the Contractor agree that the City's damages would be difficult to prove in any litigation and that these dollar amounts are a reasonable estimate of the damages sustained by the City as a result of the Contractor's failure to satisfactorily perform its duties under this Contract. The performance fees in this Section 6.1 shall not apply to the service impacts of Labor Disruptions, as separate performance fees shall apply under those circumstances, as described in Section 4.2.10.

Performance fees shall include:

	Action or Omission	Performance fees
1	Collection before or after the times specified in Section 4.1.3, except as expressly permitted in writing.	Five hundred dollars (\$500) per incident (each vehicle on each route is a separate incident).

	Action or Omission	Performance fees
2	Repetition of complaints on a route after notification, including, but not limited to, failure to replace Containers in designated locations, spilling, not closing gates, not replacing lids, crossing planted areas, or similar violations.	Fifty dollars (\$50) per incident, not to exceed five hundred dollars (\$500) per vehicle per day.
3	Failure to clean-up or collect leaked or spilled materials and/or failure to notify the City within three (3) hours of incident.	The cost of cleanup to the City, plus five hundred dollars (\$500) per incident.
4	Observed leakage or spillage from Contractor vehicles or of vehicle contents.	Five hundred dollars (\$500) per vehicle, per inspection, plus clean-up costs (and potential code fines/penalties).
5	Failure to replace a leaking Container within one business day of notification.	One hundred dollars (\$100) per incident, and then one hundred dollars (\$100) per day that the Container is not replaced.
6	Failure to collect missed materials within one (1) business day after notification.	Fifty dollars (\$50) per incident to a maximum of five hundred dollars (\$500) per vehicle per day.
7	Missed collection of a block segment of Single-Family Residences (excluding collections prevented by inclement weather, but not excluding collections prevented by inoperable vehicles). A block segment is defined as one side of a street, between cross-streets, not to exceed fifty (50) houses.	Two hundred fifty dollars (\$250) per block segment if collection is performed the following day; one thousand dollars (\$1,000) if not collected by the following day.
8	Collection as Garbage of non-contaminated Source-separated Recyclables, Yard Debris, or Compostables in clearly identified containers, bags, or boxes.	One thousand- dollars (\$1,000) per incident.
9	Rejection of Garbage, Recyclables, Yard Debris or Compostables without providing documentation to the Customer of the reason for rejection.	One hundred dollars (\$100) per incident.
10	Failure to deliver Containers within three (3) days of request to Multifamily Complex or Commercial Customers requesting service after the Date of Commencement of Service.	One hundred dollars (\$100) per incident.
11	Failure to deliver Garbage, Recyclables or Compostables Containers within seven (7) days of request to Single-Family Residence Customers requesting service after the Date of Commencement of Service.	Twenty-five dollars (\$25) per incident.
12	Misrepresentation by Contractors in records or reporting.	Five thousand dollars (\$5,000) per incident.
13	Failure to provide the required annual report on time.	Five hundred dollars (\$500) per day past deadline.
14	Failure to maintain clean, sanitary and properly painted Containers,	Fifty dollars (\$50) per incident, up to maximum of one thousand dollars (\$1,000) per inspection.

	<b>Action or Omission</b>	<b>Performance fees</b>
15	Failure to maintain contract-compliant vehicles	Fifty dollars (\$50) per incident, up to maximum of one thousand dollars (\$1,000) per inspection.
16	Failure to meet Customer service answer and on-hold time performance requirements.	One hundred dollars (\$100) per day.
17	Failure to meet the service and performance standards listed in Section 4.3.2 of this Contract for a period of two (2) consecutive months.	Two hundred and fifty dollars (\$250) per day until the service standards listed in Section 4.3.2 are met for ten (10) consecutive business days.
18	Failure to ensure that all Customers have contract compliant Garbage, Recycling and Compostables Containers on or before the Date of Commencement of Service.	Five thousand dollars (\$5,000) per day, plus twenty-five dollars (\$25) per Container for each incident occurring after the Date of Commencement of Service.
19	Failure to include city-authorized instructional/ promotional materials when Garbage, Recycling, and/or Compostables Containers are delivered to Single-Family Residences, or failure to affix required city-authorized stickers on Containers.	Fifty dollars (\$50) per incident, with no maximum.
20	Failure to separate collection of materials from Service Area Customers from non-service area customers.	Five thousand dollars (\$5,000) per route per day.
21	Failure to properly use an authorized switchable placard or nameplates as described in Section 4.1.13.	One hundred dollars (\$100) per placard per vehicle per day.
22	Inability to reach the Contractor's staff via the emergency telephone number.	Two hundred-fifty dollars (\$250) per incident.
23	The use of outdated, or unauthorized stickers, or lack of required stickers on Contractor provided Containers.	Fifty dollars (\$50) per Container.
34	Failure to have correct rates for all Customer sectors and service levels listed on the Contractor's website.	Two hundred-fifty dollars (\$250) per day, with no maximum.

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

Performance fees, if assessed during a given month, shall be invoiced in writing by the City to the Contractor. The Contractor shall be required to pay the City the invoiced amount within thirty (30) days of billing. Failure to pay performance fees shall be considered a breach of this Contract, and shall accrue penalty charges of eight percent (8.0%) per month of the amount of any delinquent payments.

Any performance fees assessed against the Contractor may be appealed by the Contractor to the City within ten (10) days of being invoiced for assessed performance fees. The Contractor shall be allowed to present evidence as to why the amount of the assessed performance fees should be lessened or eliminated, including the provision of incorrect information provided by a previous contractor for

contract failures during the initial transition period. The City's decision shall be final and not subject to appeal.

## 6.2 Contract Default

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

1. The Contractor fails to commence the collection of Garbage, Recyclables, or Compostables, or fails to provide any portion of service under the Contract on the Date of Commencement of Service, or for a period of more than five (5) consecutive days at any time during the term of this Contract, except as provided pursuant to Section 4.1.19;
2. The Contractor fails to obtain and maintain any permit, certification, authorization, or license required by the City, County, or any federal, State, or other regulatory body in order to collect materials under this Contract, or comply with any environmental standards and regulations;
3. The Contractor's noncompliance creates a hazard to public health or safety or the environment;
4. The Contractor disposes of uncontaminated Recyclables or Compostables in a landfill or incinerated at an incinerator or energy recovery facility, without the prior written permission of the City;
5. The Contractor fails to make any required payment to the City, as specified in this Contract;
6. The Contractor is assessed performance fees pursuant to Section 6.1 in excess of fifteen thousand dollars (\$15,000) during any consecutive six (6) month period; or
7. The Contractor fails to resume full service to Customers within twenty-one days following the initiation of a labor disruption pursuant to Section 4.1.19.

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

If Contractor abandons or violates any material provision of this Contract, fails to fully and promptly comply with all its obligations, or fails to give any reason satisfactory to the City for noncompliance, and fails to correct the same, the City, after the initial ten (10) days' notice, may then declare the Contractor to be in default of this Contract and notify the Contractor of the termination of this Contract. A copy of



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

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

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

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

## 7. NOTICES

All notices required or contemplated by this Contract shall be in writing and personally served or mailed (postage-prepaid and return receipt requested), addressed to the parties as follows, or as amended by the City:

To the City:

**City Manager**  
City of Mercer Island  
9611 SE 36<sup>th</sup> Street  
Mercer Island, WA 98040

Copy to the Public Works Director  
(same address as above)

To Contractor:

**General Manager**  
Recology King County Inc.  
117 South Main, Suite 300  
Seattle, WA 98104-3428

Copy to:

Recology Inc.  
 Legal Department  
 50 California Street, 24<sup>th</sup> Floor  
 San Francisco, CA 94111

## **8. GENERAL TERMS**

### **8.1 Collection Right**

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

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

The Contractor shall retain the right and cover all costs to dispose of or process and market the Garbage, Recyclables, and Compostables once these materials are placed in Contractor-provided or the City - owned containers. The Contractor shall retain revenues gained from the sale of Recyclables or Compostables. Likewise, a tipping or acceptance fee charged for Recyclables or Compostables shall be the financial responsibility of the Contractor.

### **8.2 Access to Records**

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

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

### 8.3 Insurance

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

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

#### 8.3.1 Minimum Scope of Insurance

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

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

### 8.3.2 Minimum Amounts of Insurance

Contractor shall maintain at a minimum the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of five million dollars (\$5,000,000) for each accident. Limits may be achieved by a combination of primary and umbrella policies.
2. Commercial General Liability insurance shall be written with limits no less than three million dollars (\$3,000,000) for each occurrence, five million dollars (\$5,000,000) general aggregate, and a two million dollar (\$2,000,000) products-completed operations aggregate limit. Limits may be achieved by a combination of primary and umbrella policies.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Contractor's Pollution Liability insurance shall be written with limits no less than five million dollars (\$5,000,000) combined single limit for each pollution condition for bodily injury, personal injury, property damage, cleanup costs, and legal defense expense.

### 8.3.3 Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Commercial General Liability, and Contractor's Pollution Liability coverage:

1. The Contractor's insurance coverage shall be the primary insurance with respect to the City, its officials, employees, and volunteers. Any insurance, self-insurance, or insurance pool coverage maintained by the City shall be in excess of the Contractor's insurance and shall not contribute with it. The City, its officials, employees, agents, and volunteers shall be named as additional insured's on the Contractor's Automobile Liability, Commercial General Liability, and Pollution Liability insurance policies, via blanket-form endorsement.
2. Coverage shall state that the Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
3. Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be canceled except after thirty (30) days prior written notice has been given to the City. Such notice shall be sent directly to the City. If any insurance company refuses to provide the required notice, the Contractor or its insurance broker shall notify the City of any cancellation of any insurance immediately on receipt of insurers' notification to that effect.

### 8.3.4 Acceptability of Insurers

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

### **8.3.5 Verification of Coverage**

The Contractor shall furnish the City's Risk Manager and City Attorney Department with original certificates and a copy of the blanket-form amendatory endorsements as required herein, including, but not necessarily limited to, the additional insured endorsement, evidencing the insurance requirements of the Contractor at least a month before the Date of Commencement of Service of this Contract.

### **8.3.6 Subcontractors**

Contractor will request all subcontractors performing work in connection with this Agreement to maintain the following minimum insurance: Workers' Compensation in accordance with applicable law or regulation, Employer's Liability with limits of \$1,000,000, Commercial General Liability with limits of \$1,000,000 per occurrence and \$2,000,000 in the annual aggregate, and Automobile Liability insurance with limits of \$1,000,000.

### **8.4 Performance Bond**

The Contractor shall provide and maintain at all times a valid Contractor's Performance and Payment Bond or bonds in a form acceptable and approved by the City in the amount of seven hundred fifty thousand dollars (\$750,000). The bond(s) shall be issued for a period of not less than one (1) year, and the Contractor shall provide new bond(s) to the City no less than sixty (60) calendar days prior to the expiration of the bond(s) then in effect. The City shall have the right to call the bond(s) in full in the event its renewal is not confirmed prior to five (5) calendar days before its expiration.

### **8.5 Indemnification**

#### **8.5.1 Indemnify and Hold Harmless**

The Contractor shall indemnify, defend, protect, and hold harmless the City, its elected and appointed officials, officers, employees, representatives and agents, from any and all third party claims or suits, and any damages, costs, judgments, awards or liability resulting from such claims or suits, (a) for injury or death of any person or damage to property to the extent the same is caused by the actual or alleged negligent acts or omissions, or willful misconduct, of Contractor, its agents, servants, representatives, officers, or employees in the performance of this Contract and any rights granted hereunder, or b) to the extent such claim or demand is caused by Contractor's unlawful release of Hazardous Waste in violation of any Environmental Law in its performance of Services and exercise of any rights granted hereunder. This indemnity under subsection 8.5.1(b) includes each of the following to the extent the same is caused by Contractor's unlawful release of Hazardous Substances in violation of applicable Environmental Laws: (i) liability for a governmental agency's costs of removal or remedial action for such release by Contractor of Hazardous Waste; (ii) damages to natural resources caused by Contractor's release of Hazardous Waste, including reasonable costs of assessing such damages; (iii) liability for any other person's costs of responding to such release by Contractor of Hazardous Waste; and (iv) liability for any costs of investigation, abatement, correction, cleanup, fines, penalties, or other damages arising under any Environmental Laws that are caused by Contractor's release of Hazardous Waste. Provided, however, such indemnification shall not extend to any portion of any claims, demands, liability, loss, cost, damage or expense of any nature whatsoever including all costs and attorneys' fees caused by the

willfully tortious, or negligent acts or omissions of the City, its agents, employees, official, officers, contractors or subcontractors.

### **8.5.2 Process**

In the event any claim for such damages be presented to or filed with the City, the City shall promptly notify Contractor thereof, and Contractor shall have the right, at its election and at its sole cost and expense, to settle and compromise such claim, provided further, that in the event any suit or action is filed against the City based upon any such claim or demand, the City shall likewise promptly notify Contractor thereof, and Contractor shall have the right, at its election and its sole cost and expense, to settle and compromise such suit or action, or defend the same at its sole cost and expense, by attorneys of its own election. The indemnification obligations set forth herein shall extend to claims which are not reduced to a suit and any claims which may be compromised, with Contractor's written consent, prior to the culmination of any litigation or the institution of any litigation. The City has the right to defend or participate in the defense of any such claim at its own cost and expense, provided that Contractor shall not be liable for such settlement of other compromise unless it has consented thereto in writing.

The provisions contained herein have been mutually negotiated by the Parties. Solely to the extent required to enforce the indemnification provisions of this Section 8.5.1, Contractor waives its immunity under Title 51 RCW, Industrial Insurance; provided, however, the foregoing waiver shall not in any way preclude Contractor from raising such immunity as a defense against any claim brought against Contractor by any of its employees.

Inspection or acceptance by the City of any Services performed under this Contract shall not be grounds for avoidance of any of these covenants of indemnification. Said indemnification obligations shall extend to claims which are not reduced to a suit and any claims which may be compromised, with Contractor's prior written consent, prior to the culmination of any litigation or the institution of any litigation.

The provisions of this Section 8.5 shall survive the termination or expiration of this Contract.

## **8.6 Confidentiality of Information**

Pursuant to the Washington Public Records Act ("PRA"), chapter 42.56 RCW, public records, as defined by the PRA may be subject to disclosure upon request by any person, unless the documents are exempt from public disclosure by a specific provision of law.

If the City receives a request for inspection or copying of any such documents, it shall promptly notify the Contractor in writing regarding the public records request. The City will give the Contractor ten (10) business days after such notification within which to obtain a court order prohibiting the release of the documents. The City assumes no contractual obligation to enforce any exemption under the PRA.

## **8.7 Assignment of Contract**

### **8.7.1 Assignment or Pledge of Money by the Contractor**

The Contractor shall not assign or pledge any of the money due under this Contract without securing the prior written approval of the surety of the Contractor's performance bond and providing at least thirty

(30) day's prior written notice to the City of such assignment or pledge together with a copy of the surety's approval thereof. Such assignment or pledge, however, shall not release the Contractor or its sureties from any obligations or liabilities arising under or because of this Contract. The requirements of this section shall not apply to the grant of a general security interest in the Contractor's assets to secure the Contractor's obligations under any loan or credit facility entered into by the Contractor or the Contractor's parent.

#### **8.7.2 Assignment, Subcontracting, Delegation of Duties**

The Contractor shall not assign or sub-contract any of the services provided under this Contract or delegate any of its duties under this Contract without the prior written approval of the City, which may be granted or withheld in the City's sole discretion.

In the event of an assignment, sub-contracting, or delegation of duties, the Contractor shall remain responsible for the full and faithful performance of this Contract and the assignee, subcontractor, or other obligor shall also become responsible to the City for the satisfactory performance of the services to be provided under this Contract. The City may impose conditions of approval on any such assignment, subcontracting, or Change of Control, including but not limited to requiring the delivery by the assignee, subcontractor, or other obligor of its covenant to the City to fully and faithfully complete the services to be provided under this Contract or responsibilities undertaken. In addition, the assignee, subcontractor, or obligor shall sign a separate statement agreeing to abide by all terms and conditions of this Contract. The City may terminate this Contract if the assignee, subcontractor, or obligor does not comply with this clause.

For the purposes of this Contract, any change of control of the Contractor shall be considered an assignment subject to the requirements of this section. Nothing herein shall preclude the City from executing a novation, allowing the new ownership to assume the rights and duties of the Contract and releasing the previous ownership of all obligations and liability.

#### **8.7.3 Change of Trade Name**

In the event the Contractor wishes to change the trade name under which it does business under this Contract, the Contractor shall provide the name, logo, and colors under which it will be doing business in writing to the City at least thirty (30) days prior to the effective date of its change of trade name. Within a reasonable period following a change of trade name by the Contractor, all items, logos, articles, and implements seen by the public shall be changed, including but not limited to letterhead, signs, promotional materials, website pages, billing statements, envelopes, and other items. Vehicles are the only exception; vehicles must be repainted with new trade name, and any new logo or colors, within two (2) years of the effective date of the change of trade name. Failure to comply with the terms of this section shall result in penalties assessed against the Contractor in accordance with Section 6.1.

#### **8.8 Laws to Govern/Venue**

This Contract shall be governed by the laws of the State of Washington both as to interpretation and performance. Venue shall be in Superior Court in the State of Washington for King County.

#### **8.9 Compliance with Applicable Laws and Regulations**

The Contractor shall comply with all federal, state, and local regulations and ordinances applicable to the work to be done under this Contract. Any violation of the provisions of this section shall be considered a violation of a material provision of this Contract and shall be grounds for cancellation, termination, or suspension of the Contract by the City, and may result in ineligibility for further work for the City.

The Contractor agrees not to discriminate against any employee or applicant for employment or any other persons in the performance of this Contract because of race, religion, creed, color, national origin, marital status, gender, age, disability, sexual orientation, gender identity, or other circumstances as may be defined by federal, state, or local law or ordinance, except for a bona fide occupational qualification. Without limiting the foregoing, Contractor agrees to comply with the provisions of the Affidavit of Equal Opportunity & Title VI Compliance requirements incorporated herein by this reference. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Contractor setting forth the provisions of this nondiscrimination clause.

Conditions of the Federal Occupational Safety and Health Act of 1970 (OSHA), the Washington Industrial Safety and Health Act of 1973 (WISHA), and standards and regulations issued under these Acts from time-to-time must be complied with, including ergonomic and repetitive motion requirements. The Contractor must indemnify and hold harmless the City from all damages, injuries or losses assessed for the Contractor's failure to comply with the Acts and Standards issued therein. The Contractor is also responsible for meeting all local, state, and federal health and environmental regulations and standards applying to the operation of the collection and processing systems used in the performance of this Contract.

The Contractor is specifically directed to observe all weight-related laws and regulations in the performance of these services, including axle bridging and loading requirements.

#### **8.10 Permits and Licenses**

The Contractor and subcontractors shall secure a City business license and pay all fees and taxes levied by the City. The Contractor shall obtain all permits, certifications, authorizations, and licenses necessary to provide the services required herein prior to the Date of Execution of this Contract at its sole expense.

The Contractor shall be solely responsible for all taxes, fees, and charges incurred, including, but not limited to, license fees and all federal, state, regional, county, and local taxes and fees, including income taxes, property taxes, permit fees, operating fees, surcharges of any kind that apply to any and all persons, facilities, property, income, equipment, materials, supplies, or activities related to the Contractor's activities under the Contract, business and occupation taxes, workers' compensation, and unemployment benefits.



### **8.11 Relationship of Parties**

The City and Contractor intend that an independent contractor relationship shall be created by this Contract. The implementation of services shall lie solely with the Contractor. No agent, employee, servant, or representative of the Contractor shall be deemed to be an employee, agent, servant, or representative of the City.

### **8.12 Contractor's Relationship with Customers**

The Contractor shall not separately contract with Customers for any services covered under this Contract; however, the Contractor may negotiate separate agreements with Customers for the sole purpose of compactor leasing, payment for recyclables, or other related services only when not included in this Contract, provided that Customers are provided separate invoices for those services and that the Contractor makes it clear to Customers that those services are not provided under this Contract. These separate agreements must be in writing and shall in no way expressly or by application supersede this Contract. The Contractor agrees these separate agreements shall not contain durations any longer than the final date of this Contract's Term. The Contractor shall provide to the City a detailed list of all such separate agreements with Customers upon the City's request. The City may, at its sole option, regulate similar or identical services in the successor to this contract.

### **8.13 Bankruptcy**

It is agreed that if an order for relief with respect to the Contractor is entered in any bankruptcy case, either voluntarily or involuntarily, in which the Contractor is a debtor, then this Contract, at the option of the City, may be terminated effective on or after the day and time the order for relief is entered.

### **8.14 Right to Renegotiate/Amend**

The City shall retain the right to renegotiate this Contract or negotiate contract amendments at its discretion or based on policy changes, state statutory changes, or County rule changes, Washington State, or federal regulations regarding issues that materially modify the terms and conditions of the Contract, including but not limited to any modifications to contracting terms or policies as they relate to County disposal services. The City may also renegotiate this Contract should any Washington State, County, or city rate or fee associated with the Contract be held illegal or any increase thereof be rejected by voters. In addition, the Contractor agrees to renegotiate in good faith with the City in the event the City wishes to change disposal locations or add additional services or developments, such as those identified through a pilot program under Section 4.1.17, to the Contract and to provide full disclosure of existing and proposed costs and operational impacts of any proposed changes.

This Contract may be amended, altered, or modified only by a written amendment or addendum executed by authorized representatives of the City and the Contractor.

### **8.15 Force Majeure**

Provided that the requirements of this section are met, Contractor shall not be deemed to be in default and shall not be liable for failure to perform under this Contract if Contractor's performance is prevented or delayed by Acts of Nature, including landslides, lightning, forest fires, storms, floods,

freezing and earthquakes, terrorism, civil disturbances, acts of the public enemy, wars, blockades, public riots, explosions, governmental restraint or other causes, whether of the kind enumerated or otherwise, that are not reasonably within the control of the Contractor, and are not the result of the willful or negligent act, error or omission of the Contractor; and that could not have been prevented by the Contractor through the exercise of reasonable diligence ("Force Majeure"). The Contractor's obligations under this Contract shall be suspended, but only with respect to the particular component of obligations affected by the Force Majeure and only for the period during which the Force Majeure exists.

The following events do not constitute Force Majeure: strikes, other than nationwide strikes or strikes that by virtue of their extent or completeness make the particular goods or services effectively unavailable to the Contractor; work stoppages or other labor disputes or disturbances occurring with respect to any activity performed or to be performed by the Contractor; accidents to machinery, equipment or materials; unavailability of required materials or disposal restrictions; or general economic conditions.

If as a result of a Force Majeure event, Contractor is unable wholly or partially to meet its obligations under this Contract, the Contractor shall notify the City by telephone and email, on or promptly after the Force Majeure is first known, followed within seven (7) days by a written description of the event and cause thereof to the extent known; the date the event began, its estimated duration, the estimated time during which the performance of the Contractor's obligations will be delayed; the likely financial impact of the event; and whatever additional information is available concerning the event and its impact on the City and its Customers. The Contractor shall provide prompt written notice of the cessation of the Force Majeure. Whenever such event shall occur, the Contractor, as promptly and as reasonably possible, shall use its best efforts to eliminate the cause, reduce the cost, and resume performance under the Contract. In addition, if as a result of a Force Majeure event, Contractor is unable wholly or partially to meet its obligations under this Contract, the Contractor shall notify all Customers regarding the disruption in collection service in a manner similar to the notification required in the case of inclement weather under Section 4.1.7.

#### **8.16 Severability**

If any provision of this Contract shall be declared illegal, void, or unenforceable, the other provisions of the Contract shall remain in full force and effect.

#### **8.17 Waiver**

No waiver of any right or obligation of either party hereto shall be effective unless in writing, specifying such waiver, and executed by the party against whom such waiver is sought to be enforced. A waiver by either party of any of its rights under this Contract on any occasion shall not be a bar to the exercise of the same right on any subsequent occasion or of any other right at any time.

#### **8.18 Incorporation of Contractor's Proposal in Response to City's RFP**

The Contractor's Proposal, dated September 25, 2018, submitted in response to the City's Request for Proposals, is fully incorporated by this reference, including but not limited to collection vehicle types, customer service staffing and approach, processing abilities and other commitments made in the Contractor's proposal and all associated clarifications and supplemental proposal materials or

attachments. In the case of conflict between the Contractor's proposal and this Contract, the provisions of this Contract shall prevail.

### 8.19 Dispute Resolution

The Parties shall attempt to resolve any and all disputes to the mutual satisfaction of both Parties by good faith discussions. Throughout the duration of a dispute, the Contractor shall continue providing all Services included in this Contract. Disputes not resolved in accordance with other provisions of this Contract or through good faith discussions shall be submitted to non-binding mediation before a mediator acceptable to both the City and the Contractor. All costs of mediation, including the City's attorneys' fees and expert witness fees, shall be paid for by the Contractor. Neither party may initiate or commence legal proceedings prior to completion of the non-binding mediation.


### 8.20 Entirety

This Contract and the exhibits affixed hereto and herein incorporated by reference represent the entire agreement between the City and the Contractor with respect to the services to be provided under this Contract. No prior written or oral statement or proposal shall alter any term or provision of this Contract.

WITNESS THE EXECUTION HEREOF on the day and year first herein above written.

RECOLOGY KING COUNTY INC.

CITY OF MERCER ISLAND

By   
Michael J. Sangiacomo, President & CEO

By   
City Manager


**Recology™**

Reviewed by:



Legal

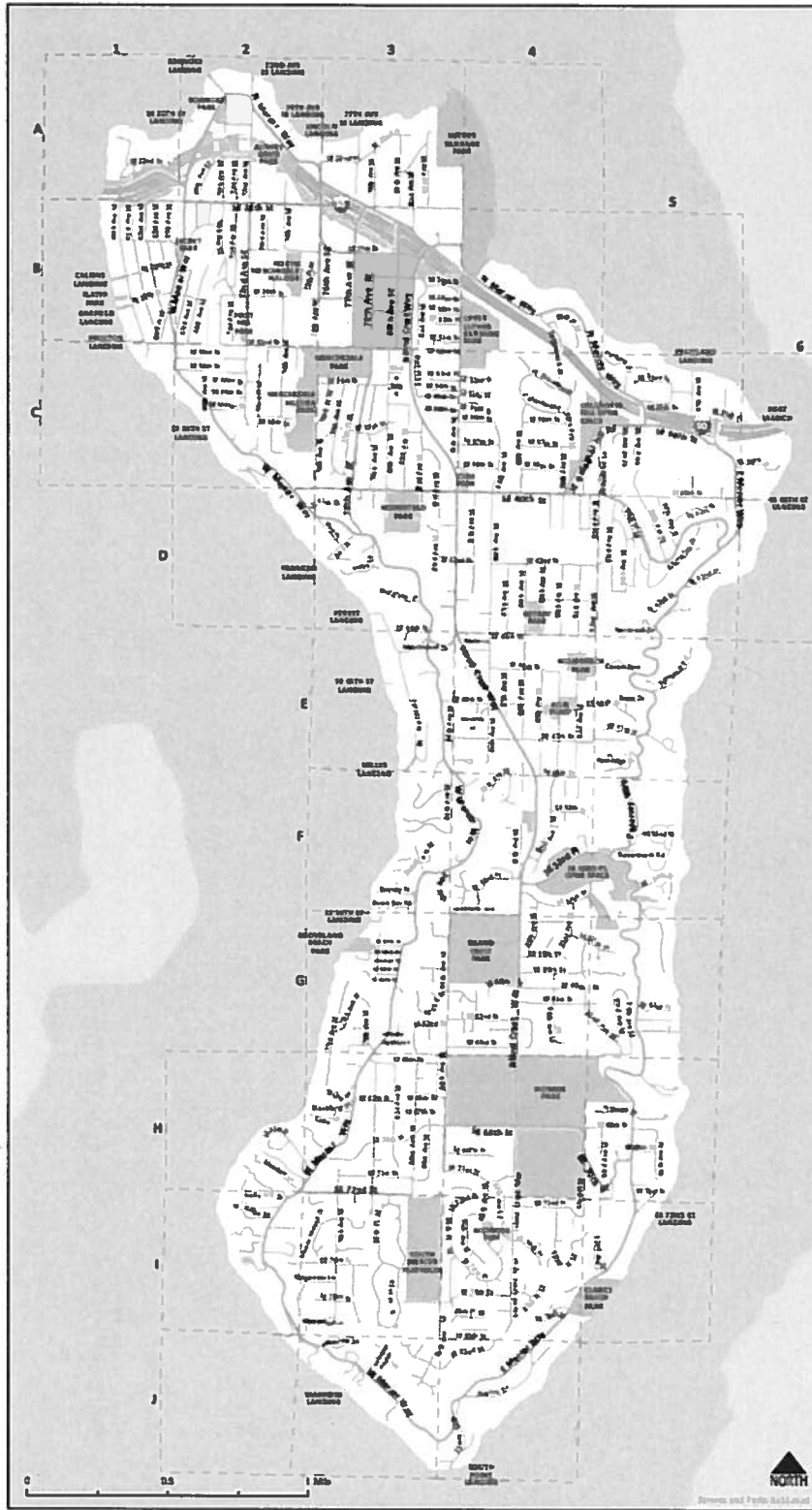
Approved as to Form:

By  1.16.19  
City Attorney

## EXHIBITS

EXHIBIT A: Service Area  
EXHIBIT B: Contractor Rates  
EXHIBIT C: Recyclables List  
EXHIBIT D: Rate Modification Example  
EXHIBIT E: Commodity Value Calculation

# EXHIBIT A Service Area



## Mercer Island Streets

Named Streets	Grid
Allen St	C2
Avalon Dr	J4
Avalon Pl	J4
Barnaby Ln	D5
Benotho Pl	J4
Blackford Ln	H3
Bonney St	F3
Boulevard Pl	D3
Brianwood Ln	C5
Brook Bay Rd	F3
Butterworth Rd	F5
Carol Ln	D4
Cedars East Rd	E5
Crestwood Pl	D5
Dawn Dr	E5
E Lexington	C4
E Shorewood	C4
Eden Ln	H3
El Dorado Beach Club	C5
Evergreen Ln	D3
Fabian Dr	A1
Fern Hollow	E5
Fernbrook Dr	D5
Ferncroft Rd	E5
Fernridge Ln	E5
Forest Ave	E3
Fortuna Dr	C5
Freeman Ave	D2
Gallagher Hill Rd	C4
Greenanor Ln	C5
Hillside Ln	H5
Holly Hill Dr	H2
Holly Ln	D3
Island Heights Ln	I4
Lakeridge Heights	I3
Lakeview Highlands E	G3
Lakeview Ln	I3
Landsdowne Ln	F4
Lewis Ln	I4
Lindley Ln	F4
Maker St	C2
Maple Ln	E4
Meadow Ln	H2
Mercer Terrace Dr	I3
Mercerwood Dr	D5
Merrimount Dr	E3
Mitchell St	G3
Northbrook Ln	G3
Parkside Ln	G4
Parkwood Ridge Rd	F5
Proctor Ln	C1
Ridgecrest Ln	I3
Rossmore Way	A2
Sea Shore Ave	I3
Seashore Dr	I3
Shore Ln	H3
Shorecleft Ln	C2
Shoreclub Dr	D5
Shorewood Dr	B4
Sunset Highway	B3
Tillamook Ln	G3
W Concord	C4
W Mercer Pl	F4
W Ridge Rd	I2
W Shorewood	C4
Wembley Ln	E4
Westwood Ln	I3
Woodbrook Ln	D3



**EXHIBIT B**  
**Mercer Island Customer Rates**

Monthly Rates Unless Otherwise Specified					
	Service Level	Pounds Per Unit	Disposal Fee	Collection Fee	Total Service Rate
Monthly	One 32 gallon Garbage Cart	16.72	\$ 1.36	\$ 6.05	\$ 7.41
Weekly Residential Curbside Service	One 19/20-gallon Garbage Cart	9.84	\$ 3.43	\$ 14.26	\$ 17.69
	1 32/35-gallon Garbage Cart	16.72	\$ 5.83	\$ 26.21	\$ 32.04
	1 60/64-gallon Garbage Cart	29.51	\$ 10.27	\$ 40.14	\$ 50.41
	1 90/96-gallon Garbage Cart	44.26	\$ 15.40	\$ 47.86	\$ 63.26
	Additional 32 Gallon Cans (weekly svc)	16.72	\$ 5.83	\$ 9.04	\$ 14.87
	Extras (32 gallon equivalent)	16.72	\$ 1.36	\$ 2.72	\$ 4.08
	Miscellaneous Fees:				
	Recycling Only (no garbage service)			\$ 11.00	\$ 11.00
	Compostables Only (no garbage service)			\$ 15.00	\$ 15.00
	Extra Compostables (32 gallon bag/bundle/can)			\$ 3.00	\$ 3.00
	Second 96-Gallon Compostables Cart (rental only)			\$ 1.50	\$ 1.50
	Additional 96-Gallon Compostables Cart (for excess above limit)			\$ 6.00	\$ 6.00
	Inclement Weather Extra Make-Up Collection(per event, per commodity)			\$ 13.79	\$ 13.79
	Extra Recycle Cart Fee			\$ 1.50	\$ 1.50
	Contamination Fee - Carts (per event, charged as provided for in contract)			\$ 20.00	\$ 20.00
	Sunken Can Surcharge			\$ 15.00	\$ 15.00
	Return Trip			\$ 6.00	\$ 6.00
	Roll-out Charge, per 25 ft, per cart, per time			\$ 3.00	\$ 3.00
	Drive-in Charge, per month			\$ 6.00	\$ 6.00
	Overweight/Oversize container (per p/u)			\$ 3.00	\$ 3.00
	Redelivery of one or more containers			\$ 10.00	\$ 10.00
	Cart Cleaning (per cart per cleaning)			\$ 10.00	\$ 10.00
On-Call Bulky Waste Collection	Non-CFC Containing Large Appliances ("white goods"), per item			\$ 20.00	\$ 20.00
	Refrigerators/Freezers/Air Conditioners per item			\$ 30.00	\$ 30.00
	Sofas, Chairs, per item	-	\$ 6.82	\$ 13.50	\$ 20.32
	Mattresses, Boxsprings, per item	-	\$ 6.82	\$ 13.50	\$ 20.32
Weekly Commercial /MF Can and Cart	One 20-gallon Garbage Cart	9.84	\$ 3.43	\$ 20.63	\$ 24.06
	1 32/35-gallon Garbage Cart	16.72	\$ 5.83	\$ 22.41	\$ 28.24
	1 45-gallon Garbage Cart	23.12	\$ 8.05	\$ 25.30	\$ 33.35
	1 60/64-gallon Garbage Cart	29.51	\$ 10.27	\$ 28.57	\$ 38.84
	1 90/96-gallon Garbage Cart (23)	44.26	\$ 15.40	\$ 31.65	\$ 47.05
	Extras (32-gallon equivalent)	16.72	\$ 1.36	\$ 2.72	\$ 4.08
NOTE: Column C is total MF	Extras (64-gallon equivalent)	29.51	\$ 11.64	\$ 7.40	\$ 19.04

and comm containers. Number in column B in (red) is the portion that are MF	Extras (96-gallon equivalent)	44.26	\$ 17.46	\$ 9.24	\$ 26.70
	<b>Ancillary Fees:</b>				
	Weekly 35-gal Cart Yard Debris/Foodwaste service			\$ 20.15	\$ 20.15
	Weekly 64-gal Cart Yard Debris/Foodwaste service			\$ 23.92	\$ 23.92
	Weekly 96-gal Cart Yard Debris/Foodwaste service			\$ 26.45	\$ 26.45
	Contamination Fee - Multifamily (per event, charged as provided for in contract)			\$ 25.00	\$ 25.00
	Return Trip			\$ 6.00	\$ 6.00
	Roll-out Charge, per addtn'l 25 ft, per cart, per p/u			\$ 1.50	\$ 1.50
	Redelivery of containers			\$ 10.00	\$ 10.00
	Cart Cleaning (per cart per cleaning)			\$ 10.00	\$ 10.00
<b>Weekly Commercial/ MF Detachable Container (compacted)</b>	1 Cubic Yard Container	249.00	\$ 100.61	\$ 115.61	\$ 216.22
	1.5 Cubic Yard Container	373.50	\$ 150.90	\$ 202.31	\$ 353.21
	2 Cubic Yard Container	498.00	\$ 201.20	\$ 289.00	\$ 490.20
	3 Cubic Yard Container	747.00	\$ 301.79	\$ 402.64	\$ 704.42
	4 Cubic Yard Container	996.00	\$ 402.38	\$ 516.28	\$ 918.66
	6 Cubic Yard Container	1,494.00	\$ 603.56	\$ 652.64	\$ 1,256.20
<b>Commercial Detachable Container (loose)</b>	1 Cubic Yard, 1 pickup/week	83.00	\$ 33.55	\$ 90.27	\$ 123.81
	1 Cubic Yard, 2 pickups/week	83.00	\$ 67.08	\$ 189.54	\$ 256.62
	1 Cubic Yard, 3 pickups/week	83.00	\$ 100.61	\$ 290.07	\$ 390.68
	1 Cubic Yard, 4 pickups/week	83.00	\$ 134.14	\$ 388.06	\$ 522.20
	1 Cubic Yard, 5 pickups/week	83.00	\$ 167.67	\$ 487.33	\$ 655.00
	1.25 Cubic Yard, 1 pickup/week	103.75	\$ 41.93	\$ 130.50	\$ 172.42
	1.25 Cubic Yard, 2 pickups/week	103.75	\$ 83.84	\$ 269.99	\$ 353.83
	1.25 Cubic Yard, 3 pickups/week	103.75	\$ 125.75	\$ 409.49	\$ 535.25
	1.25 Cubic Yard, 4 pickups/week	103.75	\$ 167.67	\$ 549.00	\$ 716.66
	1.25 Cubic Yard, 5 pickups/week	103.75	\$ 209.58	\$ 688.48	\$ 898.06
	2 Cubic Yard, 1 pickups/week	166.00	\$ 67.08	\$ 171.07	\$ 238.14
	2 Cubic Yard, 2 pickups/week	166.00	\$ 134.14	\$ 351.10	\$ 485.23
	2 Cubic Yard, 3 pickups/week	166.00	\$ 201.20	\$ 531.17	\$ 732.37
	2 Cubic Yard, 4 pickups/week	166.00	\$ 268.26	\$ 711.22	\$ 979.48
	2 Cubic Yard, 5 pickups/week	166.00	\$ 335.32	\$ 891.27	\$ 1,226.58
	3 Cubic Yard, 1 pickup/week	249.00	\$ 100.61	\$ 244.33	\$ 344.94
	3 Cubic Yard, 2 pickups/week	249.00	\$ 201.20	\$ 497.67	\$ 698.86
	3 Cubic Yard, 3 pickups/week	249.00	\$ 301.79	\$ 751.00	\$ 1,052.78
	3 Cubic Yard, 4 pickups/week	249.00	\$ 402.38	\$ 1,004.35	\$ 1,406.72
	3 Cubic Yard, 6 pickups/week	249.00	\$ 502.97	\$ 1,564.58	\$ 2,067.55
	4 Cubic Yard, 1 pickup/week	332.00	\$ 134.14	\$ 317.59	\$ 451.73
	4 Cubic Yard, 2 pickups/week	332.00	\$ 268.26	\$ 644.22	\$ 912.48
	4 Cubic Yard, 3 pickups/week	332.00	\$ 402.38	\$ 970.84	\$ 1,373.22
	4 Cubic Yard, 4 pickups/week	332.00	\$ 536.50	\$ 1,297.46	\$ 1,833.96
	4 Cubic Yard, 6 pickups/week	332.00	\$ 670.62	\$ 1,624.08	\$ 2,294.70
	6 Cubic Yard, 1 pickup/week	498.00	\$ 201.20	\$ 464.15	\$ 665.34
	6 Cubic Yard, 2 pickups/week	498.00	\$ 402.38	\$ 937.29	\$ 1,339.67
	6 Cubic Yard, 3 pickups/week	498.00	\$ 603.56	\$ 1,410.44	\$ 2,014.00

	6 Cubic Yard, 4 pickups/week	498.00	\$ 804.74	\$ 1,883.57	\$ 2,688.31
	6 Cubic Yard, 5 pickups/week	498.00	\$ 1,005.92	\$ 2,356.74	\$ 3,362.66
	8 Cubic Yard, 1 pickup/week	664.00	\$ 268.26	\$ 604.17	\$ 872.42
	8 Cubic Yard, 2 pickups/week	664.00	\$ 536.50	\$ 1,217.34	\$ 1,753.84
	8 Cubic Yard, 3 pickups/week	664.00	\$ 804.74	\$ 1,830.52	\$ 2,635.26
	8 Cubic Yard, 4 pickups/week	664.00	\$ 1,072.98	\$ 2,443.71	\$ 3,516.69
	8 Cubic Yard, 5 pickups/week	664.00	\$ 1,341.22	\$ 3,056.87	\$ 4,398.09
	Extra loose cubic yard in container, per pickup	83.00	\$ 7.76	\$ 2.60	\$ 10.36
	Extra loose cubic yard on ground, per pickup	83.00	\$ 7.76	\$ 12.60	\$ 20.36
	<b>Detachable Container Ancillary Fees (per occurrence):</b>				
	Stand-by Time (per minute)			\$ 1.60	\$ 1.60
	Container Cleaning (per yard of container size)			\$ 10.00	\$ 10.00
	Redelivery of Containers			\$ 20.00	\$ 20.00
	Return Trip			\$ 10.00	\$ 10.00
	<b>Service Level (based on pick ups)</b>	<b>Daily Rent</b>	<b>Monthly Rent</b>	<b>Delivery Charge</b>	<b>Haul Charge</b>
<b>Commercial Drop-box Collection</b>	Non-compacted 12 cubic yard Drop-box	\$ 8.00	\$ 79.75	\$ 155.00	\$ 209.90
	Non-compacted 15 cubic yard Drop-box	\$ 8.00	\$ 79.75	\$ 155.00	\$ 209.90
	Non-compacted 20 cubic yard Drop-box	\$ 8.00	\$ 111.66	\$ 155.00	\$ 254.73
	Non-compacted 25 cubic yard Drop-box	\$ 8.00	\$ 127.61	\$ 155.00	\$ 277.08
	Non-compacted 30 cubic yard Drop-box	\$ 8.00	\$ 143.56	\$ 155.00	\$ 299.45
	Non-compacted 40 cubic yard Drop-box	\$ 8.00	\$ 159.51	\$ 155.00	\$ 344.22
	Compacted 10 cubic yard Drop-box			\$ 155.00	\$ 265.35
	Compacted 15 cubic yard Drop-box			\$ 155.00	\$ 287.73
	Compacted 20 cubic yard Drop-box			\$ 155.00	\$ 310.10
	Compacted 25 cubic yard Drop-box			\$ 155.00	\$ 332.50
	Compacted 30 cubic yard Drop-box			\$ 155.00	\$ 377.25
	<b>Drop-box Ancillary Fees</b>				<b>Per Event</b>
	Return Trip				\$ 25.89
	Stand-by Time (per minute)				\$ 1.66
	Container cleaning (per yard of container size)				\$ 10.36
	Drop-box directed to other facility (per one-way mile)				\$ 3.88
<b>Multifamily Recycling</b>					
	Surcharge per cubic yard of MF garbage collected			\$ 5.18	\$ 5.18
	<b>Service Level</b>	<b>Pounds Per Unit</b>	<b>Disposal Fee</b>	<b>Collection Fee</b>	<b>Haul Charge</b>
<b>Temporary Collection Hauling</b>	2 Yard detachable Container	38.34	\$ 15.50	\$ 131.64	\$ 147.14
	4 Yard detachable container	76.67	\$ 30.99	\$ 133.94	\$ 164.93
	6 Yard detachable container	115.01	\$ 46.48	\$ 136.25	\$ 182.73
	8 Yard detachable container	153.35	\$ 61.97	\$ 138.55	\$ 200.52
	Non-compacted 10 cubic yard Drop-box				\$ 186.81
	Non-compacted 20 cubic yard Drop-box				\$ 215.55



	Non-compacted 25 cubic yard Drop-box				\$ 244.30
	Non-compacted 30 cubic yard Drop-box				\$ 258.66
	<b>Service Level</b>		<b>Delivery Fee</b>	<b>Daily Rental</b>	<b>Monthly Rental</b>
<b>Temporary Collection Container Rental and Delivery</b>	2 Yard detachable container		\$ 83.00	\$ 7.50	\$ 80.00
	4 Yard detachable container		\$ 83.00	\$ 7.50	\$ 80.00
	6 Yard detachable container		\$ 83.00	\$ 7.50	\$ 80.00
	8 Yard detachable container		\$ 83.00	\$ 7.50	\$ 80.00
	Non-compacted 10 cubic yard Drop-box		\$ 107.00	\$ 10.00	\$ 125.00
	Non-compacted 20 cubic yard Drop-box		\$ 107.00	\$ 10.00	\$ 125.00
	Non-compacted 30 cubic yard Drop-box		\$ 107.00	\$ 10.00	\$ 125.00
	Non-compacted 40 cubic yard Drop-box		\$ 107.00	\$ 10.00	\$ 125.00
<b>Event Services</b>	Delivery, provision, collection of a set of 3 carts (G, R & C)				<b>Per Day</b>
					\$ 35.00
<b>Hourly Rates</b>	<b>Service</b>				<b>Per Hour</b>
	Rear/Side-load packer + driver				\$ 160.00
	Front-load packer + driver				\$ 160.00
	Drop-box Truck + driver				\$ 160.00
	Additional Labor (per person)				\$ 85.00
<b>Commodity Value</b>	Commodity Value per Residential/Multi Family Collected Ton				\$ 65.00

**EXHIBIT C**  
**Recyclable Materials to be Collected**

<b>Aluminum</b> – All clean aluminum cans, trays, pie tins, and clean food containers	X		Place in recycling Container	
<b>Corrugated Cardboard</b> – All corrugated cardboard boxes	X		All corrugated cardboard boxes placed in or next to recycling Container.	No larger than 3' x 3' in size, larger boxes shall be cut down to size.
<b>Glass Containers</b> – All colored or clear jars and bottles, rinsed, with lids removed	X		Empty, remove lids, and place in recycling Container.	
<b>Paper</b> – All clean mixed paper, colored paper, magazines, phone books, catalogues, advertising supplements	X		Place in recycling Container.	
<b>Plastic Containers</b> – All plastic bottles, jugs, and tubs.	X		Empty, clean, place in recycling Container.	Plastic bottles, jugs, tubs or containers that have hazardous or toxic products, such as motor oil or pesticides are excluded.
<b>Scrap Metal</b> – All ferrous and non-ferrous scrap metal, including lids > 3" free of wood, rubber, and other contaminants	X	X Large Items	Small items: Place in recycling Container or secure (e.g. bundle or box) next to recycling Container. Large items: Call to request pickup at least 24 hours before regular service day.	Small items: Less than 2' x 2' and 35 lbs. Less than 5% non-metal parts. Large items: Larger than 2' x 2'. Call to request pick-up. Single family only
<b>Tin Cans</b> – All clean food and beverage tin cans and tin lids 3" or larger	X		Place in recycling Container.	
<b>Used Cooking Oil</b>	X	X	Seal uncontaminated oil (no large solids) in clean, clear, screw-top plastic jugs. Label jugs with name and address and place next to recycling Cart.	Limit: Three (3) gallons per pick-up and ten (10) gallons per year. Single family only.

## EXHIBIT D

### Fee Modification Examples

The collection and disposal components of the Customer charges listed in Exhibit B will be adjusted separately, as appropriate. The collection component of Customer charges will be adjusted annually, pursuant to this Section and as described below. The disposal component of the Customer charges listed in Exhibit B will be adjusted only if the City receives notification from the County of a pending disposal fee adjustment, and will not become effective until the new disposal charges become effective and are actually charged to the Contractor. Formulas for both collection and disposal rate adjustments are provided as follows:

#### Collection Component Adjustment

The sum of the collection and Sustainability Fee components listed in Exhibit B will be increased or decreased by the amount of the CPI change (Note that at contract inception the Sustainability Fee is set at zero):

$$NCC = PCC \times \left[ 1 + \frac{nCPI - oCPI}{oCPI} \right]$$

- Where
- NCC = The new collection and Sustainability Fee components, adjusted for excise tax on the Sustainability Fee, of the customer rate for a particular service level; and
  - PCC = The previous collection and Sustainability Fee components, adjusted for excise tax on the Sustainability Fee, of the Customer rate for a particular service level; and
  - nCPI = The most recent June CPI value; and
  - oCPI = The CPI value used for the previous rate adjustment or, in the case of the first contract adjustment, the CPI value reported at the end of June 2019.

#### Disposal Component Adjustment

In the case of a disposal fee modification at County disposal facilities, the disposal component of each service level will be adjusted as follows:

##### Step 1:

$$A = ODC \times \frac{NTF}{OTF}$$

##### Step 2:

$$NDC = A + [(A - ODC) \times CETR]$$

Where	NDC	=	The new disposal charge component of the customer rate for a particular service level; and
	NTF	=	The new disposal fee, dollars per ton; and
	ODC	=	The old disposal charge component of the customer rate for a particular service level;
	OTF	=	The old disposal fee, dollars per ton; and
	A	=	Pre-excise tax adjusted disposal component; and
	CETR	=	Current excise tax rate (the current State excise tax rate; 0.015 used for this example).

For example, using an initial one 32/35-gallon cart rate of \$26.21 per month: if the previous CPI is 143.2, the new CPI is 144.3 and the disposal fee will increase from \$140 to \$150 per ton starting on January 1, 2021, the old disposal component is \$5.83, and the State Excise Tax rate is 0.015, the January 2021 Customer charge for one 32/35-gallon cart per week Residential Curbside service would be:

$$\text{New Collection Component} = \$26.21 \times \left[1 + \frac{(144.3-143.2)}{(143.2)}\right] = \mathbf{\$26.41}$$

New Disposal Component      Step A calculation (as on previous page):

$$[\$5.83 \times (150/140)] = \$5.76$$

Step B calculation (as on previous page):

$$\$5.76 + [(\$5.83 - \$5.76) \times 0.015] = \mathbf{\$5.76}$$

Thus, the new Customer charge for one 32-gallon cart per week Residential Curbside service will be the **\$26.21** collection component plus the **\$5.76** disposal component, equaling **\$31.97**.

**EXHIBIT E**  
**Commodity Value Calculation**

1. The following methodology will be used to determine the commodity credits/debits to Single-Family and Multifamily Customers under Section 5.3.4.
2. Two waste characterizations of the City's residential Recyclables stream will be conducted each calendar year, one on or about May 1 and the other on or about November 1. Each characterization will measure the percentage by weight of each of the following commodity types in the City's residential Recyclables stream: OCC, Mixed Paper, Mixed Glass, Tin/Steel Cans, Aluminum Cans, Mixed HDPE, Natural HDPE, PET. For each commodity type, the weighted average of the May 1 and November 1 percentages will be used for purposes of calculating the following January's credit/debit adjustment.
3. Utilizing the Mill Trade Journal/Recycling Markets publication, a 12-month trailing average of the value of each commodity type will be determined. The following published prices (which correspond to the list of commodity types above) will be used: Old Corrugated Cardboard, Soft Mixed Paper, Green Glass, Steel Cans, Aluminum UBCs, Mixed HDPE, Natural HDPE, PET. The calculation will use the published values for the Pacific Northwest region (or, if unavailable, the West region) over the most recent 12 months for which published data are available at the time of calculation in December. If the published value is a range, the high point of the range will be used.
4. For each commodity type, the percentage by weight calculated under Step 2 above will be multiplied by the price per ton calculated under Step 3 above. The sum of the resulting dollar values will be the calculated commodity value per ton for the City's recyclable materials for the current year.
5. The calculated commodity value per ton for the current year will be compared to the calculated commodity value per ton for the previous year to determine a percentage increase or decrease. The previous year's credit/debit amount per customer will be adjusted by such percentage change to arrive at the current year's credit/debit amount per customer.
6. The current year's credit/debit amount calculated under Step 5 will be credited or debited to Customers in accordance with Section 5.3.4.
7. The first adjustment to commodity credit/debits, in January 2020, will be based on a single waste characterization, the one conducted in November 2019. The results of this waste characterization will be used to determine the calculated commodity value for the current year, using the 12-month published prices available in December 2019. The calculated commodity value for the previous year (2018) shall be \$65.00.

Example DRAFT Calculation Sheet for Mercer Island for January 2020 Commodity Credit Value  
Utilizing Mill Trade Journal Pacific Northwest/West High Number By Commodity

ALL FIGURES ARE HYPOTHETICAL

Commodity Type	Waste Characterization Percentage (2018)	Published Commodity Prices (2018)	Calculated Commodity Value (2018)	Waste Characterization Percentage (2019*)	Published Commodity Price (2019)	Calculated Commodity Value (2019)
OCC	17.00%	\$ 70.00	\$ 11.90	17.00%	\$ 79.00	\$ 13.43
Mixed Paper	45.00%	\$ 5.00	\$ 2.25	45.00%	\$ 6.00	\$ 2.70
Mixed Glass	27.50%	\$ 5.00	\$ 1.38	27.50%	\$ 5.50	\$ 1.51
Tin/Steel Cans	3.25%	\$ 80.00	\$ 2.60	3.25%	\$ 82.50	\$ 2.68
Aluminum	1.50%	\$ 1,500.00	\$ 22.50	1.50%	\$ 1,575.00	\$ 23.63
PET	2.00%	\$ 380.00	\$ 7.60	2.00%	\$ 385.00	\$ 7.70
Natural HDPE Plastic	1.75%	\$ 600.00	\$ 10.50	1.75%	\$ 605.00	\$ 10.59
Mixed HDPE Plastic	2.00%	\$ 320.00	\$ 6.40	2.00%	\$ 325.00	\$ 6.50
	100.00%		\$ 65.13 = A	100.00%		\$ 68.74 = B
Percent Change in Calculated Commodity Value			5.55%		= (B - A) / A = C	
2019 Single-Family Per Customer Credit/Debit		\$	2.39		= D	
2020 Single-Family Per Customer Credit/Debit		\$	2.52		= D * (1 + C)	
2019 Multifamily Per Yard Credit/Debit		\$	1.52		= E	
2020 Multifamily Per Yard Credit/Debit		\$	1.60		= E * (1 + C)	

\* NOTE: The current and previous year's waste characterization percentages will be the same only for purposes of calculating the January 2020 credit/debit.

City of Mercer Island  
Commodity Value Calculation

2

December, 2018

## Examples From Mill Trade Journal/Recycling Markets

**MILL BUYING PAPERSTOCK PRICES**

Average prices per ton **PAID BY MILLS**. For Baled, F.O.B. Seller's Dock, Packed to PS-09 standards. ISRI Specifications (PS-09) numbers appear in parentheses. Prices are intended for purposes of **REFERENCE ONLY**. They do not connote any commitment to sell or buy at the indicated price. Transactions may be completed at any time at a price agreed upon by seller and purchaser.

	BOSTON	N.Y.	CHL	ATL	L.A.	S.F.	PAC.NW
Unprinted SBS (47)	385 - 390	385 - 390	355 - 360	390 - 395	345 - 350	345 - 350	345 - 350
Hard White Envelope Cuttings (31)	455 - 460	455 - 460	425 - 430	435 - 440	425 - 430	425 - 430	415 - 420
Hard White Shavings (30)	435 - 440	435 - 440	400 - 405	445 - 450	395 - 400	395 - 400	395 - 400
Coated Soft White Shavings (28)	285 - 290	285 - 290	280 - 285	280 - 285	285 - 290	285 - 290	285 - 290
White Ledger, Manifold (41)	285 - 290	285 - 280	260 - 265	255 - 260	270 - 275	265 - 270	255 - 260
White Ledger, Post Consumer (40)	280 - 285	280 - 285	255 - 260	250 - 255	275 - 270	260 - 265	245 - 250
Sorted Office Paper (37)	200 - 205	200 - 205	200 - 205	205 - 210	205 - 210	205 - 210	205 - 210
Coated Book Stock (43)	200 - 205	200 - 205	200 - 205	205 - 210	205 - 210	205 - 210	205 - 210
New DLK Cuttings (13)	90 - 95	90 - 95	90 - 95	100 - 105	100 - 105	100 - 105	90 - 85
Old Corrugated Containers (11)	75 - 80	75 - 80	75 - 80	85 - 90	85 - 90	85 - 90	65 - 70
White News Blanks (24)	230 - 235	230 - 235	220 - 225	220 - 225	245 - 250	245 - 250	225 - 230
Old News (6)	40 - 45	40 - 45	30 - 35	40 - 45	80 - 85	80 - 85	70 - 75
Old News De-Ink Quality (8)	80 - 85	80 - 85	75 - 80	85 - 90	85 - 90	85 - 90	85 - 90
Boxboard Cuttings (4)	85 - 90	85 - 90	80 - 85	85 - 90	85 - 90	85 - 90	85 - 90
Old Magazines (10)	90 - 95	90 - 95	85 - 90	90 - 95	90 - 95	90 - 95	90 - 95
Soft Mixed Paper (2)	-5 - 0	-5 - 0	-5 - 0	-5 - 0	0 - 5	0 - 5	0 - 5

Your input and feedback on prices is encouraged. Contact Anna Dutko Rowley, Editor  
Phone: (847) 441-5645, Fax: (847) 441-5652, Email: recycling@nvpublishations.com

**THE MARKETPLACE**

The following are prices reportedly being paid by processors for post-consumer recyclables and are intended for purposes of **REFERENCE ONLY**. They do not connote any commitment to sell or buy at the indicated price and may not include delivery costs. (WSJ = Wall Street Journal)

**FERROUS METALS:**

	East	Midwest	West
Steel Cans (\$/long ton)	\$75 - 80	\$75 - 80	\$75 - 80

**NON-FERROUS**

Copper Scrap (#2 wire, \$/lb)	\$ 2.58	WSJ	9/0-4/18
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	East	Midwest	West
Aluminum UBCs (\$/lb)	\$ .60 - .70	\$ .60 - .70	\$ .60 - .75

**PLASTICS:**

	East	Midwest	West
PET, baled (\$/lb)	up to \$.16	up to \$.16	up to \$.19
Natural HDPE, baled (\$/lb)	up to \$.30	up to \$.30	up to \$.30
Mixed HDPE, baled (\$/lb)	up to \$.16	up to \$.16	up to \$.16

**GLASS:**

	East	Midwest	West
Green, unprocessed (\$/ton)	\$0 - 5	\$0 - 5	\$0 - 5
Amber, unprocessed (\$/ton)	\$5 - \$10	\$10 - 15	\$15 - 20
Clear, unprocessed (\$/ton)	\$20 - \$25	\$20 - 25	\$15 - 20

**FIRST AMENDMENT  
TO  
Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract  
with Recology King County Inc.**

This First Amendment ("Amendment") dated November \_\_, 2023 is effective on the January 1, 2024. The Parties to this Amendment are the City of Mercer Island, a Washington municipal corporation ("City"), and Recology King County Inc. ("Contractor").

WHEREAS, the City and Contractor entered into an agreement entitled "Comprehensive Garbage, Recyclables, and Compostables Collection Services Contract," ("Contract"), dated effective January 16, 2019.

WHEREAS, King County has revised their disposal charge rate structure, which will require a modification of how disposal charges are included in Customer charges and the methodology for rate adjustments resulting from changes to the disposal charges over the term of the Contract.

WHEREAS, Section 5.3.2 of the Contract provides for periodic Customer charge adjustments due to changes in King County disposal charges, with the intention that increases or decreases in those disposal charges shall be "passed through" to Customers without additional or reduced profit to the Contractor.

WHEREAS, the City and Contractor wish to revise the Contract to address the King County disposal charge modifications.

NOW, THEREFORE, the parties agree to the following terms and conditions:

1. Amendment to Existing Contract. The Contract shall be amended by adding and revising sections of the Contract as described in Exhibit A-1 attached hereto and incorporated by this reference.
2. Full Force and Effect. All other terms and conditions of the Agreement not modified by this Amendment shall remain in full force and effect.
3. Effective Date. This Amendment shall be effective January 1, 2024.



**CONTRACTOR:**

**RECOLOGY KING COUNTY INC.**

**CITY:**

**CITY OF MERCER ISLAND**

By: \_\_\_\_\_

By: \_\_\_\_\_

Jessi Bon  
City Manager

Date: \_\_\_\_\_

Date: \_\_\_\_\_

801 S Fidalgo Street Suite 100  
Seattle, WA 98108

9611 S.E. 36<sup>th</sup> St.  
Mercer Island, WA 98040  
Staff: Jason Kintner, Chief of Operations

APPROVED AS TO FORM:

\_\_\_\_\_  
Bio Park, City Attorney

## EXHIBIT A-1

**“Definitions” shall be amended to add the following definitions:**

**Fixed Annual Charge:** The term “Fixed Annual Charge” means the amount of the annual County-wide Fixed Annual Charge that the County has calculated is allocable to the City Service Area and owed by Contractor to fund certain elements of the County’s disposal system, in accordance with King County Code 10.12.021(B), as amended.

**Tipping Fee:** the term “Tipping Fee” means the per-ton disposal fee assessed on the Contractor by the County for Garbage delivered to County disposal facilities.

**Section 4.3.4.2, “Annual Reports,” shall be amended to add the following:**

11. Total billed revenue, aggregate Fixed Annual Charge component collected, and the payments made to the County that are allocable to the Fixed Annual Charge;

**Section 5.1.2, “Itemization on Invoices,” shall have the first paragraph amended to read as follows:**

All applicable City, County, and Washington State solid waste or household hazardous waste taxes or fees, utility taxes, the Fixed Annual Charge component, the City Sustainability Fees (if any), and certain sales taxes shall be itemized separately on Customer invoices and added to the charges listed in Exhibit B, ~~except that the City Sustainability Fees (if any) shall be included in Exhibit B rates and shall not be itemized separately on Customer invoices.~~

**Section 5.3.2, “Changes in Disposal Fees,” shall be replaced in its entirety as follows:**

Effective January 1, 2024, disposal fees shall include a Tipping Fee component and a Fixed Annual Charge component, as shown within Exhibit B, “Fixed Annual Charge” column, with the values calculated using the methodology set forth below.

Adjustments shall be made to the Tipping Fee component of Customer charges contained in Exhibit B as needed to reflect increases or decreases in the Tipping Fee charged by the County to the Contractor. In the event of a change in the Tipping Fee, the Tipping Fee component of each Customer charge shall be adjusted by the percentage increase or decrease in the Tipping Fee. Any adjustment pursuant to the preceding sentence shall become effective on the date of the County’s implementation of such change to the Tipping Fee, provided that the Contractor has provided Customers forty-five (45) days’ advance notification.

The Fixed Annual Charge component that shall be calculated in accordance with this Contract and Contractor’s receipts of the Fixed Annual Charge component that are included in the Fixed Annual Charge component, shall be used by Contractor to satisfy its obligations to County for payment of the Fixed Annual Charge. As of the date of this First Amendment, it is the parties’ understanding that the Fixed Annual Charge will be published by the County no later than September 1 of each calendar year and it is the parties’ intent that Contractor shall be entitled to (a) collect from Customers under this Contract all disposal fees and related charges payable by Contractor to County with respect to the services provided by Contractor hereunder, including but not limited to all per-ton disposal fees (Tipping Fees) and all annual Fixed Annual Charge payments, and (b) collect all such amounts from Customers under this Contract during the term of

this Contract. In the event that the County modifies its procedures for calculating or publishing the Fixed Annual Charge, the parties agree to amend this Contract as needed to accomplish the foregoing intent.

The Fixed Annual Charge component shall be calculated on an annual basis. The aggregate value of the Fixed Annual Charge component to be included in Customer charges each year shall be calculated to be an amount equal to the Fixed Annual Charge for such year adjusted upwards or downwards as applicable by the amount of any overpayment or underpayment of the Fixed Annual Charge from the most recently completed calendar year. The amount of any overpayment or underpayment shall be calculated as the difference between the aggregate Fixed Annual Charge component collected by Contractor during the most recent completed calendar year for which this data is available and the Fixed Annual Charge applicable to that year. For example, calendar year 2024 data shall be used to calculate the amount of any underpayment or overpayment that shall be applied to the Fixed Annual Charge to become effective 2026 since 2024 will be the most recently completed calendar year for which data is available when Contractor is preparing its rate application that is due to City by October 1, 2025.

The Fixed Annual Charge component of the Customer charges shall be applied to all regular Garbage services and Garbage Drop-Box services, but shall not apply to Bulky Waste, Extra Units, temporary Detachable Container, Recyclables, Compostables services, or those services identified as Miscellaneous Services or Ancillary Fees on Exhibit B. For regular Garbage services, this component shall be calculated annually as a proportion of each Customer's subscribed for monthly Garbage Container volume for the current Container counts. For Garbage Drop-Box services, this component shall be calculated based on the Container volume and charged to Customers on a per-haul basis.

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

Specific examples of rate modifications due to Consumer Price Index and disposal fee changes are provided in Exhibit D.

**"Exhibit B" shall be deleted and replaced in its entirety with attached replacement Exhibit B.**

Replacement Exhibit B differs from the original Exhibit B by changing the name of the "Disposal Fee" column to "Tipping Fee," "Total Service Rate" to "Total Customer Rate," "Multi Family Service Rate" to "Multi Family Customer Rate," and adding "Fixed Annual Charge."

**"Exhibit D: Fee Modification Examples," shall be deleted and replaced in its entirety as follows:**

The Customer charges in Exhibit B shall be adjusted annually and are comprised of three separate components: Tipping Fee component, collection fee component, and the Fixed Annual Charge component. The Tipping Fee component and collection fee component shall be referred to as the Customer rate, and the Fixed Annual Charge shall be listed separately. The Customer charges shall be adjusted proportionally if there is a change to the City's Sustainability Fee, Washington State excise tax, or other adjustment to compensation made pursuant to Article 5 of the Contract. In the event City institutes the Sustainability Fee pursuant to Section 5.2, such fee shall be calculated and charged to customers based on a percentage of the combined Tipping Fee component,

collection fee component, and Fixed Annual Charge component.

**Tipping Fee component.** The Tipping Fee component of the Customer charges shall be adjusted by the percentage increase or decrease in the County Tipping Fee. Any increase or decrease shall not become effective until the new Tipping Fee becomes effective and are actually charged to the Contractor.

**Collection fee component.** The collection fee component of the Customer charges shall be adjusted annually to reflect the CPI change as described below.

**Fixed Annual Charge component.** The Fixed Annual Charge component of the Customer charges shall be applied to all regular Garbage services and Garbage Drop-Box services. City and Contractor anticipate that the amount of each year's Fixed Annual Charge is to be provided by the County to the City and Contractor no later than September 1st of the year preceding in which such Fixed Annual Charge is to take effect. The Fixed Annual Charge component shall reflect any underpayment or overpayment collected from Customers from the prior year as set forth in Section 4.3.2. This component shall be calculated annually as a proportion of monthly Container volume for the current Container counts.

Formulas for adjustments of the Tipping fee component, collection fee component, and Fixed Annual Charge component are provided below. Numbers and percentages shall be truncated to two decimal places (\$1.23 or 1.23%) in all calculations. Adjustments to the Contractor's disposal fees and charges on rates shall be made in units of one cent (\$0.01).

For example, as of January 1, 2024, a 32/35-gallon Cart has a Customer Rate of \$35.00 per month where \$7.00 is the Tipping Fee component and \$28.00 is the collection fee component. \$1.25 is the Fixed Annual Charge component. The current Tipping Fee is \$150.83 and increases to \$165.31 per ton starting on January 1, 2025. The previous CPI is 100.0 and the new CPI is 105.0. The new County Fixed Annual Charge is \$227,000 with \$1,000 previously overpaid by Customers to the Contractor. Currently there are 125,000 cubic yards of garbage calculated from current container counts.

Symbol	Current Customer Rate Description	Example	Calculation
TFC <sub>OLD</sub>	Current Tipping Fee Component of Customer Rate	\$7.00	-
CFC <sub>OLD</sub>	Current Collection Fee Component of Customer Rate	\$28.00	-
CR <sub>OLD</sub>	Current Customer Rate	\$35.00	= TFC <sub>OLD</sub> + CFC <sub>OLD</sub>

Symbol	Tipping Fee Component Description	Example	Calculation
TF <sub>OLD</sub>	Current King County Garbage Tipping Fee	\$150.83	-
TF <sub>NEW</sub>	New King County Garbage Tipping Fee	\$165.31	-
TF%	Garbage Tipping Fee Adjustment	9.60%	= (TF <sub>NEW</sub> - TF <sub>OLD</sub> ) / TF <sub>OLD</sub>

Symbol	Collection Fee Component Description	Value	Calculation
CPI <sub>OLD</sub>	Previous CPI	100.0	-
CPI <sub>NEW</sub>	Current CPI	105.0	-
CPI%	CPI Adjustment	5.0%	= (CPI <sub>NEW</sub> - CPI <sub>OLD</sub> ) / CPI <sub>OLD</sub>

Symbol	New Customer Rate Description	Example	Calculation
TFC <sub>NEW</sub>	New Tipping Fee Component of Customer Rate	\$7.67	= TFC <sub>OLD</sub> * (1 + TF%)

$CFC_{NEW}$	New Collection Fee Component of Customer Rate	\$29.40	$= CFC_{OLD} * (1 + CPI\%)$
$CR_{NEW}$	New Customer Rate	\$37.07	$= TFC_{NEW} + CFC_{NEW}$

Symbol	Fixed Annual Charge Component Description	Example	Calculation
$FAC_{OLD}$	Previous Aggregate Fixed Annual Charge (FAC) to be Included in Customer Charges	\$224,000	Target FAC for Current Year, Adjusted by Any Previous Overpayment or Underpayment
$FAC_{AGG}$	Previous Aggregate FAC Components Actually Received by Contractor During Most Recently Completed Calendar Year	\$225,000	$= \sum \text{Previous Years' FAC Components}$
$FAC_{O/U}$	FAC Overpayment/Underpayment from Prior Year	\$1,000	$= FAC_{AGG} - FAC_{OLD}$
$FAC_{NEW}$	New County FAC	\$227,000	-
$FAC_{TRG}$	New Aggregate FAC to be Included in Customer Charges	\$226,000	$= FAC_{NEW} - FAC_{O/U}$
GV	Annual Garbage Container Volume (Cubic Yards)	125,000	$= \sum (\text{Monthly Garbage Container Volume}) * 12$
$FAC_{GV}$	Monthly Target FAC per Cubic Yard of Garbage	\$1.80	$= (FAC_{TRG} / GV)$
$FAC_{NEW}$	New Fixed Annual Charge Component of Customer Rate	\$1.23	$= (\text{Monthly Garbage Container Volume}) * FAC_{GV}$

Based upon the calculations above, the new Customer rate as of January 1, 2025 for one 32/35-gallon Cart is \$37.07 per month where \$7.67 is the Tipping Fee component and \$29.40 is the collection fee component, and \$1.23 is the new Fixed Annual Charge component.

**Exhibit B - Mercer Island Customer Rates**  
**Monthly Rates Unless Otherwise Specified**  
**2024 Rates**

	Service Level	Tipping Fee	Collection Fee	Total Customer Rate		Fixed Annual Charge
<b>Monthly</b>	One 32 gallon Garbage Cart	\$ 1.45	\$ 6.51	\$ 7.96		\$ 0.24
<b>Weekly Residential Curbside Service</b>	One 19/20-gallon Garbage Cart	\$ 3.68	\$ 16.04	\$ 19.72		\$ 0.61
	1 32/35-gallon Garbage Cart	\$ 6.26	\$ 29.91	\$ 36.17		\$ 1.04
	1 60/64-gallon Garbage Cart	\$ 11.03	\$ 46.07	\$ 57.10		\$ 1.97
	1 90/96-gallon Garbage Cart	\$ 16.54	\$ 55.04	\$ 71.58		\$ 2.77
	Additional 32 Gallon Cans (weekly svc)	\$ 6.26	\$ 10.48	\$ 16.74		
	Extras (32 gallon equivalent)	\$ 1.45	\$ 3.15	\$ 4.60		
	<b>Miscellaneous Fees:</b>					
	Recycling Only (no garbage service)		\$ 12.76	\$ 12.76		
	Compostables Only (no garbage service)		\$ 17.40	\$ 17.40		
	Extra Compostables (32 gallon bag/bundle/can)		\$ 3.48	\$ 3.48		
	Second 96-Gallon Compostables Cart (rental only)		\$ 1.74	\$ 1.74		
	Additional 96-Gallon Compostables Cart (for excess above limit)		\$ 6.96	\$ 6.96		
	Inclement Weather Extra Make-Up Collection(per event, per commodity)		\$ 16.00	\$ 16.00		
	Extra Recycle Cart Fee		\$ 1.74	\$ 1.74		
	Contamination Fee - Carts (per event, charged as provided for in contract)		\$ 23.20	\$ 23.20		
	Sunken Can Surcharge		\$ 17.40	\$ 17.40		
	Return Trip		\$ 6.96	\$ 6.96		
	Roll-out Charge, per 25 ft, per cart, per time		\$ 3.48	\$ 3.48		
	Drive-in Charge, per month		\$ 6.96	\$ 6.96		
	Overweight/Oversize container (per p/u)		\$ 3.48	\$ 3.48		
	Redelivery of one or more containers		\$ 11.61	\$ 11.61		
	Cart Cleaning (per cart per cleaning)		\$ 11.61	\$ 11.61		
<b>On-Call Bulky Waste Collection</b>	Non-CFC Containing Large Appliances ("white goods"), per item		\$ 23.20	\$ 23.20		
	Refrigerators/Freezers/Air Conditioners per item		\$ 34.81	\$ 34.81		
	Sofas, Chairs, per item	\$ 7.32	\$ 15.66	\$ 22.98		
	Mattresses, Boxsprings, per item	\$ 7.32	\$ 15.66	\$ 22.98		
	Service Level	Disposal Fee	Collection Fee	Total Service Rate	Multi Family Service Rate	Fixed Annual Charge
<b>Weekly Commercial /MF Can and Cart</b>	One 20-gallon Garbage Cart	\$ 3.68	\$ 23.94	\$ 27.62	\$ 29.39	\$ 0.61
	1 32/35-gallon Garbage Cart	\$ 6.26	\$ 26.00	\$ 32.26	\$ 35.28	\$ 1.04
	1 45-gallon Garbage Cart	\$ 8.64	\$ 29.35	\$ 37.99	\$ 42.07	\$ 1.41
	1 60/64-gallon Garbage Cart	\$ 11.03	\$ 33.14	\$ 44.17	\$ 49.85	\$ 1.97
	1 90/96-gallon Garbage Cart (23)	\$ 16.54	\$ 36.72	\$ 53.26	\$ 61.25	\$ 2.77
	Extras (32-gallon equivalent)	\$ 1.45	\$ 3.15	\$ 4.60		
	Extras (64-gallon equivalent)	\$ 12.50	\$ 8.58	\$ 21.08		
	Extras (96-gallon equivalent)	\$ 18.75	\$ 10.73	\$ 29.48		
	<b>Ancillary Fees:</b>					
	Weekly 35-gal Cart Yard Debris/Foodwaste service		\$ 23.38	\$ 23.38		
	Weekly 64-gal Cart Yard Debris/Foodwaste service		\$ 27.76	\$ 27.76		
	Weekly 96-gal Cart Yard Debris/Foodwaste service		\$ 30.69	\$ 30.69		
	Contamination Fee - Multifamily (per event, charged as provided for in contract)		\$ 29.02	\$ 29.02		
	Return Trip		\$ 6.96	\$ 6.96		
	Roll-out Charge, per addtn'l 25 ft, per cart, per p/u		\$ 1.74	\$ 1.74		
	Redelivery of containers		\$ 11.61	\$ 11.61		
	Cart Cleaning (per cart per cleaning)		\$ 11.61	\$ 11.61		
<b>Weekly Commercial/MF Detachable Container (compacted)</b>	1 Cubic Yard Container	\$ 108.08	\$ 134.17	\$ 242.25	\$ 295.51	\$ 18.57
	1.5 Cubic Yard Container	\$ 162.11	\$ 234.78	\$ 396.89	\$ 476.78	\$ 27.85
	2 Cubic Yard Container	\$ 216.14	\$ 335.39	\$ 551.53	\$ 658.05	\$ 37.15
	3 Cubic Yard Container	\$ 324.22	\$ 467.26	\$ 791.48	\$ 951.26	\$ 55.72
	4 Cubic Yard Container	\$ 432.29	\$ 599.15	\$ 1,031.44	\$ 1,244.48	\$ 74.30
	6 Cubic Yard Container	\$ 648.42	\$ 757.39	\$ 1,405.81	\$ 1,725.37	\$ 111.45

	Service Level	Disposal Fee	Collection Fee	Total Service Rate	Multi Family Service Rate	Fixed Annual Charge
Commercial Detachable Container (loose)	1 Cubic Yard, 1 pickup/week	\$ 36.04	\$ 104.75	\$ 140.79	\$ 158.54	\$ 6.19
	1 Cubic Yard, 2 pickups/week	\$ 72.07	\$ 219.96	\$ 292.03	\$ 327.53	\$ 12.38
	1 Cubic Yard, 3 pickups/week	\$ 108.08	\$ 336.64	\$ 444.72	\$ 497.98	\$ 18.57
	1 Cubic Yard, 4 pickups/week	\$ 144.10	\$ 450.33	\$ 594.43	\$ 665.44	\$ 24.76
	1 Cubic Yard, 5 pickups/week	\$ 180.13	\$ 565.55	\$ 745.68	\$ 834.44	\$ 30.95
	1.25 Cubic Yard, 1 pickup/week	\$ 45.04	\$ 151.45	\$ 196.49	\$ 218.68	\$ 9.28
	1.25 Cubic Yard, 2 pickups/week	\$ 90.07	\$ 313.32	\$ 403.39	\$ 447.77	\$ 18.57
	1.25 Cubic Yard, 3 pickups/week	\$ 135.09	\$ 475.21	\$ 610.30	\$ 676.88	\$ 27.85
	1.25 Cubic Yard, 4 pickups/week	\$ 180.13	\$ 637.10	\$ 817.23	\$ 905.99	\$ 37.15
	1.25 Cubic Yard, 5 pickups/week	\$ 225.15	\$ 798.98	\$ 1,024.13	\$ 1,135.09	\$ 46.43
	2 Cubic Yard, 1 pickups/week	\$ 72.07	\$ 198.52	\$ 270.59	\$ 306.09	\$ 12.38
	2 Cubic Yard, 2 pickups/week	\$ 144.10	\$ 407.45	\$ 551.55	\$ 622.56	\$ 24.76
	2 Cubic Yard, 3 pickups/week	\$ 216.14	\$ 616.42	\$ 832.56	\$ 939.08	\$ 37.15
	2 Cubic Yard, 4 pickups/week	\$ 288.20	\$ 825.37	\$ 1,113.57	\$ 1,255.59	\$ 49.53
	2 Cubic Yard, 5 pickups/week	\$ 360.23	\$ 1,034.31	\$ 1,394.54	\$ 1,572.07	\$ 61.91
	3 Cubic Yard, 1 pickup/week	\$ 108.08	\$ 283.54	\$ 391.62	\$ 444.88	\$ 18.57
	3 Cubic Yard, 2 pickups/week	\$ 216.14	\$ 577.54	\$ 793.68	\$ 900.20	\$ 37.15
	3 Cubic Yard, 3 pickups/week	\$ 324.22	\$ 871.53	\$ 1,195.75	\$ 1,355.53	\$ 55.72
Commercial Detachable Container (loose)	3 Cubic Yard, 4 pickups/week	\$ 432.29	\$ 1,165.54	\$ 1,597.83	\$ 1,810.87	\$ 74.30
	3 Cubic Yard, 6 pickups/week	\$ 540.35	\$ 1,815.71	\$ 2,356.06	\$ 2,622.36	\$ 92.87
	4 Cubic Yard, 1 pickup/week	\$ 144.10	\$ 368.57	\$ 512.67	\$ 583.68	\$ 24.76
	4 Cubic Yard, 2 pickups/week	\$ 288.20	\$ 747.62	\$ 1,035.82	\$ 1,177.84	\$ 49.53
	4 Cubic Yard, 3 pickups/week	\$ 432.29	\$ 1,126.67	\$ 1,558.96	\$ 1,772.00	\$ 74.30
	4 Cubic Yard, 4 pickups/week	\$ 576.36	\$ 1,505.71	\$ 2,082.07	\$ 2,366.12	\$ 99.07
	4 Cubic Yard, 6 pickups/week	\$ 720.45	\$ 1,884.73	\$ 2,605.18	\$ 2,960.24	\$ 123.83
	6 Cubic Yard, 1 pickup/week	\$ 216.14	\$ 538.63	\$ 754.77	\$ 861.29	\$ 37.15
	6 Cubic Yard, 2 pickups/week	\$ 432.29	\$ 1,087.73	\$ 1,520.02	\$ 1,733.06	\$ 74.30
	6 Cubic Yard, 3 pickups/week	\$ 648.42	\$ 1,636.81	\$ 2,285.23	\$ 2,604.79	\$ 111.45
	6 Cubic Yard, 4 pickups/week	\$ 864.54	\$ 2,185.87	\$ 3,050.41	\$ 3,476.49	\$ 148.60
	6 Cubic Yard, 5 pickups/week	\$ 1,080.67	\$ 2,734.99	\$ 3,815.66	\$ 4,348.25	\$ 185.75
	8 Cubic Yard, 1 pickup/week	\$ 288.20	\$ 701.13	\$ 989.33	\$ 1,131.35	\$ 49.53
	8 Cubic Yard, 2 pickups/week	\$ 576.36	\$ 1,412.72	\$ 1,989.08	\$ 2,273.13	\$ 99.07
	8 Cubic Yard, 3 pickups/week	\$ 864.54	\$ 2,124.31	\$ 2,988.85	\$ 3,414.93	\$ 148.60
	8 Cubic Yard, 4 pickups/week	\$ 1,152.72	\$ 2,835.91	\$ 3,988.63	\$ 4,556.72	\$ 198.14
	8 Cubic Yard, 5 pickups/week	\$ 1,440.89	\$ 3,547.49	\$ 4,988.38	\$ 5,698.50	\$ 247.67
	Extra loose cubic yard in container, per pickup	\$ 8.33	\$ 3.02	\$ 11.35		
	Extra loose cubic yard on ground, per pickup	\$ 8.33	\$ 14.61	\$ 22.94		
	<b>Detachable Container Ancillary Fees (per occurrence):</b>					
	Stand-by Time (per minute)		\$ 1.84	\$ 1.84		
	Container Cleaning (per yard of container size)		\$ 11.61	\$ 11.61		
	Redelivery of Containers		\$ 23.20	\$ 23.20		
	Return Trip		\$ 11.61	\$ 11.61		
	<b>Service Level (based on pick ups)</b>	<b>Monthly Rent</b>	<b>Delivery Charge</b>	<b>Haul Charge</b>	<b>Multi Family Haul Rate</b>	<b>FAC per Haul</b>
Commercial Drop-box Collection	Non-compacted 12 cubic yard Drop-box	\$ 92.54	\$ 179.88	\$ 243.60	\$ 292.80	\$ 17.16
	Non-compacted 15 cubic yard Drop-box	\$ 92.54	\$ 179.88	\$ 243.60	\$ 305.10	\$ 21.45
	Non-compacted 20 cubic yard Drop-box	\$ 129.58	\$ 179.88	\$ 295.61	\$ 377.61	\$ 28.60
	Non-compacted 25 cubic yard Drop-box	\$ 148.09	\$ 179.88	\$ 321.54	\$ 424.04	\$ 35.75
	Non-compacted 30 cubic yard Drop-box	\$ 166.60	\$ 179.88	\$ 347.51	\$ 470.51	\$ 42.90
	Non-compacted 40 cubic yard Drop-box	\$ 185.11	\$ 179.88	\$ 399.47	\$ 563.47	\$ 57.20
	Compacted 10 cubic yard Drop-box		\$ 179.88	\$ 307.95	\$ 430.95	\$ 42.90
	Compacted 15 cubic yard Drop-box		\$ 179.88	\$ 333.91	\$ 518.41	\$ 64.35
	Compacted 20 cubic yard Drop-box		\$ 179.88	\$ 359.86	\$ 605.86	\$ 85.80
	Compacted 25 cubic yard Drop-box		\$ 179.88	\$ 385.86	\$ 693.36	\$ 107.25
	Compacted 30 cubic yard Drop-box		\$ 179.88	\$ 437.80	\$ 806.80	\$ 128.70
	<b>Drop-box Ancillary Fees</b>			<b>Per Event</b>		
	Return Trip			\$ 30.04		
	Stand-by Time (per minute)			\$ 1.93		
Multifamily Recycling	Container cleaning (per yard of container size)			\$ 12.02		
	Drop-box directed to other facility (per one-way mile)			\$ 4.50		
Surcharge per cubic yard of MF garbage collected			\$ 5.98	\$ 5.98		

	Service Level	Disposal Fee	Collection Fee	Haul Charge
Temporary Collection Hauling	2 Yard detachable Container	\$ 16.64	\$ 152.76	\$ 169.40
	4 Yard detachable container	\$ 33.29	\$ 155.44	\$ 188.73
	6 Yard detachable container	\$ 49.93	\$ 158.11	\$ 208.04
	8 Yard detachable container	\$ 66.57	\$ 160.78	\$ 227.35
	Non-compacted 10 cubic yard Drop-box			\$ 216.78
	Non-compacted 20 cubic yard Drop-box			\$ 250.14
	Non-compacted 25 cubic yard Drop-box			\$ 283.51
	Non-compacted 30 cubic yard Drop-box			\$ 300.17
	Service Level	Delivery Fee	Daily Rental	Monthly Rental
Temporary Collection Container Rental and Delivery	2 Yard detachable container	\$ 96.31	\$ 8.69	\$ 92.84
	4 Yard detachable container	\$ 96.31	\$ 8.69	\$ 92.84
	6 Yard detachable container	\$ 96.31	\$ 8.69	\$ 92.84
	8 Yard detachable container	\$ 96.31	\$ 8.69	\$ 92.84
	Non-compacted 10 cubic yard Drop-box	\$ 124.17	\$ 11.61	\$ 145.06
	Non-compacted 20 cubic yard Drop-box	\$ 124.17	\$ 11.61	\$ 145.06
	Non-compacted 30 cubic yard Drop-box	\$ 124.17	\$ 11.61	\$ 145.06
	Non-compacted 40 cubic yard Drop-box	\$ 124.17	\$ 11.61	\$ 145.06
Event Services				Per Day
	Delivery, provision, collection of a set of 3 carts (G, R & C)			\$ 40.61
Hourly Rates	Service			Per Hour
	Rear/Side-load packer + driver			\$ 185.67
	Front-load packer + driver			\$ 185.67
	Drop-box Truck + driver			\$ 185.67
	Additional Labor (per person)			\$ 98.63
Commodity Value	Commodity Value per Residential/Multi Family Collected Ton			\$ 75.43





# 2023 PLANNING SCHEDULE

Item 13.

Please email the City Manager & City Clerk when an agenda item is added, moved, or removed.

Items are not listed in any particular order. Agenda items & meeting dates are subject to change.

NOVEMBER 21, 2023		DD	FN	CA	Clerk	CM
ABSENCES:		11/9	11/13	11/13	11/14	11/14
ITEM TYPE   TIME   TOPIC				STAFF		
STUDY SESSION						
SPECIAL BUSINESS						
CONSENT AGENDA						
--	AB xxxx: November 3, 2023 Payroll Certification			Ali Spietz/Nicole Vannatter		
--	AB 6369: Adoption of Town Center Parking Study			Jason Kintner/Ed Holmes/Mike Seifert/Sarah Bluvass		
--	AB 6332: 2022 Water System Imp. (Madrona Crest East) Project Closeout			Jason Kintner /Clint Morris/George Fletcher		
--	AB xxxx: Basin 40 Cured-In-Place-Pipe (CIPP) Sewer Lining, Phase 1 Closeout			Jason Kintner/Clint Morris/Chris Marks		
--	AB xxxx: Use of Grant Funds for Energy Smart Eastside Program			Jason Kintner/Alaine Sommargren/Alanna DeRogatis		
--	AB xxxx: An Ordinance Amending MICC Ch. 9.50 (Second Reading Ord. No. 23C-16)			Bio Park/Ed Holmes		
--	AB xxxx: An Ordinance Amending MICC Ch. 3.32 and 3.30 and Sections 4.40.100 and 3.36.030 relating to City Fire Department (First Reading Ord. No. 23C-17)			Bio Park		
REGULAR BUSINESS						
30	AB 6343: Opioid Settlement Funds Use Recommendation			Ali Spietz/Derek Franklin		
45	AB xxxx: Mid-Biennial Budget Public Hearing; Q3 2023 Financial Status Update; 2024 Property Tax Ordinances; Declaration of Intent for Reimbursement Resolution; and NORCOM Rate Resolutions.			Matt Mornick		
30	AB xxxx: Approve 2024 Legislative Priorities			Jessi Bon		
10	AB xxxx: Sound Cities Association Annual Meeting Voting Delegate			Salim Nice/Andrea Larson		
EXECUTIVE SESSION						
60	Executive Session to consider the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price pursuant to RCW 42.30.110(1)(b)					

DECEMBER 5, 2023				DD 11/22	FN 11/27	CA 11/27	Clerk 11/28	CM 11/28
ABSENCES:								
ITEM TYPE   TIME   TOPIC						STAFF		
STUDY SESSION								
SPECIAL BUSINESS								
15	Fire Promotions Pinning Ceremony					Ben Lane/Doug McDonald		

**CONSENT AGENDA**

--	AB xxxx: November 17, 2023 Payroll Certification	Ali Spietz/Nicole Vannatter
--	AB xxxx: Luther Burbank Boiler Building Imp. Phase 1 Bid Award	Jason Kintner/Clint Morris/Paul West/Sarah Blugas

**REGULAR BUSINESS**

60	AB xxxx: 2024 Docket of Proposed Comprehensive Plan and Development Code Amendments (Resolution No. XXXX)	Jeff Thomas/Alison Van Gorp
30	AB xxxx: 2023-2024 Mid-Biennial Budget Amendments	Matt Mornick
15	AB xxxx: 2024 Master Fee Schedule and Utility Rate Resolutions	Ali Spietz

**EXECUTIVE SESSION****DECEMBER 19, 2023 (POTENTIALLY CANCELED)**

ABSENCES:

DD  
12/8FN  
12/11CA  
12/11Clerk  
12/12CM  
12/12**ITEM TYPE | TIME | TOPIC****STAFF****STUDY SESSION****SPECIAL BUSINESS****CONSENT AGENDA****REGULAR BUSINESS****EXECUTIVE SESSION**

## 2024 PLANNING SCHEDULE

**JANUARY 2, 2024**

ABSENCES:

DD  
12/13FN  
12/14CA  
12/14Clerk  
12/15CM  
12/15**ITEM TYPE | TIME | TOPIC****STAFF****STUDY SESSION**

45	AB xxxx: 2024 Comprehensive Plan Periodic Update, Housing Element – HB 1220 Implementation	Jeff Thomas/Adam Zack
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**SPECIAL BUSINESS**

15	AB xxxx: Councilmember Oath of Office and Mayor and Deputy Mayor Elections	Ali Spietz/Andrea Larson
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**CONSENT AGENDA**

--	AB xxxx: December 1, 2023 Payroll Certification	Ali Spietz/Nicole Vannatter
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--	AB xxxx: December 15, 2023 Payroll Certification	Ali Spietz/Nicole Vanna
--	AB xxxx: West Mercer Way Roadside Shoulders - Ph 4 (8100 WMW - 8400 EMW) Bid Award	Jason Kintner/Clint Morris/Ian Powell
<b>REGULAR BUSINESS</b>		
<b>EXECUTIVE SESSION</b>		

Item 13.

JANUARY 16, 2024		DD	FN	CA	Clerk	CM
ABSENCES:		1/5	1/8	1/8	1/9	1/9
ITEM TYPE   TIME   TOPIC				STAFF		
STUDY SESSION						
45	AB xxxx: Geographic Information Systems (GIS) Products Demo			Ali Spietz/Leah Llamas		
SPECIAL BUSINESS						
CONSENT AGENDA						
--	AB xxxx: December 29, 2023 Payroll Certification			Ali Spietz/Nicole Vannatter		
--	AB xxxx: Lincoln Landing Watercourse Improvements Project Closeout			Jason Kintner/Clint Morris/Paul West		
--	AB xxxx: 2024 Comprehensive Plan Periodic Update, Housing Element – Affordable Housing Target and Policy Direction			Jeff Thomas/Adam Zack		
REGULAR BUSINESS						
15	AB xxxx: Park Area Naming Policy			Jason Kinter/Ryan Daly		
15	AB xxxx: Sponsorship Policy			Jason Kintner/Ryan Daly/Katie Herzog		
EXECUTIVE SESSION						

FEBRUARY 6, 2024				DD	FN	CA	Clerk	CM
ABSENCES:				1/26	1/29	1/29	1/30	1/30
ITEM TYPE   TIME   TOPIC						STAFF		
STUDY SESSION								
SPECIAL BUSINESS								

**CONSENT AGENDA**

--	AB xxxx: Sunset Hwy/77th Ave SE Improvements Project Closeout	Jason Kintner /Clint Morris

**REGULAR BUSINESS****EXECUTIVE SESSION****FEBRUARY 20, 2024**

ABSENCES:

DD  
2/9FN  
2/12CA  
2/12Clerk  
2/13CM  
2/13**ITEM TYPE | TIME | TOPIC****STAFF****STUDY SESSION****SPECIAL BUSINESS****CONSENT AGENDA**

--	AB xxxx: Rare Disease Day Proclamation No. xxx	Mayor /Andrea Larson
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--	AB xxxx: Basin 61 Sewer Upsizing Bid Award	Jason Kintner/Clint Morris/Chris Marks
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**REGULAR BUSINESS****EXECUTIVE SESSION****MARCH 5, 2024**

ABSENCES:

DD  
2/23FN  
2/26CA  
2/26Clerk  
2/27CM  
2/27**ITEM TYPE | TIME | TOPIC****STAFF****STUDY SESSION**

**SPECIAL BUSINESS****CONSENT AGENDA**

AB xxxx Open Space Conservancy Trust 2022 Annual Report to City Council and 2023 Work Plan

Jason Kintner/Alaine  
Sommargren/Sam Harb**REGULAR BUSINESS****EXECUTIVE SESSION****MARCH 19, 2024**

ABSENCES:

DD  
2/8FN  
2/11CA  
2/11Clerk  
2/12CM  
2/12**ITEM TYPE | TIME | TOPIC****STAFF****STUDY SESSION**

60 AB xxxx: Draft Water System Reliability Action Plan Discussion

Jason Kintner/Alaine  
Sommargren**SPECIAL BUSINESS****CONSENT AGENDA****REGULAR BUSINESS**

30 Financial Management Software Implementation Update

Matt Mornick/Gracie Liu

Sustainability Work Program Update

Jason Kintner/Alaine  
Sommargren/Alanna  
DeRogatis**EXECUTIVE SESSION**

APRIL 2, 2024 ABSENCES:		DD 3/22	FN 3/25	CA 3/25	Clerk 3/26	CM 3/26
ITEM TYPE   TIME   TOPIC				STAFF		
STUDY SESSION						
SPECIAL BUSINESS						
CONSENT AGENDA						
--	AB xxxx: Autism Acceptance Month, Proclamation No. xxx			Mayor / Andrea Larson		
--	AB xxxx: Sexual Assault Awareness Month, Proclamation No. xxx			Mayor /Andrea Larson		
REGULAR BUSINESS						
EXECUTIVE SESSION						