

## **CITY COUNCIL MEETINGS RULES – PUBLIC DECORUM**

**Strict adherence to the following rules of decorum by the public will be observed and adhered to during City Council meetings, including open forum, public comment period on legislative items, and Council deliberations:**

- 1. No Clapping!**
- 2. No Cheering!**
- 3. No Booing!**
- 4. No public outbursts!**
- 5. Three-minute time limit for comments made during open forum and public testimony on legislative items!**
- 6. No person shall be permitted to speak at open forum more often than once per month. In addition, please silence your cell phones when entering the Council Chambers!**

Further, keep the following City Council Rules in mind:

### **Rule 2.2 Open Forum**

- D. The open forum is a limited public forum; all matters discussed in the open forum shall relate to the affairs of the City. No person shall be permitted to speak regarding items on the current or advance agendas, pending hearing items, or initiatives or referenda in a pending election. Individuals speaking during the open forum shall address their comments to the Council President and shall not use profanity, engage in obscene speech, or make personal comment or verbal insults about any individual.
- E. To encourage wider participation in open forum and a broad array of public comment and varied points of view, no person shall be permitted to speak at open forum more often than once per month. However, there is no limit on the number of items on which a member of the public may testify, such as legislative items, special consideration items, hearing items, and other items before the City Council and requiring Council action that are not adjudicatory or administrative in nature, as specified in Rules 5.3 and 5.4.

### **Rule 5.4 Public Testimony Regarding Legislative Agenda Items – Time Limits**

- A. 5.4.1 The City Council shall take public testimony on all matters included on its legislative agenda, with those exceptions stated in Rule 5.4(B). Public testimony shall be limited to the final Council action. Public testimony shall be limited to three (3) minutes per speaker, unless, at his or her discretion, the Chair determines that, because of the number of speakers signed up to testify, less time will need to be allocated per speaker in order to accommodate all of the speakers. The Chair may allow additional time if the speaker is asked to respond to questions from the Council.
- B. No public testimony shall be taken on consent agenda items, amendments to legislative agenda items, or procedural, parliamentary, or administrative matters of the Council.
- C. For legislative or hearing items that may affect an identifiable individual, association, or group, the following procedure may be implemented:
  1. Following an assessment by the Chair of factors such as complexity of the issue(s), the apparent number of people indicating a desire to testify, representation by designated spokespersons, etc., the Chair shall, in the absence of objection by the majority of the Council present, impose the following procedural time limitations for taking public testimony regarding legislative matters:
    - a. There shall be up to fifteen (15) minutes for staff, board, or commission presentation of background information, if any.
    - b. The designated representative of the proponents of the issue shall speak first and may include within his or her presentation the testimony of expert witnesses, visual displays, and any other reasonable methods of presenting the case. Up to thirty (30) minutes shall be granted for the proponent's presentation. If there be more than one designated representative, they shall allocate the 30 minutes between or among themselves.

- c. Three minutes shall be granted for any other person not associated with the designated representative who wishes to speak on behalf of the proponent's position.
  - d. The designated representative, if any, of the opponents of the issue shall speak following the presentation of the testimony of expert witnesses, visual displays, and any other reasonable methods of presenting the case. The designated representative(s) of the opponents shall have the same time allotted as provided for the proponents.
  - e. Three minutes shall be granted for any other person not associated with the designated representative who wishes to speak on behalf of the opponents' position.
  - f. Up to ten minutes of rebuttal time shall be granted to the designated representative for each side, the proponents speaking first, the opponents speaking second.
- 2. In the event the party or parties representing one side of an issue has a designated representative and the other side does not, the Chair shall publicly ask the unrepresented side if they wish to designate one or more persons to utilize the time allotted for the designated representative. If no such designation is made, each person wishing to speak on behalf of the unrepresented side shall be granted three minutes to present his/her position, and no additional compensating time shall be allowed due to the fact that the side has no designated representative.
  - 3. In the event there appears to be more than two groups wishing to advocate their distinct positions on a specific issue, the Chair may grant the same procedural and time allowances to each group or groups, as stated previously.
- D. The time taken for staff or Council member questions and responses thereto shall be in addition to the time allotted for any individual or designated representative's testimony.

# THE CITY OF SPOKANE



## ADVANCE COUNCIL AGENDA

MEETING OF MONDAY, OCTOBER 1, 2018

### MISSION STATEMENT

TO DELIVER EFFICIENT AND EFFECTIVE SERVICES  
THAT FACILITATE ECONOMIC OPPORTUNITY  
AND ENHANCE QUALITY OF LIFE.

MAYOR DAVID A. CONDON

COUNCIL PRESIDENT BEN STUCKART

COUNCIL MEMBER BREEAN BEGGS

COUNCIL MEMBER MIKE FAGAN

COUNCIL MEMBER CANDACE MUMM

COUNCIL MEMBER KATE BURKE

COUNCIL MEMBER LORI KINNEAR

COUNCIL MEMBER KAREN STRATTON

CITY COUNCIL CHAMBERS  
CITY HALL

808 W. SPOKANE FALLS BLVD.  
SPOKANE, WA 99201

## CITY COUNCIL BRIEFING SESSION

Council will adopt the Administrative Session Consent Agenda after they have had appropriate discussion. Items may be moved to the 6:00 p.m. Legislative Session for formal consideration by the Council at the request of any Council Member.

SPOKANE CITY COUNCIL BRIEFING SESSIONS (BEGINNING AT 3:30 P.M. EACH MONDAY) AND LEGISLATIVE SESSIONS (BEGINNING AT 6:00 P.M. EACH MONDAY) ARE BROADCAST LIVE ON CITY CABLE CHANNEL FIVE AND STREAMED LIVE ON THE CHANNEL FIVE WEBSITE. THE SESSIONS ARE REPLAYED ON CHANNEL FIVE ON THURSDAYS AT 6:00 P.M. AND FRIDAYS AT 10:00 A.M.

The Briefing Session is open to the public, but will be a workshop meeting. Discussion will be limited to Council Members and appropriate Staff and Counsel. There will be an opportunity for the expression of public views on any issue not relating to the Current or Advance Agendas during the Open Forum at the beginning and the conclusion of the Legislative Agenda.

### ADDRESSING THE COUNCIL

- No one may speak without first being recognized for that purpose by the Chair. Except for named parties to an adjudicative hearing, a person may be required to sign a sign-up sheet as a condition of recognition.
- Each person speaking at the public microphone shall print his or her name and address on the sheet provided at the entrance and verbally identify him/herself by name, address and, if appropriate, representative capacity.
- If you are submitting letters or documents to the Council Members, please provide a minimum of ten copies via the City Clerk. The City Clerk is responsible for officially filing and distributing your submittal.
- In order that evidence and expressions of opinion be included in the record and that decorum befitting a deliberative process be maintained, modes of expression such as demonstration, banners, applause and the like will not be permitted.
- A speaker asserting a statement of fact may be asked to document and identify the source of the factual datum being asserted.

**SPEAKING TIME LIMITS:** Unless deemed otherwise by the Chair, each person addressing the Council shall be limited to a three-minute speaking time.

**CITY COUNCIL AGENDA:** The City Council Advance and Current Agendas may be obtained prior to Council Meetings from the Office of the City Clerk during regular business hours (8 a.m. - 5 p.m.). The Agenda may also be accessed on the City website at [www.spokanecity.org](http://www.spokanecity.org). Agenda items are available for public review in the Office of the City Clerk during regular business hours.

**AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION:** The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. The Spokane City Council Chamber in the lower level of Spokane City Hall, 808 W. Spokane Falls Blvd., is wheelchair accessible and also is equipped with an infrared assistive listening system for persons with hearing loss. Headsets may be checked out (upon presentation of picture I.D.) at the City Cable 5 Production Booth located on the First Floor of the Municipal Building, directly above the Chase Gallery or through the meeting organizer. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6383, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or [msteinolfson@spokanecity.org](mailto:msteinolfson@spokanecity.org). Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

If you have questions, please call the Agenda Hotline at 625-6350.

# **BRIEFING SESSION**

**(3:30 p.m.)**

**(Council Chambers Lower Level of City Hall)**

**(No Public Testimony Taken)**

**Roll Call of Council**

**Council Reports**

**Staff Reports**

**Committee Reports**

**Advance Agenda Review**

**Current Agenda Review**

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## **ADMINISTRATIVE SESSION**

### **CONSENT AGENDA**

- |   |                    |                                      |
|---|--------------------|--------------------------------------|
| <b>1. Value Blanket Renewals for the Waste to Energy Facility with:</b>   | <b>Approve All</b> |                                      |
| <b>a. Atlas Copco (Arlington, VA) for compressor rentals during scheduled/unscheduled outages from January 1, 2019, through December 31, 2019—\$135,094.17 (incl. tax). (Fourth of four one-year renewals.)</b> |                    | <b>OPR 2016-0819<br/>BID 4066-16</b> |
| <b>b. Brenntag Pacific, Inc. (Spokane Valley, WA) for anhydrous ammonia and phosphoric acid from January 1, 2019, through December 31, 2019—\$558,906.27 (incl. tax). (Fourth of four one-year renewals.)</b>   |                    | <b>OPR 2016-0818<br/>BID 4057-14</b> |
| <b>c. Cabot Norit Activated Carbon (Marshall, TX) for the purchase of activated carbon from December 2, 2018, through December 3, 2019—\$83,721.60 (incl. tax). (Third of four one-year renewals.)</b>          |                    | <b>OPR 2015-0963<br/>BID 4174-15</b> |
| <b>d. Applied Industrial Technologies (Spokane, WA) for purchase of conveyor belts from January 1, 2019, through December 31, 2019—\$150,000 (incl. tax). (Third of four one-year renewals.)</b>                |                    | <b>OPR 2015-0908<br/>RFB 4168-15</b> |

- e. Helfrich Brothers Boiler Works (Lawrence, MA) for purchase of boiler tubes from October 1, 2018, through September 30, 2019—\$650,000 (incl. tax). (Fourth of four one-year renewals.) OPR 2014-0755  
BID 4074-14
- f. Graymont Western US, Inc. (Salt Lake City, UT) for purchase of high calcium quicklime from December 2, 2018, through November 30, 2019—\$1,400,647.68 (incl. tax). (Fourth of four one-year renewals.) OPR 2014-0871  
BID 4064-14
- David Paine**
2. Value Blanket Amendment with Northstar Chemical (Tacoma, WA) to provide additional funding for purchase of sodium hydroxide 50% membrane (caustic soda) for the Waste to Energy Facility from February 1, 2018, through January 21, 2021—increase of \$157,750. Approve OPR 2018-0038  
RFB 4418-17
- David Paine**
3. Contract Amendments with: Approve
- a. WM Winkler Company (Newman Lake, WA) for design and installation of the portable lime system concrete slab—increase not to exceed \$5,914.56. Total contract amount: \$59,154.56. OPR 2017-0861  
WTE 17-029
- b. Anatek Labs, Inc. (Spokane, WA) for bacteriological and chemical groundwater analysis and adding \$34,027 (Solid Waste only) for additional landfill testing requirements. OPR 2016-0784  
RFP 4259-16
- David Paine**
4. Contract Addendum with Knight Construction & Supply, Inc. (Deer Park, WA) for additional work needed for mechanical and electrical installation of a portable lime system—increase of \$15,786. Total contract amount: \$90,319.23 (incl. tax). OPR 2017-0860  
WTE 17-030
- David Paine**
5. Contract with Empire Boiler, LLC (Coeur d'Alene, ID) for removal and replacement of the spray dryer absorber penthouse flooring at the Waste to Energy Facility beginning September 24, 2018, through August 31, 2019—not to exceed \$110,000 (incl. tax). Approve OPR 2018-0596  
WTE 18-008
- David Paine**
6. Contract Amendment with Collette Leland and the firm Winston Cashatt (Spokane, WA) to provide representation in an arbitration involving a contract dispute with IMCO Construction Co.—increase of \$75,000. Total contract amount: \$174,000. Approve OPR 2018-0072  
ENG 2014805
- Michael Ormsby**

- |     |   |                                    |                              |
|-----|---|------------------------------------|------------------------------|
| 7.  | Development Agreement between the City and Ridpath Club Apartments, LLC (Spokane, WA) relating to development and renovation of the Ridpath Hotel and relating to certain public infrastructure costs—\$107,864.<br><b>Andrew Worlock</b>   | Approve                            | OPR 2018-0597                |
| 8.  | Three-Year Master Software Services Agreement, with option for two one-year extensions, with Rubicon Global, LLC (Atlanta, GA) for solid waste collections management and telematics system for 100 Solid Waste Collection vehicles—\$292,063 (plus tax) for the first year.<br><b>Erica Jacobo</b>                         | Approve                            | OPR 2018-0598<br>BID 4430-18 |
| 9.  | Accept funding from Washington State Traffic Safety Commission for federal funding provided by United States Department of Transportation National Highway Traffic Safety Administration for traffic safety grant for DUI enforcement from October 1, 2018, through September 30, 2019—\$140,024.<br><b>Justin Lundgren</b> | Approve                            | OPR 2018-0599                |
| 10. | Agreement with K&L Gates, LLP. (Washington, D.C.) for federal lobbying services for the City of Spokane from October 1, 2018, through December 31, 2019—\$36,000.<br><b>Brandy Cote</b>   | Approve                            | OPR 2018-0600<br>RFP 4434-18 |
| 11. | Report of the Mayor of pending:   | Approve &<br>Authorize<br>Payments |                              |
|     | a. Claims and payments of previously approved obligations, including those of Parks and Library, through _____, 2018, total \$_____, with Parks and Library claims approved by their respective boards. Warrants excluding Parks and Library total \$_____.   |                                    | CPR 2018-0002                |
|     | b. Payroll claims of previously approved obligations through _____, 2018: \$_____.  |                                    | CPR 2018-0003                |
| 12. | City Council Meeting Minutes: _____, 2018.  | Approve<br>All                     | CPR 2018-0013                |

## EXECUTIVE SESSION

(Closed Session of Council)

(Executive Session may be held or reconvened during the 6:00 p.m. Legislative Session)

# **CITY COUNCIL SESSION**

(May be held or reconvened following the 3:30 p.m. Administrative Session)  
(Council Briefing Center)

This session may be held for the purpose of City Council meeting with Mayoral nominees to Boards and/or Commissions. The session is open to the public.

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## **LEGISLATIVE SESSION**

(6:00 P.M.)

(Council Reconvenes in Council Chamber)

**WORDS OF INSPIRATION**

**PLEDGE OF ALLEGIANCE**

**ROLL CALL OF COUNCIL**

**ANNOUNCEMENTS**

(Announcements regarding Changes to the City Council Agenda)

**NO BOARDS AND COMMISSIONS APPOINTMENTS**

**ADMINISTRATIVE REPORT**

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## **COUNCIL COMMITTEE REPORTS**

(Committee Reports for Finance, Neighborhoods, Public Safety, Public Works, and Planning/Community and Economic Development Committees and other Boards and Commissions)

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## **OPEN FORUM**

This is an opportunity for citizens to discuss items of interest not relating to the Current or Advance Agendas nor relating to political campaigns/items on upcoming election ballots. This Forum shall be for a period of time not to exceed thirty minutes. After all the matters on the Agenda have been acted on, unless it is 10:00 p.m. or later, the open forum shall continue for a period of time not to exceed thirty minutes. Each speaker will be limited to three minutes, unless otherwise deemed by the Chair. If you wish to speak at the forum, please sign up on the sign-up sheet located in the Chase Gallery.

Note: No person shall be permitted to speak at Open Forum more often than once per month (Council Rule 2.2.E).

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## **LEGISLATIVE AGENDA**

**NO SPECIAL BUDGET ORDINANCES**



## **NO EMERGENCY ORDINANCES**

## **RESOLUTIONS & FINAL READING ORDINANCES**

(Require Four Affirmative, Recorded Roll Call Votes)

- RES 2018-0083     Authorizing Investment of City of Spokane monies in the Local Government Investment Pool.  
**Crystal Marchand**
- RES 2018-0084     Permitting the use of unmanned aerial systems by the Spokane Police Department to safely and efficiently record and document crime scenes, search for missing people, locate reported campsites, and for officer safety tactical applications.  
**Council Member Kinnear**

## **NO FIRST READING ORDINANCES**

## **NO SPECIAL CONSIDERATIONS**

## **NO HEARINGS**

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**Motion to Approve Advance Agenda for October 1, 2018**  
(per Council Rule 2.1.2)

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## **OPEN FORUM (CONTINUED)**

This is an opportunity for citizens to discuss items of interest not relating to the Current or Advance Agendas nor relating to political campaigns/items on upcoming election ballots. This Forum shall be for a period of time not to exceed thirty minutes. After all the matters on the Agenda have been acted on, unless it is 10:00 p.m. or later, the open forum shall continue for a period of time not to exceed thirty minutes. Each speaker will be limited to three minutes, unless otherwise deemed by the Chair. If you wish to speak at the forum, please sign up on the sign-up sheet located in the Chase Gallery.

Note: No person shall be permitted to speak at Open Forum more often than once per month (Council Rule 2.2.E).

## **ADJOURNMENT**

The October 1, 2018, Regular Legislative Session of the City Council is adjourned to October 8, 2018.

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## **NOTES**

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	8/31/2018
<u>Clerk's File #</u>	OPR 2016-0819
<u>Renews #</u>	

Submitting Dept	SOLID WASTE DISPOSAL	Cross Ref #	
Contact Name/Phone	DAVID PAINE 625-6878	Project #	
Contact E-Mail	DPAINE@SPOKANECITY.ORG	Bid #	BID #4066-14
Agenda Item Type	Purchase w/o Contract	Requisition #	VALUE BLANKET
Agenda Item Name	4490 RENEW VALUE BLANKET FOR COMPRESSOR RENTALS FOR WTEF		

Agenda Wording

Renewal of value blanket with Atlas Copco of Arlington, WA, for compressor rentals during scheduled/unscheduled outages and as needed. January 1, 2019 - December 31, 2019, for cost of \$124,167.44 plus taxes of \$10,926.73 for a total of \$135,094.17.

Summary (Background)

The original valve blanket was for one year, with 4 additional one-year extensions. This is the 4th of those extensions. Compressor rentals are required for the WTE Facility during scheduled/unscheduled outages and as needed. Rental of these compressors will allow WTEF to support maintenance operations during routine and non-routine outages, as well as support operations for the WTEF in the event of compressor failure.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ 135,094.17	# 4490-44100-37148-54501
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	
<u>Division Director</u>	KEGLEY, DANIEL	<u>Other</u>	PIES 9/24/2018
<u>Finance</u>	ALBIN-MOORE, ANGELA	Distribution List	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	WAHL, CONNIE	rrinderle@spokanecity.org	
		rcopell@spokanecity.org	

## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Renewal of Value Blanket for compressor rentals for use at the WTE Facility.
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Sustainable Resources – Sustainable Practices; Innovative Infrastructure – Affordable Services
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval for value blanket renewal; without which the WTE facility would not be able to perform outages related maintenance.

Background/History:

Compressor rentals are required for the WTE Facility to support maintenance operations during scheduled/unscheduled outages; as well as support operations in the event of compressor failure.

In November 2014, Atlas Copco, Arlington, WA, was the only response received in regards to RFB #4066-14 to provide compressor rentals for WTE facility.

Atlas Copco has agreed to renew the terms of the original bid and provide compressor rentals to WTE facility for an additional year; pricing remains unchanged.

Original Value Blanket was for 1 year with option of 4 one-year renewals. This is the 4<sup>th</sup> of 4 renewals. The cost of this renewal is \$124,167.44 plus taxes of \$10,926.73 equating to \$135,094.17; unchanged from the third option year.

Executive Summary:

- Renewal #4 of 4 for Compressor Rentals
- Term is from January 1, 2019 thru December 31, 2019
- Total annual cost \$135,094.17; which includes tax
- Pricing is unchanged for 4<sup>th</sup> option year
- Renewal would enable performance of maintenance operations during outages

Budget Impact:

Approved in current year budget? ☒ Yes ☐ No ☐ N/A

Annual/Reoccurring expenditure? ☒ Yes ☐ No ☐ N/A

If new, specify funding source:

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:

Consistent with current operations/policy? ☒ Yes ☐ No ☐ N/A

Requires change in current operations/policy? ☐ Yes ☒ No ☐ N/A

Specify changes required:

Known challenges/barriers:

# Atlas Copco Rental



## CITY OF SPOKANE SOLID WASTE DI

Project Name: 2019 Pricing

Quote Number: 04610048/0

Quote Date: 08/10/18

Expiration Date: 12/31/2019

*Sustainable Productivity*



**Company:** CITY OF SPOKANE SOLID WASTE **Customer #:** USM577997  
**Contact:** Mr. Rick Rinderle  
**Email:** rrinderle@spokanecity.org  
**Tel:** (509) 625-4657

**Billing Address:** ATTN ACCOUNTS PAYABLE  
2900 S GEIGER BLVD  
99224 SPOKANE  
WA  
US  
**Delivery Address:** 2900 South Geiger Boulevard  
99224 Spokane  
WA  
US

**Your Atlas Copco Rental contact:**

**Name:** Mike Norton **Tel:** (360) 530-2130  
**Mobile:** +1 2063960403 **Fax:** +1 (360) 530-2142

Dear Mr. Rinderle,

Atlas Copco Rental is the largest supplier of 100% oil-free compressors and related equipment in North America. Our diverse products can provide pressure from 5 psig to 1,200 psig provided in either electric or diesel driven packages, with pressure dew points down to -100 degree F. We offer a full line of accessories including dryers, nitrogen generators, boosters, manifolds, double walled fuel tanks, particulate discharge scrubbers, and hoses.

Atlas Copco Rental is pleased to announce that we have received a triple ISO Certification: ISO 9001, ISO 14001 and OHSAS 18001. This triple certification demonstrates our commitment to the quality of our services, our care for the environmental impact of our operations and the health and safety of our employees and customers. We are also pleased to announce that all of our 100% Oil Free air compressors have received the ISO 8573-1 Class Zero Certification. This is an independently lab tested classification, guaranteeing no oil in the air.

Thank you for your interest in Atlas Copco Rental's program for factory direct 100% oil-free air compressors. As per your request for a quotation, we are pleased to offer the following proposal for your consideration.

Freight is calculated at \$125.00 per hour port to port

Yours sincerely,

Mike Norton  
District Manager - Northwest

**Atlas Copco Rental North America**

Atlas Copco Rental LLC  
18930 66th Avenue NE  
Arlington, WA 98223

Telephone: +1 2063960403  
Fax: +1 (360) 530-2142  
Toll-free: +1 (800) 736-8267  
[www.atlascopcorental.com](http://www.atlascopcorental.com)

## Price Tables

Rental Product	Quantity	Daily Rate \$	Weekly Rate \$	Monthly Rate \$
<b>OFA-PTS916-1600CFM 150PSI 0-8 hours</b>	1	1.828,94	4.755,67	12.840,19
Line Total		1.828,94	4.755,67	12.840,19
<b>OFA-PTS916-1600CFM 150PSI 8-16 hours</b>	1	2.926,30	7.609,07	20.544,31
Line Total		2.926,30	7.609,07	20.544,31
<b>OFA-PTS916-1600CFM 150PSI 9-24 hours</b>	1	3.840,77	9.986,90	26.964,41
Line Total		3.840,77	9.986,90	26.964,41
<b>AIR DRYER 1500 CFM 150PSI</b>	1	698,00	1.815,00	4.900,00
Line Total		698,00	1.815,00	4.900,00
<b>EQUIPMENT TRAILER-40'-48'</b>	1	242,00	630,00	1.700,00
Line Total		242,00	630,00	1.700,00
<b>AIR RECEIVER 1000 GALLON</b>	1	145,00	376,00	1.015,00
Line Total		145,00	376,00	1.015,00
<b>3" X 25' STD PRESSURE</b>	1	38,00	100,00	270,00
Line Total		38,00	100,00	270,00
<b>3" X 50' STD PRESSURE</b>	1	68,00	178,00	480,00
Line Total		68,00	178,00	480,00
<b>Rental Total</b>				
Net Rate		9.787,01	25.450,64	68.713,91
Environmental Rate		30,00	75,00	135,00
<b>Rental Rate</b>		<b>11.187,19</b>	<b>29.088,73</b>	<b>78.468,86</b>

## Atlas Copco Rental North America

Atlas Copco Rental LLC  
18930 66th Avenue NE  
Arlington, WA 98223

Telephone: +1 2063960403  
Fax: +1 (360) 530-2142  
Toll-free: +1 (800) 736-8267  
[www.atlascopcorental.com](http://www.atlascopcorental.com)

### Commercial Terms and Conditions

<b>Quote Validity</b>	<b>This quote expires in 90 days.</b>	
<b>Payment Terms</b>	Net 30	
<b>Transport</b>	Not included, unless mentioned above. Excess driver unloading and loading wait time charges may occur. If Atlas Copco Rental has to mobilize compressors from another site, we will require a purchase order. If the job is canceled, all mobilization charges incurred shall be invoiced against the purchase order. Equipment subject to availability upon receipt of order.	
<b>On-site Service</b>	Not included, unless mentioned above. Atlas Copco Rental can supply a fully trained service technician to take over the complete operation and responsibility of the units. Our service rate will be \$130.00 per hour straight time, \$195.00 per hour for overtime. "On call stand by" time will be billed at straight time rates. Travel and living expenses will be billed at actual cost.	
<b>Billing Periods</b>	The daily rate will cover a 1 to 3-day rental period. After 3 days, the weekly rate will apply. The weekly rate will cover a 7-day rental period. After 3 weeks, the monthly rate will apply. The monthly rate will cover a 28-day rental period. Additional shift usage rates may apply on some Equipment based on hours of operation. Some specialized Equipment may have different minimum rental requirements. Refer to rental rates exhibit for details.	
<b>Overtime Charges</b>	For all Equipment which have meters to record hours of operation, the basic daily, weekly, 4-week rental entitles Renter to a maximum of one-shift use based on an 8-hour day, 40-hour week, 160 hours for 4 weeks. In the event that Equipment is used longer than the above specified time for any period, rental charges shall be payable as follows: (a) the rate for a day on a daily rental where usage is between 8 to 16 hours, the rental rate shall be 1.6 times the daily rate, and the rate for a particular day on a daily rental where usage is in excess of 16 hours, the rental rate shall be 2.1 times the daily rate; (b) the rate for a calendar week on a weekly rental where usage is between 40 to 80 hours, the rental rate shall be 1.6 times the weekly rate, and the rate for a calendar week on a weekly rental where usage is more than 80 hours, the rental rate shall be 2.1 times the weekly rate; (c) the rate for a 4-week period on a 4-week rental where usage is between 160 to 320 hours, the rental rate shall be 1.6 times the monthly rate, and the rate for a 4-week period on a 4-week rental where usage is in excess of 320 hours, the rental rate shall be 2.1 times the monthly rate.	
<b>Refueling</b>	Diesel compressors will be delivered with 3/4 of a tank of #2 diesel fuel on board and must be returned with 3/4 of a tank of #2 diesel fuel. Please be aware the Tier 4 Final diesel driven compressors take a special additive called DEF (Diesel Exhaust Fluid). The customer is responsible to supply and add DEF when needed, also if the DEF level drops past a certain point it will shut down the compressor. DEF should be available through local fuel or lubricants providers. When the Equipment is returned, in addition to the being returned 3/4 full of #2 diesel, DEF must also be filled or the customer will be charged. Atlas Copco Rental is pleased to offer a turn-key fuel solution whereby we will take over the responsibility of fueling our compressors. Please contact us for a quotation on this service.	
<b>Electric Units</b>	The customer is responsible to supply and hookup any electrical power as may be required to operate the equipment.	
<b>Remittances Sent Via Mail /Courier:</b>	First class mail should be address as follows: Atlas Copco Rental LLC Dept. 3243 PO Box 123243 Dallas, TX 75312-3243	Courier should be address as follows: Atlas Copco Rental LLC Box No. 893243 1501 North Plano Road, Suite 100 Richardson, TX 75081
<b>Remittances Sent Via Wire Transfer:</b>	Wire Transfer should be address as follows: Nordea Bank Finland PLC - New York Branch 437 Madison Avenue New York, NY 10022 Ph: 212-318-9379	Swift: NDEAUS3N ABA Routing #: 026010786 Beneficiary Account #: 8905413001  Beneficiary: Atlas Copco Rental, LLC 2306 South Battleground Road La Porte, TX 77571
<b>General Terms and Conditions</b>	The attached General Terms and Conditions for the rental of the equipment of Atlas Copco Rental LLC, are an integral part of the offer and will be applied.	

#### Atlas Copco Rental North America

Atlas Copco Rental LLC  
18930 66th Avenue NE  
Arlington, WA 98223

Telephone: +1 2063960403  
Fax: +1 (360) 530-2142  
Toll-free: +1 (800) 736-8267  
www.atlascopcorental.com



## Technical Data Sheets

# PTS 916

100% Oil-Free Air Compressor  
(Diesel-driven)



## General Specification

Capacity	1600 cfm / 45.3 m <sup>3</sup> per min
Pressure range	10 ~ 150 psig / 0.7 ~ 10.3 barg
Overall length	17 ft 8 in / 569 cm
Overall width	7 ft 3 in / 221 cm
Overall height	7 ft 9 in / 236 cm
Shipping weight (wet)	18600 lb / 8437 kg
Fuel tank capacity	237 gal / 900 liters
Fuel consumed	25 gal per hr / 96 liters per hr
Sound pressure level	LPA: 75 dB(A) @ 23 ft / 7 m

## Features

- Risk free = 100% oil free
- TUV-certified ISO 8573-1 Class 0
- Refinery safe
- Automatic fire suppression system
- Integrated after-cooler
- Easy to transport and hookup
- Easy onsite maneuver (wheels)
- Superior engine OEM
- Auto-start
- iAccess, remote monitoring

## Optional Accessories

### Air Dryers

Eliminates condensation

### Nitrogen Generators

Produces on-site nitrogen gas from 95% to 99.5% purity

### Air Accessories

Air receivers  
Air heaters  
After-coolers  
Filters  
Hoses  
Manifolds

### Miscellaneous

Trailers  
Fuel Tank  
Operator  
Hot Air

\* Subject to change without notice. Information is for guidance only; please contact your nearest rental office for application advice. Updated 04/2018.

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2306 South Battleground Road  
La Porte, TX 77571

Toll-free phone number: 1-800-736-8267  
Email: [ACRNA.marketing@us.atlascopco.com](mailto:ACRNA.marketing@us.atlascopco.com)  
Visit us at [www.atlascopcorental.com](http://www.atlascopcorental.com)

# ACR 1600

Air Dryer



## General Specification

Capacity	1600 cfm / 45.3 m <sup>3</sup> per min
Minimum pressure	70 psig / 4.8 barg
Maximum pressure	180 psig / 12.4 barg
Overall length	9 ft 8 in / 294 cm
Overall width	8 ft 6 in / 259 cm
Overall height	8 ft 3 in / 252 cm
Shipping weight (wet)	8320 lb / 3774 kg
Electrical Input	120V, 1 PH, 60 Hz
In / out connections	3 in boss / cm
Dew Point	-40 to -100 °F / -40 to -73 °C

## Features

- Eliminates 99% of water condensation
- Low pressure dewpoint
- Fully integrated piping system
- Specifically sized for rental oil-free compressors
- Easy to transport and hookup
- Forklift slots

## Optional Accessories

### Air Accessories

Air receivers  
Air heaters  
After-coolers  
Filters  
Hoses  
Manifolds

### Miscellaneous

Trailers  
Electrical cable  
Operator  
Hot dry air

*\* Subject to change without notice. Information is for guidance only; please contact your nearest rental office for application advice. Updated 04/2018.*

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Email: [ACRNA.marketing@us.atlascopco.com](mailto:ACRNA.marketing@us.atlascopco.com)  
Visit us at [www.atlascopcorental.com](http://www.atlascopcorental.com)

**ATLAS COPCO RENTAL LLC  
RENTAL TERMS AND CONDITIONS**

**1. General.** As used herein, "Atlas Copco" means Atlas Copco Rental LLC. "Customer" means the entity renting any compressor and/or other equipment (collectively "Equipment") from Atlas Copco. This Rental Terms and Conditions document is hereinafter referred to as these "Rental Terms". **ATLAS COPCO'S RENTAL OF EQUIPMENT TO CUSTOMER IS EXPRESSLY CONDITIONED ON CUSTOMER'S ASSENT TO THESE RENTAL TERMS. ANY ACCEPTANCE OF ATLAS COPCO'S OFFER IS EXPRESSLY LIMITED TO ACCEPTANCE OF THESE RENTAL TERMS. ANY CUSTOMER TERMS OR CONDITIONS WHICH ADD TO, VARY FROM, OR CONFLICT WITH THESE RENTAL TERMS ARE HEREBY EXPRESSLY OBJECTED TO.** Any order to rent Equipment from Atlas Copco shall constitute Customer's assent to these Rental Terms. In the event a separate written agreement covering rental terms and conditions has been negotiated and mutually signed by authorized representatives of Atlas Copco and Customer and such agreement is applicable to the particular rental, it shall take precedence (to the extent of inconsistencies) and these Rental Terms will be supplemental to such agreement. Quotations may be withdrawn by Atlas Copco at any time before receipt of Customer's acceptance.

**2. Rental Period.** Unless agreed otherwise in writing, the rental period will begin on the date of pick up by Customer or shipment of the Equipment from Atlas Copco's facility and, unless sooner terminated as provided below, will continue in full force and effect for the minimum rental commitment period identified by Atlas Copco in its written quotation or until the Equipment is returned at Atlas Copco's facility during Atlas Copco's normal business hours, whichever occurs later (the "Rental Period"). A daily rental is twenty-four (24) hours. A weekly rental is seven (7) consecutive days. A monthly rental is twenty-eight (28) consecutive days.

**3. Delivery and Return of Equipment.** Unless otherwise agreed in writing, Customer will: (a) be responsible for all freight-related costs in both directions, (b) unload the Equipment from the carrier and install the Equipment, (c) un-install and load the Equipment onto the carrier, and (d) pay any and all applicable governmental fees and other ancillary charges related to transportation/delivery. Unless otherwise agreed in writing, Atlas Copco will select the carrier of the Equipment in both directions. Customer must contact Atlas Copco to request pick-up/return of the Equipment. In the event Customer returns the Equipment with less fuel than when the Equipment was delivered to Customer, Atlas Copco may charge a refueling fee. In the event the Equipment is not returned in a reasonably clean condition, Atlas Copco may charge a cleaning fee.

**4. Force Majeure.** If Atlas Copco is not able to perform or is delayed due to any cause beyond its reasonable control (including but not limited to acts of God, strike or other concerted action of workmen, act or omission of any governmental authority, act of war or terrorism, act of the public enemy, embargo, delays of carriers, or delays by Atlas Copco's usual suppliers), the time of performance will be extended by the amount of time reasonably sufficient to make up for the delay.

**5. Limitation of Liability.** **UNDER NO CIRCUMSTANCES SHALL ATLAS COPCO BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL, OR SPECIAL DAMAGES (INCLUDING, BUT NOT LIMITED TO, LOSS OF PROFITS OR REVENUE, LOSS OF USE OF EQUIPMENT OR SERVICES, DOWNTIME COSTS, AND DELAY COSTS), EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OR IF SUCH DAMAGES ARE FORESEEABLE. ATLAS COPCO'S LIABILITY TO CUSTOMER UNDER ANY THEORY OF RECOVERY (ARISING FROM OR RELATED TO THE RENTAL, THE EQUIPMENT, THE SERVICE, AND/OR THE CONTRACT, INCLUDING, BUT NOT LIMITED TO, BREACH THEREOF) SHALL BE LIMITED TO THE AMOUNT OF MONEY RECEIVED BY ATLAS COPCO FROM CUSTOMER FOR THE RENTAL OF THE PARTICULAR EQUIPMENT/SERVICE GIVING RISE TO THE CLAIM.** For purposes of this Section, the term "Atlas Copco" means Atlas Copco Rental LLC, its affiliates, suppliers, and subcontractors, and their respective employees/agents.

**6. Warranty.** Customer acknowledges that rented Equipment is in a **USED CONDITION**. Atlas Copco warrants that Equipment is delivered in a mechanically operable condition, and any services performed by Atlas Copco will be performed in a workmanlike manner. If Equipment or services do not meet the above-stated warranties, Customer will promptly during the rental period notify Atlas Copco in writing and Atlas Copco will, at Atlas Copco's option, replace or repair the defective Equipment and re-perform the defective portion of service. At Atlas Copco's sole discretion, Atlas Copco may provide a pro-rata refund in lieu of such repair or replacement or re-performance of service.

**THE ABOVE-STATED WARRANTIES ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES (WRITTEN, ORAL, IMPLIED, OR OTHERWISE). ALL OTHER WARRANTIES, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTY OF MERCHANTABILITY AND ANY IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE ARE HEREBY EXPRESSLY DISCLAIMED.** Correction of nonconformities as provided above set forth the exclusive remedies with respect to the quality of or any defect in any Equipment or service.

**7. Customer Insurance Obligations - Commercial General Liability insurance, etc.** Customer shall at all times during the rental period, at its expense, have and maintain: (a) Commercial General Liability insurance in an amount not less than \$2,000,000 each occurrence for bodily injury and property damage; (b) Automobile Liability insurance in an amount of \$2,000,000 combined single limit each occurrence; (c) Worker's Compensation insurance in accordance with applicable statutory law; (d) Employer's Liability insurance in an amount not less than \$1,000,000 for bodily injury each accident or disease.

For each insurance policy, the insurer shall be a reputable insurance company and the coverage shall be primary, and non-contributory. In the event of a loss, Customer shall cooperate with Atlas Copco and Customer's insurer in the investigation, prosecution and defense of any claim or suit and shall do nothing to impair or invalidate the applicable coverage. Customer's insurance obligations do not limit its ultimate liability under these Rental Terms.

**8. Customer Insurance Obligations - Insurance for the Equipment.** In addition to the insurance coverages stated above in Section 7, Customer shall at its expense insure the Equipment throughout the Rental Period with a reputable insurance company in an amount not less than the retail replacement value of the Equipment, which shall be determined by Atlas Copco. At the time of rental, Customer must provide to Atlas Copco a certificate of insurance evidencing insurance coverage for the Equipment and naming Atlas Copco Rental LLC as a loss payee and/or additional insured on said certificate. The coverage of the insurance shall include losses caused by theft, vandalism, fire, weather, Acts of God, acts or omissions of Customer, its employees or agents or third parties, and other risk of loss customarily insured against in a commercial property loss policy. Coverage shall be primary and non-contributory. In the event of a loss, Customer shall cooperate with Atlas Copco and Customer's insurer in the investigation, prosecution and defense of any claim or suit and shall do nothing to impair or invalidate the applicable coverage. Customer's insurance obligations do not limit its ultimate liability under these Rental Terms. If Customer fails to provide the above-stated certificate of insurance for the Equipment at the time of rental, Customer will be charged for the Reduced Risk of Equipment Loss Option ("RRELO") in accordance with Section 9 below.

**9. REDUCED RISK OF EQUIPMENT LOSS OPTION ("RRELO").** IF CUSTOMER FAILS TO PROVIDE THE ABOVE-STATED CERTIFICATE OF INSURANCE FOR THE EQUIPMENT AT THE TIME OF RENTAL, CUSTOMER WILL BE DEEMED TO HAVE ELECTED THE RRELO AND AGREES TO PAY THE ADDITIONAL CHARGES FOR THE RRELO IN ACCORDANCE WITH THIS SECTION. THE RRELO CHARGES WILL BE CHARGED ON THE RENTAL INVOICES. THE TOTAL CHARGES FOR THE RRELO WILL BE EQUAL TO FOURTEEN PERCENT (14%) OF THE TOTAL RENTAL

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CHARGES. CUSTOMER IS FULLY RESPONSIBLE FOR THE LOSS OF OR DAMAGE TO THE EQUIPMENT SUBJECT TO THE TERMS AND CONDITIONS OF THE RRELO PLAN. For further information on the RRELO plan, please visit <https://www.atlascopco.com/en-us/Rental>

**10. Cancellation.** Atlas Copco shall reserve the right to charge Customer for costs incurred for Customer's Equipment rental if Customer cancels its order prior to the start of the Rental Period.

**11. Rental Rates; Payment; Fees.** The rental rates are indicated by Atlas Copco in its written quotation. Unless otherwise agreed to in writing, if Atlas Copco provides any service, service charges will apply. Unless otherwise agreed to in writing, the payment terms are Net 30 days after Atlas Copco's invoice date. Amounts past due will bear interest at a monthly rate of 1.5% (18% per annum) or the maximum rate allowed by law, whichever is lower. Customer will pay all costs and expenses, including reasonable attorney's fees, incurred by Atlas Copco in collecting overdue amounts from Customer.

In the event Atlas Copco's Equipment is not allowed into Customer's site during an agreed time for any reason beyond Atlas Copco's control, Customer shall pay any expenses incurred by Atlas Copco for wait time plus five percent (5%). It is expressly agreed that if the rental period exceeds twelve (12) calendar months, the rental rates are subject to a price escalation up to a maximum of 5% over the preceding rental rate, unless otherwise agreed to by the parties. Atlas Copco shall provide Customer with thirty (30) days written notice prior to any price escalation, which shall take effect on Customer's next billing cycle.

**12. Taxes.** Taxes are not included in any price or rate, unless the price or rate specifically lists the tax as a line item. Customer is responsible for all applicable taxes (except any taxes on Atlas Copco's income) and governmental fees. If sales tax, use tax, or other taxes in addition to any listed specifically as part of the stated price or rate are imposed on Atlas Copco, Customer agrees to pay them or reimburse Atlas Copco.

**13. Environmental Fees.** Atlas Copco charges an Environmental Fee in connection with rental of certain machines. The Environmental Fee is not collected on behalf of any government agency. The Environmental Fee has been established by Atlas Copco to offset its direct and indirect environmental related expenses. The Environmental Fee (if any) shall be charged as follows: (a) Daily rentals: \$10 per day (per machine); (b) Weekly rentals: \$25 per week (per machine); (c) Monthly rentals: \$45 per month (per machine). These fee amounts are subject to change.

**14. Use and Maintenance/Access.** Customer will perform routine maintenance on the Equipment in compliance with Atlas Copco's instructions, except for any specific maintenance that Atlas Copco has agreed to perform in writing. Without limiting the generality of the foregoing, Customer will, at Customer's expense, perform daily observations of the oil level, Diesel Exhaust Fluid ("DEF") level, where applicable, and the fuel level and add oil, DEF and fuel of the specified and approved types as necessary to maintain the oil, DEF and fuel levels within the proper ranges. Additional maintenance related Customer responsibilities are set forth in Atlas Copco's written quotation. Unless expressly agreed otherwise by Atlas Copco, Customer may not perform Equipment repairs. Customer may not install, store, operate, use, or maintain the Equipment improperly or in violation of any applicable law or regulation. Only properly trained authorized individuals, who are not under the influence of drugs or alcohol or otherwise impaired, may use, operate, and maintain the Equipment. Should the Equipment become unsafe, malfunction, or require repair, Customer must immediately cease the use and notify Atlas Copco. Customer shall provide Atlas Copco necessary access to the Equipment to perform required maintenance and/or to swap out the Equipment for proscribed service. **IN THE EVENT CUSTOMER FAILS TO COMPLY WITH THE PROVISIONS OF THIS SECTION, CUSTOMER AGREES TO INDEMNIFY AND HOLD ATLAS COPCO HARMLESS FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, EXPENSES, AND DAMAGES ARISING FROM THE FAILURE AND TO REIMBURSE ATLAS COPCO FOR ANY COSTS INCURRED TO REMEDY THE CONSEQUENCES OF SUCH FAILURE.**

**15. Site Safety.** Atlas Copco and Customer acknowledge that if Atlas Copco will be on Customer's site, each party will comply with all applicable Federal, State, and local health or safety laws and regulations. If Customer requests that Atlas Copco comply with Customer's on-site health/safety programs or procedures, Atlas Copco will comply with those safety programs or procedures that have been provided in advance with reasonable opportunity to review to the extent applicable to the scope of service. Neither party's safety-related obligations nor responsibilities under any law or regulation (including OSHA) will be transferred, in whole or in part, to the other party.

**16. Ownership of Equipment.** Customer acknowledges that the Equipment is the property of Atlas Copco. Customer may not sub-rent, loan, assign, alter, or dispose of the Equipment. Customer may not tamper with, cover, remove, or deface any serial number, plate or marking (including but not limited to any Atlas Copco logo) on the Equipment. The Equipment is, and will at all times remain, personal property regardless of its use or manner of attachment to any personal or real property. Customer will keep the Equipment free and clear of all liens, levies, and encumbrances. Atlas Copco may, upon reasonable notice, inspect the Equipment during regular business hours.

**17. Remote Monitoring.** Atlas Copco may install remote data monitoring devices for the Equipment, and/or use the Equipment's existing remote data monitoring devices (if any). Atlas Copco (and/or certain authorized Atlas Copco contractors) may at any time (but shall not be obligated to) monitor, access, view, and/or use the data for the purposes of monitoring the location of the Equipment, helping determine the condition and status of the Equipment, helping service scheduling, and/or potentially increasing overall customer service. Atlas Copco shall use commercially reasonable efforts to prevent unauthorized disclosure of the data. Atlas Copco reserves the right to terminate, suspend, and/or modify the remote monitoring at any time in whole or in part. Any remote monitoring is provided "AS IS" and "AS AVAILABLE", with no warranty of any kind. **ATLAS COPCO HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES (EXPRESS, IMPLIED, AND OTHERWISE) RELATING TO REMOTE MONITORING, INCLUDING BUT NOT LIMITED TO WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE AND WARRANTIES OF MERCHANTABILITY.** Without limiting the generality of the foregoing, Atlas Copco hereby expressly disclaims all warranties regarding the reliability, accuracy, functionality, completeness, up-time, security, timeliness, and/or performance including but not limited with respect to any remote monitoring and/or any related software, hardware, technology, data, transmission, network, and application.

**18. Risk of Loss.** Customer is responsible for all risk of loss to the Equipment during the Rental Period. Customer is solely responsible for and agrees to pay Atlas Copco the full replacement value for replacing and/or repairing damage to the Equipment from any cause whatsoever, and further agrees to pay Atlas Copco all expenses for loss of use (calculated at the relevant rental rate), claim administration fees, diminishment in value, towing, storage, or impound fees, and costs incurred by Atlas Copco to recover the Equipment and establish damages, regardless of fault or negligence of the Customer or any person, and regardless if damages are the result of an Act of God. Notwithstanding the foregoing, the Customer is not responsible for damage or loss to the Equipment to the extent that the same is caused by (a) a latent defect in the Equipment, (b) failure of Atlas Copco to properly perform its agreed-upon maintenance on the Equipment, or (c) any act or omission of Atlas Copco. In the alternative, Customer may elect the RRELO by electing the benefit provided in Section 9 (RRELO), in writing, at the time of entering into this rental agreement.

**19. Notice of Damage, Loss or Accident.** Accidents, loss, theft, damage or failure of the Equipment must be reported immediately by telephone and within 24 hours in writing to the Atlas Copco facility where the Equipment was rented and to the public authorities (where required by law or by Atlas Copco). Customer and its employees or agents must provide Atlas Copco and the public authorities with complete information and assistance in the investigation and prosecution of any matter arising from the accident, loss, theft or damage, including the immediate delivery of every process, pleading or paper relating to any claims, suits and proceedings, and must cooperate with Atlas Copco in all manners connected with any claims or suits.

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**20. Location of the Equipment.** Customer may not move the Equipment from Customer's address or location indicated in the rental agreement without prior written notice to Atlas Copco. In no event may Customer move the Equipment outside the United States.

**21. Default.** Customer will be in default if Customer: (a) fails to pay any rent when due, (b) breaches any material term of these Rental Terms, (c) becomes insolvent or ceases doing business or is designated as the debtor in a petition for bankruptcy filed by or against Customer, or (d) defaults on any other agreement with Atlas Copco. In the event of Customer's default, Atlas Copco may peaceably enter Customer's premises without legal process or liability to render the Equipment inoperable or remove the Equipment. Atlas Copco may also terminate the rental agreement without notice to Customer and without prejudice to any other claims Atlas Copco might have against Customer, and Customer will remain liable for any loss or damage to the Equipment notwithstanding the termination. Customer agrees to pay Atlas Copco all monies due for the remainder of the rental term as liquidated damages and not as a penalty. Atlas Copco's remedies provided herein are not exclusive, but are cumulative to all other remedies existing by law and/or in equity.

**22. Intellectual Property.** No patents, copyrights, trademarks, or other intellectual property is being sold, assigned, or otherwise transferred to Customer. No drawings, designs, specifications, or anything else provided by Atlas Copco will be deemed to be "work made for hire" as that term is used under the U.S. Copyright Act.

**23. Confidentiality.** In connection with the rental and/or performance hereunder, Atlas Copco and Customer (as to information disclosed, the "Disclosing Party") may each disclose Confidential Information to the other party hereto (the "Receiving Party"). "Confidential Information" shall mean all information related to the business, products, or services of the Disclosing Party that is not generally known to the public, provided that the obligations of this paragraph shall not apply as to any portion of the Confidential Information which: (a) is or becomes generally available to the public other than as a result of disclosure by the Receiving Party, its representatives or its affiliates, or (b) has been or is subsequently independently developed by the Receiving Party, its representatives or affiliates, without reference to the Confidential Information, or (c) is required to be disclosed by law or valid legal process provided that the Receiving Party who intends to make such disclosure shall promptly notify the Disclosing Party in advance of such disclosure and reasonably cooperate in attempts to maintain the confidentiality of the Confidential Information. The Receiving Party agrees, except as otherwise required by law: (a) to use the Confidential Information only as authorized in these Rental Terms or as otherwise authorized in writing by the Disclosing Party to the Receiving Party, and (b) to take reasonable measures to prevent disclosure of the Confidential Information. Upon the Disclosing Party's request, the Receiving Party shall destroy or return to the Disclosing Party all copies of Confidential Information. If either party or any of their respective affiliates or representatives is required or requested by subpoena, interrogatories, or similar legal process to disclose any Confidential Information, such party agrees to provide the Disclosing Party with prompt written notice of such request, so that the Disclosing Party may seek an appropriate protective order or waive compliance by the Receiving Party with the provisions herein. This Section 23 survives any expiration/termination of the contract.

#### **24. Miscellaneous.**

**24.1. THESE RENTAL TERMS CONTAIN THE ENTIRE AGREEMENT BETWEEN ATLAS COPCO AND CUSTOMER WITH RESPECT TO THE TERMS AND CONDITIONS, AND SUPERSEDE ANY PRIOR OR CONTEMPORANEOUS NEGOTIATIONS, COMMUNICATIONS, AND ORAL OR WRITTEN STATEMENTS REGARDING THIS SUBJECT MATTER.**

**24.2.** This agreement cannot be superseded, amended, or modified except by an agreement signed by representatives of each party. In no event will any Customer-issued boilerplate/pre-printed purchase order or document be considered a negotiated agreement regardless of whether it is signed by Atlas Copco.

**24.3.** Neither party may assign or transfer the rental agreement in whole or in part without the prior written consent of the other party (which consent shall not be unreasonably withheld); any purported assignment in violation of this sentence will be void. Irrespective of the foregoing, Atlas Copco may, without consent, assign the rental agreement to any of its affiliates and may use sub-contractors.

**24.4.** The provisions of these Rental Terms are severable and the invalidity or unenforceability of any provision hereof shall not affect the validity or enforceability of any other provision. In addition, if any provision of these Rental Terms (or portion thereof) is determined by a court to be unenforceable as drafted, the parties acknowledge that it is their intention that such provision (or portion thereof) shall be construed in a manner designed to effectuate the purposes of such provision to the maximum extent enforceable under applicable law.

**24.5.** Neither party's failure to enforce, nor its waiver of a breach of, any provision contained in these Rental Terms shall constitute a waiver of any other breach or of such provision.

**24.6.** All headings, captions and numbering in these Rental Terms are for convenience of reference only and shall not be used to interpret any meaning of any terms or condition.

**24.7.** The validity, performance, and all other matters relating to the interpretation and effect of these Rental Terms or the Agreement will be governed by the laws of the U.S. State in which Atlas Copco's applicable rental facility is located (without regard to any conflict of laws principles).

**24.8.** The parties are independent contractors under this agreement and no other relationship is intended including, without limitation, any partnership, franchise, joint venture, agency, employer/employee, fiduciary, master/servant relationship, or any other special relationship.

**24.9.** All rights and obligations contained in these Rental Terms, which by their nature or effect are required or intended to be kept, observed, or performed after the termination or expiration of the order/contract will survive and remain binding upon and for the benefit of the parties, their successors, and permitted assigns

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Toll-free: +1 (800) 736-8267  
[www.atlascopcorental.com](http://www.atlascopcorental.com)

## Rinderle, Rick

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**From:** Michael Norton <michael.norton@us.atlascopco.com>  
**Sent:** Friday, August 10, 2018 11:40 AM  
**To:** Rinderle, Rick  
**Cc:** David Sunde  
**Subject:** RE: Fourth Option Year Pricing Kindly Sought (Customer # 577997)  
**Attachments:** City Of Spokane 8 10 2018.pdf

Good afternoon Rick,

I have attached a quotation for 2019. I was able to continue using the current pricing through 2019. If you need any additional information let me know. We appreciate your business.

Best regards,

**Mike Norton**  
*Northwest District Manager*

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Atlas Copco Rental LLC

address: 18930 66th Avenue Northeast  
Arlington, Washington  
Postal Address: 98258

Phone: 360.530.2130 - Mobile: 206.396.0403 - Fax: 360.530.2142  
E-mail: [Michael.Norton@us.atlascopco.com](mailto:Michael.Norton@us.atlascopco.com)

Visit Atlas Copco at: <http://www.atlascopco.com>  
Follow us at: [Facebook](#) - [LinkedIn](#) - [Twitter](#) - [YouTube](#) - [Instagram](#)

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**Committed to sustainable productivity**

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**From:** Rinderle, Rick [mailto:[rrinderle@spokanecity.org](mailto:rrinderle@spokanecity.org)]  
**Sent:** Monday, August 06, 2018 1:56 PM  
**To:** Michael Norton <michael.norton@us.atlascopco.com>  
**Cc:** Rinderle, Rick <[rrinderle@spokanecity.org](mailto:rrinderle@spokanecity.org)>  
**Subject:** Fourth Option Year Pricing Kindly Sought (Customer # 577997)

Atlas Copco Rental LLC  
Address 18930 66th Avenue Northeast  
Arlington, Washington 98223

Mr. Micheal Norton,  
[Michael.Norton@us.atlascopco.com](mailto:Michael.Norton@us.atlascopco.com)  
(206)396-0403 Cell  
(360)530-2125 Desk

Good Day Mr. Norton:

In regards to Bid 4066-14, Atlas Copco's response is attached; which was used to Generate Value Blanket VB300573, pertaining to compressor and related items.

Attached is the Third Option Year, VB300573-003 that is valid thru 12-31-2018 with Atlas Copco's unit pricing.

The City of Spokane, is looking at exercising the Fourth Option Year, that would span from 1/1/2019 thru 12/31/2019.

Michael, please respond advising if:

- Atlas Copco is interested in exercising the 4th Opt Yr that would span from 1/1/2019 -12/31/2019
- Atlas Copco's current unit pricing depicted below, that is valid thru 12/31/2018, would remain unchanged for the 4th Opt Yr that would span from 1/1/2019 – 12/31/2019.

Line Description	Qty	Shift	Daily Price each	Weekly Price each	Monthly Price each
OFA-PTS916-1600CFM 150PSI	1	8Hrs	USD 1,829.00	USD 4,756.00	USD 12,840.00
OFA-PTS916-1600CFM 150PSI	1	16Hrs	USD 2,926.00	USD 7,609.00	USD 20,544.00
OFA-PTS916-1600CFM 150PSI	1	24Hrs	USD 3,840.00	USD 9,987.00	USD 26,964.00
AIR DRYER 1500 CFM 150PSI	1	24Hrs	USD 698.00	USD 1,815.00	USD 4,900.00
EQUIPMENT TRAILER-40'-48'	1	24Hrs	USD 242.00	USD 630.00	USD 1,700.00
AIR RECEIVER 1000 GALLON	1	24Hrs	USD 145.00	USD 376.00	USD 1,015.00
3" X 50' STD PRESSURE	1	24Hrs	USD 68.00	USD 178.00	USD 480.00
3" X 25' STD PRESSURE	1	24Hrs	USD 38.00	USD 100.00	USD 270.00

Delivery Transportation Cost: TBD  
Return Transportation Cost: TBD

Thanks in advance for your response, as it will take the City 10 – 12 Weeks to take needed actions in regards to exercising the 4<sup>th</sup> Opt Yr, upon receiving Atlas Copco's pricing response in regards to 4<sup>th</sup> Opt Yr that would span from 1/1/2019 thru 12/31/2019.

**Customer # 57797**

Respectfully awaiting feedback,

Rick Rinderle, C.P.M.  
Procurement Specialist  
City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)



**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/7/2018
<u>Clerk's File #</u>	OPR 2016-0818
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	BID #4057-14
<u>Agenda Item Type</u>	Purchase w/o Contract	<u>Requisition #</u>	VALUE BLANKET
<u>Agenda Item Name</u>	4490 RENEWAL OF VALUE BLANKET FOR ANHYDROUS AMMONIA AND		

Agenda Wording

Renewal of Value Blanket (VB) for purchase of Anhydrous Ammonia and Phosphoric Acid for the WTE Facility (WTEF). January 1, 2019 thru December 31, 2019.

Summary (Background)

Anhydrous Ammonia and Phosphoric Acid are required for the operation of the WTEF. Brenntag Pacific, Inc., has agreed to provide both Anhydrous Ammonia and Phosphoric Acid with a price increase of 5.49% and 3.87% respectively, based on market conditions; Brenntag Pacific's pricing has remain unchanged from 2015 thru 2018. Continued deliveries of chemicals will allow for uninterrupted operations of WTEF. The Original VB was for 1 year with option of 4 one-year renewals; this is 4th renewal.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ 558,906.27	# 4490-44100-37148-53203
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	
<u>Division Director</u>	KEGLEY, DANIEL	<u>Other</u>	PIES 9/24/18
<u>Finance</u>	ALBIN-MOORE, ANGELA	<u>Distribution List</u>	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	WAHL, CONNIE	rrinderle@spokanecity.org	
		rcopell@spokanecity.org	

## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Renewal of Value Blanket for purchase of Anhydrous Ammonia and Phosphoric Acid for WTE Facility.
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Sustainable Resources – Sustainable Practices; Innovative Infrastructure – Affordable Services
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval for value blanket renewal; without which the WTE facility would not be able to continue uninterrupted operations.
<p><b>Background/History:</b> Anhydrous Ammonia and Phosphoric Acid are required for operations of WTE Facility. Brenntag Pacific, Inc., has agreed to provide both Anhydrous Ammonia and Phosphoric Acid with a price increase of 5.49% and 3.87 % respectively, based on market conditions; pricing has remained unchanged from 2015 thru 2018.</p> <p>Cost to provide WTE Facility these chemicals is \$558,906.27</p> <ul style="list-style-type: none"> <li>• Anhydrous Ammonia \$407,069.25; inclusive of tax.</li> <li>• Phosphoric Acid \$151,837.02; Inclusive of tax.</li> </ul> <p>Original Value Blanket was for 1 year with option of 4 one-year renewals; this is the 4<sup>th</sup> renewal.</p>	
<p><b>Executive Summary:</b></p> <ul style="list-style-type: none"> <li>• Renewal # 4 of 4 Anhydrous Ammonia and Phosphoric Acid</li> <li>• Term is from January 1, 2019 thru December 31, 2019</li> <li>• Price increase 5.49% for Ammonia and 3.87 % Phosphoric Acid</li> <li>• Pricing was unchanged from 2015 thru 2018</li> <li>• Total annual cost inclusive of tax is \$558,906.27</li> <li>• Renewal would allow for continued uninterrupted operations of the WTEF facility</li> </ul>	
<p><b>Budget Impact:</b></p> <p>Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>If new, specify funding source:</p> <p>Other budget impacts: (revenue generating, match requirements, etc.)</p>	
<p><b>Operations Impact:</b></p> <p>Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Specify changes required:</p> <p>Known challenges/barriers:</p>	

**From:** Bob Long/Pacific/Brenntag [mailto:BLong@brenntag.com]  
**Sent:** Wednesday, September 05, 2018 8:44 PM  
**To:** Rinderle, Rick <rrinderle@spokanecity.org>  
**Cc:** Laura Tua/Pacific/Brenntag <LTua@brenntag.com>; Pauline Roberts/Pacific/Brenntag <PRoberts@brenntag.com>; Paine, David <dpaine@spokanecity.org>; Averyt, Chris <caveryt@spokanecity.org>  
**Subject:** RE: Fourth Option Year Pricing Kindly Sought vb300558 (Customer # 506320)

Rick,

Thank you for your call the other morning. As I mentioned, anhydrous ammonia is a commodity chemical that fluctuates with market demands. Sometimes this fluctuation can be significant and can be tracked by the Green Markets Index for ammonia per the attached for August of 2017 and August of 2018. In this example, the range for ammonia in the PNW in August 2017 was \$350 - \$375/ton delivered, with the mid-point being \$362.50/ton. The range for ammonia in the PNW in August 2018 was \$420 - \$440/ton delivered, with the mid-point being \$430/ton. This is a difference of \$67.50/ton. This is more than 5%, so pricing would be reset for the next quarter. Also, along with chemical costs, there are also the fuel costs that fluctuate in accordance to the national diesel average per the following link at [www.eia.gov/petroleum/gasdiesel/](http://www.eia.gov/petroleum/gasdiesel/).

Index pricing will be reviewed Jan 1, 2019 for any product adjustments per the Green Markets index.

Also, upon further review with our phosphoric acid supplier, they are increasing the phosphoric acid 75% for 2019 by \$60/TN. However, Brenntag will maintain only a \$40/TN increase for next year as noted below. Attached is their price increase letter for reference.

I hope this answers your questions. Please let me know if you need anything else.

Regards,

**Bob Long**

PNW Branch Manager / DEF Sales Manager



Brenntag Pacific  
5700 NW Front Ave  
Portland, OR 97210  
Cell: 610-781-7046  
Email: [blong@brenntag.com](mailto:blong@brenntag.com)  
<http://www.brenntagdef.com/>  
<http://www.facebook.com/BrenntagDEF>  
<http://twitter.com/BrenntagDEF>



**From:** Bob Long/Pacific/Brenntag [<mailto:BLong@brenntag.com>]  
**Sent:** Saturday, September 01, 2018 10:01 AM  
**To:** Rinderle, Rick <[rrinderle@spokanecity.org](mailto:rrinderle@spokanecity.org)>  
**Cc:** Laura Tua/Pacific/Brenntag <[LTua@brenntag.com](mailto:LTua@brenntag.com)>; Pauline Roberts/Pacific/Brenntag <[PROberts@brenntag.com](mailto:PROberts@brenntag.com)>  
**Subject:** RE: Fourth Option Year Pricing Kindly Sought vb300558 (Customer # 506320)

Hi Rick,

Sorry for the delay but we have received 2019 pricing back from our manufacturers for continued service to City of Spokane. The markets and fuel costs have moved slightly since last year.

Anhydrous Ammonia:	Pricing through 12/31/18	\$1,203/TN
	Pricing 1/1/2019 - 12/31/18	\$1,269/TN

For 2019, we reserve the right to adjust pricing on a quarterly bases per the Green Markets Fertilizer Dealer Report regional wholesale prices for anhydrous ammonia. Adjustments will only be made only if index has went up than 5% compared to previous quarter.

Phosphoric Acid, 75%	Pricing through 12/31/18	\$1034.80/TN
	Pricing 1/1/2019 - 12/31/19	\$1,074.80/TN

Regards,

**Bob Long**

PNW Branch Manager / DEF Sales Manager



Brenntag Pacific  
5700 NW Front Ave  
Portland, OR 97210  
Cell: 610-781-7046  
Email: [blong@brenntag.com](mailto:blong@brenntag.com)  
<http://www.brenntagdef.com/>  
<http://www.facebook.com/BrenntagDEF>  
<http://twitter.com/BrenntagDEF>





AGRIBUSINESS

J.R. SIMPLOT COMPANY 1099 W FRONT STREET BOISE, IDAHO 83702

September 5, 2018

Dear Bob:

In order to continue to provide the quality and service you have come to expect from Simplot, we must continue to invest in our processes. Therefore, effective January 1, 2019 Simplot is increasing the price of Purified Phosphoric Acid (PPA) \$0.03/lb. This increase is due to cost escalations in raw materials, freight, fuel, energy and production costs.

City of Spokane

This increase will be implemented on orders shipped on or after January 1, 2019, regardless of order date. Pricing will be protected for calendar year 2019.

Simplot appreciates your business and we look forward to continuing as your supplier for your phosphoric acid needs.

Sincerely,

Jon Davidson  
Area Manager



# Fertilizer Dealer Report Regional Wholesale Prices

AMMONIA	8/24/2018	YEAR AGO
U.S. Gulf NOLA .....	311	165
Cornbelt.....	395-435	280-340
Northern Plains .....	420-425	310-350
Northern Plains DEL .....	435-445	285-340
Great Lakes.....	435-445	300-335
South Central .....	310-330	275-295
Southern Plains .....	300-375	210-275
California DEL .....	430	410
Pacific Northwest DEL .....	420-440	350-375
Eastern Canada mt CAD .....	605-625	460-470
Western Canada DEL mt CAD .....	585	495-505

AMMONIUM NITRATE	8/24/2018	YEAR AGO
U.S. Gulf NOLA .....	170-175	180-190
Cornbelt.....	265-275	255-265
Southeast.....	230	235-240
South Central .....	235-245	225-235
Southern Plains .....	230-235	220-225

AMMONIUM SULFATE	8/24/2018	YEAR AGO
U.S. Gulf NOLA .....	195-205	165-170
Cornbelt.....	225-255	210-230
Northern Plains .....	245-255	210-230
Northern Plains DEL .....	255-265	225-245
Great Lakes.....	245-260	215-230
Northeast DEL .....	245-260	225-235
Southeast.....	210	195-225
Southeast DEL .....	245-260	220-250
South Central .....	225-230	205-215
Southern Plains .....	200-230	175-205
California .....	260-275	245-255
Pacific Northwest .....	230-265	175-225
Pacific Northwest DEL .....	240-265	185-235
Eastern Canada mt CAD .....	440-445	340-360
Western Canada DEL mt CAD .....	390-400	340-350

UREA	8/24/2018	YEAR AGO
U.S. Gulf NOLA .....	287-295	200
Cornbelt.....	305-325	220-230
Northern Plains .....	310-320	220-230
Northern Plains DEL .....	340-345	230-240
Great Lakes.....	315-325	225-250
Northeast.....	325-335	235-240
Southeast.....	310-320	240-250
South Central .....	295-315	215-230
Southern Plains .....	320-330	225-235
California .....	340-360	295-310
Pacific Northwest .....	327-355	275-280
Eastern Canada mt CAD .....	440-450	365-410
Western Canada DEL mt CAD .....	475-495	370-390

UAN	8/24/2018	YEAR AGO
U.S. Gulf NOLA .....	5.00-5.31	3.91-4.13
Cornbelt.....	6.09-6.41	4.84-5.18
Northern Plains .....	7.50-7.86	5.32-5.54
Great Lakes.....	6.25-6.56	5.00-5.71
Northeast (Baltimore).....	6.09	5.00
Northeast (New York) .....	7.50	6.25
Southeast.....	5.78-6.19	4.84
South Central .....	5.63-6.09	4.84-5.31
Southern Plains .....	5.78-5.94	4.53-5.16
California .....	7.03-7.66	5.94-6.25
Pacific Northwest DEL .....	7.50-7.97	NA
Eastern Canada CAD .....	9.64-10.00	7.86-8.39
Western Canada DEL CAD .....	9.46-10.89	7.86-8.21

DAP	8/24/2018	YEAR AGO
Central Florida .....	410	330
U.S. Gulf NOLA .....	410-415	318-323
Cornbelt.....	435-450	345-355
Northern Plains .....	440-445	345-350
Great Lakes.....	440-450	350-363
Northeast.....	450	365
South Central .....	430-440	350-355
Southern Plains .....	435-445	350-355

MAP	8/24/2018	YEAR AGO
Central Florida .....	420	345
U.S. Gulf NOLA .....	420-424	323-325
Cornbelt.....	445-455	355-363
Northern Plains .....	445-460	355-385
Great Lakes.....	450-460	355-390
Northeast.....	440-457	375
Southern Plains .....	445-455	355-360
California DEL .....	520	445
Pacific Northwest DEL .....	495-510	415-430
Eastern Canada mt CAD .....	650-680	540
Western Canada DEL mt CAD .....	700-710	555-590

10-34-0	8/24/2018	YEAR AGO
Cornbelt.....	360-370	345-365
Northern Plains .....	365-375	330-340
Great Lakes.....	365-380	350-360
Northeast.....	404	375
Southern Plains .....	365-400	320-340
California .....	416-421	390-395
Pacific Northwest .....	397-412	360-375

16-20-0	8/24/2018	YEAR AGO
California .....	385-392	348-355
Pacific Northwest .....	369	330
Pacific Northwest DEL .....	362-372	323-333

PHOS. ACID	8/24/2018	YEAR AGO
California DEL .....	8.90	8.10
Pacific Northwest .....	8.40	7.60
Pacific Northwest DEL .....	8.90	8.10

POTASH	8/24/2018	YEAR AGO
Cornbelt.....	280-295	245-265
Northern Plains .....	285-295	242-247
Northern Plains DEL .....	300-310	260-270
Great Lakes.....	290-304	255-274
Northeast.....	290-295	260-270
Northeast DEL .....	300-310	265-275
Southeast.....	300-310	250-260
Southeast DEL .....	325-335	260-270
South Central .....	280-285	240-250
Southern Plains .....	280-295	240-250
Carlsbad .....	305-312	265-272
California .....	410-420	390-400
California DEL .....	415-425	395-405
Pacific Northwest .....	355-365	338-350
Pacific Northwest DEL .....	357-367	345-355
Eastern Canada mt CAD .....	420-425	395
Western Canada (mine) mt CAD .....	380-385	330-345
Saskatchewan USD/st .....	250-260	220-230

Fertilizer Dealer Report rotates full market report coverage of 12 North American regions. All US prices are USD per short ton at the wholesale level except UAN, which is USD per unit of nitrogen. To convert the UAN price to short ton, multiply the nutrient value (e.g., 28, 30, or 32) by the price shown. Cornbelt prices reflect both Eastern and Western Cornbelt regions. All Canada prices are CAD per metric ton unless stated otherwise. All prices are FOB unless stated otherwise. Prices listed on FOB basis are at plant gate, terminal, or pipeline points. Delivered (DEL) prices include transportation costs to the dealer's location or nearest railroad. Price quotes do not represent actual transactions, but represent market conditions as perceived by selected buyers and dealers. The price spreads shown are attributable to localized price differences within a region or differing sizes of purchase.



# Fertilizer Dealer Report Regional Wholesale Prices

AMMONIA	8/25/2017	YEAR AGO
U.S. Gulf NOLA .....	165	227-232
Cornbelt.....	280-340	320-400
Northern Plains .....	310-350	340-360
Northern Plains DEL .....	285-340	375-395
Great Lakes .....	300-335	370-395
South Central .....	270-295	350-395
Southern Plains .....	220-260	290-330
California DEL .....	410	470
Pacific Northwest DEL .....	350-375	380-415
Eastern Canada mt CAD .....	460-520	565
Western Canada DEL mt CAD .....	495-505	540-550

AMMONIUM NITRATE	8/25/2017	YEAR AGO
U.S. Gulf NOLA .....	180-190	160-170
Cornbelt.....	255-265	245-250
Southeast.....	235-240	230
South Central .....	225-235	210-225
Southern Plains .....	220-225	240-245
Eastern Canada mt CAD .....	410	545

AMMONIUM SULFATE	8/25/2017	YEAR AGO
U.S. Gulf NOLA .....	165-170	175-180
Cornbelt.....	210-230	225-245
Northern Plains .....	210-230	215-220
Northern Plains DEL .....	225-245	220-225
Great Lakes .....	215-230	225-245
Northeast DEL .....	225-230	NA
Southeast.....	210-220	220-230
Southeast DEL .....	225-245	240-250
South Central .....	205-215	230-235
Southern Plains .....	175-205	195-230
California .....	245-255	270-300
Pacific Northwest .....	175-225	220-240
Pacific Northwest DEL .....	185-235	230-250
Eastern Canada mt CAD .....	360-425	370-380
Western Canada DEL mt CAD .....	340-350	345

UREA	8/25/2017	YEAR AGO
U.S. Gulf NOLA .....	195-200	183-196
Cornbelt.....	215-230	218-235
Northern Plains .....	220-225	220-230
Northern Plains DEL .....	230-240	250-260
Great Lakes .....	225-250	225-250
Northeast.....	235-240	235-240
Southeast.....	230-240	225-240
South Central .....	215-225	225-240
Southern Plains .....	225-230	215-225
California .....	295-310	300-320
Pacific Northwest .....	275-280	260-270
Pacific Northwest DEL .....	NA	280-290
Eastern Canada mt CAD .....	365-395	340-360
Western Canada DEL mt CAD .....	370-390	370-380

UAN	8/25/2017	YEAR AGO
U.S. Gulf NOLA .....	3.91-4.13	4.22-4.38
Cornbelt.....	4.84-5.18	5.31-5.63
Northern Plains .....	5.32-5.54	5.89-6.25
Northern Plains DEL .....	NA	6.61
Great Lakes .....	5-5.71	5.64-6.07
Northeast (Baltimore) .....	4.94	4.94-5.00
Northeast (New York) .....	6.25	6.25
Southeast.....	4.68-4.84	4.78-5.06
South Central .....	4.84-5.31	5.47-5.63
Southern Plains .....	4.38-5.16	4.84-5.00
California .....	5.94-6.25	6.41-6.56
Pacific Northwest DEL .....	NA	6.66-7.03
Eastern Canada CAD .....	7.86-9.00	8.04-8.93
Western Canada DEL CAD .....	7.86-8.21	8.75-9.29

DAP	8/25/2017	YEAR AGO
Central Florida .....	330	330
U.S. Gulf NOLA .....	320-324	320-327.50
Cornbelt.....	345-355	355-363
Northern Plains .....	345-350	350-355
Great Lakes .....	350-363	355-365
Northeast.....	365	365-373
South Central .....	345-355	350-360
Southern Plains .....	350-355	355-360

MAP	8/25/2017	YEAR AGO
Central Florida .....	345	345
U.S. Gulf NOLA .....	323-325	330-338
Cornbelt.....	355-363	360-365
Northern Plains .....	355-385	360-395
Great Lakes .....	355-390	365-390
Northeast.....	375	370-385
Southern Plains .....	355-360	360-365
California DEL .....	445	410-435
Pacific Northwest DEL .....	415-430	420-425
Eastern Canada mt CAD .....	540-585	570-576
Western Canada DEL mt CAD .....	555-590	575-585

10-34-0	8/25/2017	YEAR AGO
Cornbelt.....	345-365	360-400
Northern Plains .....	330-340	375
Great Lakes .....	350-360	NA
Northeast.....	375	425
Southern Plains .....	320-340	360-390
California .....	390-395	407-412
Pacific Northwest .....	360-375	355-389

16-20-0	8/25/2017	YEAR AGO
California .....	348-355	345-357
Pacific Northwest .....	330	NA
Pacific Northwest DEL .....	323-333	335-340

PHOS. ACID	8/25/2017	YEAR AGO
California DEL .....	8.10	8.45-8.65
Pacific Northwest .....	7.60	7.95
Pacific Northwest DEL .....	8.10	8.40-8.50

POTASH	8/25/2017	YEAR AGO
Cornbelt.....	245-265	220-235
Northern Plains .....	242-247	215-225
Northern Plains DEL .....	260-270	230-250
Great Lakes .....	255-274	225-237
Northeast.....	260-270	232-235
Northeast DEL .....	265-275	NA
Southeast.....	250-260	230-235
Southeast DEL .....	260-270	230-243
South Central .....	245-255	215-225
Southern Plains .....	245-250	215-225
California .....	390-400	350-360
California DEL .....	395-405	365-375
Pacific Northwest .....	338-350	310-320
Pacific Northwest DEL .....	345-355	310-320
Eastern Canada mt CAD .....	365-395	350
Western Canada (mine) mt CAD .....	330-345	300
Western Canada mt CAD .....	NA	315-330
Saskatchewan USD/st .....	220-230	200-210

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**Agenda Sheet for City Council Meeting of:**  
10/01/2018

<u>Date Rec'd</u>	8/31/2018
<u>Clerk's File #</u>	OPR 2015-0963
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	BID #4174-15
<u>Agenda Item Type</u>	Purchase w/o Contract	<u>Requisition #</u>	VALUE BLANKET
<u>Agenda Item Name</u>	4490 RENEWAL OF VALUE BLANKET FOR PURCHASE OF ACTIVATED CARBON		

Agenda Wording

Renewal of Value Blanket with Cabot Norit Activated Carbon, Marshall, Texas, for purchase of activated carbon for use at WTE Facility. December 2, 2018 to December 1, 2019 for \$76,950.00 plus taxes of \$6,771.60 for a total of \$83,721.60.

Summary (Background)

Air Operating Permit for WTEF requires that the pollution control equipment reduce mercury, dioxin, and furans that could potentially be released into the atmosphere. Activated carbon injected into the flue gas aids in this reduction, and is required to be in compliance with Title V Air Operating Permitting. If pollution control equipment is not operating, the WTEF would have to shut down or risk violating permit conditions or potentially causing harm to the environment. This is 3rd of 4 renewals.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ 83721.60	# 4490-44100-37148-53203
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	
<u>Division Director</u>	KEGLEY, DANIEL	<u>Other</u>	PIES 9/24/18
<u>Finance</u>	ALBIN-MOORE, ANGELA	<u>Distribution List</u>	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	WAHL, CONNIE	rrinderle@spokanecity.org	
		rcopell@spokanecity.org	



## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Renewal of Value Blanket for the purchase of Activated Carbon for use at the WTE Facility.
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Sustainable Resources – Sustainable Practices; Innovative Infrastructure – Affordable Services
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval for value blanket renewal without which the WTE Facility will be out of compliance with Air Operating Permit
<p><u>Background/History:</u></p> <p>Activated Carbon is required in the operation of the WTE Facility. The Air Operating Permit for the WTE Facility requires that the pollution control equipment reduces mercury, dioxins and furans that could potentially be released into the atmosphere. Activated Carbon injected into the flue gas aids in this reduction and is required to be in compliance with the Title V of the Air Operating Permit.</p> <p>On October 8, 2015 the City issued RFB #4174-15 to procure activated carbon for use in the WTE facility. Six bids were received, Cabot Norit Activated Carbon, Marshall, TX, was selected as the lowest cost bidder.</p> <p>Cabot Norit Activated Carbon agreed to renew value blanket and provide activated carbon to WTE facility for an additional year; pricing remains unchanged.</p> <p>Original Value Blanket was for 1 year with options of 4 one-year renewals; this is the 3<sup>rd</sup> renewal.</p> <p>The cost of this renewal is \$76,950 plus taxes of \$6,771.60 for a total of \$83,721.60; pricing unchanged from second option year.</p>	
<p><u>Executive Summary:</u></p> <ul style="list-style-type: none"> <li>Renewal #3 of 4 for purchase of Activated Carbon</li> <li>Term is from December 2, 2018 thru December 1, 2019</li> <li>Total annual cost is \$83,721.60; which includes taxes</li> <li>Pricing is unchanged for 3<sup>rd</sup> option year</li> <li>Renewal would enable compliance with the Air Operating Permit.</li> </ul>	
<p><u>Budget Impact:</u></p> <p>Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p> <p>If new, specify funding source:</p>	

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:

Consistent with current operations/policy?

☒ Yes ☐ No ☐ N/A

Requires change in current operations/policy?

☐ Yes ☒ No ☐ N/A

Specify changes required:

Known challenges/barriers:

## Rinderle, Rick

---

**From:** Sally Adkisson <Sally.Adkisson@cabotcorp.com>  
**Sent:** Friday, August 10, 2018 9:31 AM  
**To:** Rinderle, Rick  
**Subject:** RE: Second Option Year Pricing Kindly Sought VB300667 (Customer # 1003721)

Hi Rick,  
No problem.  
Thanks and hope you have a great weekend.

Sally

---

**From:** Rinderle, Rick <rrinderle@spokanecity.org>  
**Sent:** Friday, August 10, 2018 11:29 AM  
**To:** Sally Adkisson <Sally.Adkisson@cabotcorp.com>  
**Cc:** Robert Angius <Robert.Angius@cabotcorp.com>  
**Subject:** [EXTERNAL] RE: Second Option Year Pricing Kindly Sought VB300667 (Customer # 1003721)

Ms. Adkisson:

Please accept my apology, as I mistakenly made reference to 2<sup>nd</sup> opt year renewal in the below email; it should have **stated 3<sup>rd</sup> Opt Yr Renewal spanning from 12/2/2018 -12/1/2019, rather than 2<sup>nd</sup> Opt Yr Renewal spanning from 12/2/2018 -12/1/2019**

No action is required on your part, once again sorry for my error.

Respectfully,

Rick Rinderle, C.P.M.  
Procurement Specialist  
City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

---

**From:** Rinderle, Rick  
**Sent:** Friday, August 10, 2018 9:12 AM  
**To:** 'Sally Adkisson' <[Sally.Adkisson@cabotcorp.com](mailto:Sally.Adkisson@cabotcorp.com)>  
**Cc:** Robert Angius <[Robert.Angius@cabotcorp.com](mailto:Robert.Angius@cabotcorp.com)>  
**Subject:** RE: Second Option Year Pricing Kindly Sought VB300667 (Customer # 1003721)

Ms. Sally Adkisson,

Thank you for your quick response.

Truly appreciative,

Rick Rinderle, C.P.M.  
Procurement Specialist

City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

---

**From:** Sally Adkisson [<mailto:Sally.Adkisson@cabotcorp.com>]  
**Sent:** Friday, August 10, 2018 7:23 AM  
**To:** Rinderle, Rick <[rrinderle@spokanecity.org](mailto:rrinderle@spokanecity.org)>  
**Cc:** Robert Angius <[Robert.Angius@cabotcorp.com](mailto:Robert.Angius@cabotcorp.com)>  
**Subject:** RE: Second Option Year Pricing Kindly Sought VB300667 (Customer # 1003721)

Hello Rick,  
It is good to hear from you. Thank you for the offer to renew the current contract for FGL Powdered Activated Carbon. I am happy to confirm Cabot's agreement to renew for the Second Year effective 12/2/2018 thru 12/1/2019, under the same pricing as the current agreement - \$855 per 900 lb bulk bag including delivery to your facility in Spokane via minimum 18 bulk bag flatbed trailer loads.

Please let me know if there is any other information or documentation we can provide.

Best Regards,  
Sally

Sally Adkisson  
Inside Sales Manager

**Cabot Norit Activated Carbon**

**T** +1 903 935 4751  
**M** +1 903 930 0290  
E-mail: [sally.adkisson@cabotcorp.com](mailto:sally.adkisson@cabotcorp.com)

3200 University Ave.  
Marshall, TX 75670

---

**From:** Rinderle, Rick <[rrinderle@spokanecity.org](mailto:rrinderle@spokanecity.org)>  
**Sent:** Tuesday, August 07, 2018 2:26 PM  
**To:** Sally Adkisson <[Sally.Adkisson@cabotcorp.com](mailto:Sally.Adkisson@cabotcorp.com)>  
**Cc:** Rinderle, Rick <[rrinderle@spokanecity.org](mailto:rrinderle@spokanecity.org)>  
**Subject:** [EXTERNAL] Second Option Year Pricing Kindly Sought VB300667 (Customer # 1003721)

**Cabot Norit Activated Carbon**

3200 University Ave.  
Marshall, TX 75670

Sally Adkisson  
Inside Sales Manager  
**T** +1 903 935 4751  
**M** +1 903 930 0290  
[sally.adkisson@cabotcorp.com](mailto:sally.adkisson@cabotcorp.com)

Good Day Ms. Adkisson:

Attached is the First Option Year (VB400667-001) to VB300667; the First Option Year is set to expire 12/1/2018 and remains current thru 12/1/2018.

The City of Spokane, is looking at exercising the Second Option Year, that would span from 12/2/2018 thru 12/1/2019.

(Customer #1003721)

Sally, would you please advise if:

- Cabot is interested in exercising the 2nd Opt Yr that would span from 12/2/2018 -12/1/2019
- Cabot's current unit pricing \$855 per 900 lb bag delivered for minimum 20 bag orders, as depicted below, would remain unchanged for the 2nd Opt Yr that would span from 12/2/2018 -12/1/2019

**From:** Sally Adkisson <Sally.Adkisson@cabotcorp.com>  
**Sent:** Tuesday, September 19, 2017 12:25 PM  
**To:** Rinderle, Rick  
**Cc:** Robert Angius; Tauscher, Tia; Prince, Thea  
**Subject:** RE: Pricing Feedback Sought VB300677; First Option Year (Customer #1003721)

Hello Rick,

Thank you very much for the offer to renew the below described contract for an additional one-year term. Cabot would like to renew; however, we must request a modest price increase as allowed by the contract Part II, Item 9. The increase request is in response to higher costs for Employee Wages, Employee Healthcare Benefits, Product Raw Materials – specifically lignite coal, packaging materials, and transportation.

- Price from 12/15/2015 through 12/1/2017 = \$828 per 900 lb bag including delivery
- Request adjusted price beginning 12/2/2017 through 12/1/2018 = \$855 per 900 lb bag including delivery for minimum 20 bag orders.

Please let me know if our request is acceptable.

Kind Regards,  
Sally

Sally Adkisson  
Inside Sales Manager

Cabot Norit Activated Carbon

T +1 903 935 4751  
M +1 903 930 0290  
E-mail: sally.adkisson@cabotcorp.com

3200 University Ave.  
Marshall, TX 75670

Thanks in advance for your response, as it will take the City 10 – 12 Weeks to complete required actions to exercise the 2nd Opt Yr; upon receiving pricing that would span from 12/2/2018 -12/1/2019

Respectfully awaiting feedback,

Rick Rinderle, C.P.M.  
Procurement Specialist  
City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

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recipients is prohibited. If you have received this e-mail in error, please notify the sender immediately by telephone or e-mail and delete the original message. Thank you.

This e-mail and any attachments are for use by the intended recipient and may contain confidential, privileged or proprietary information. Any use, dissemination, distribution, or reproduction of this message by unintended recipients is prohibited. If you have received this e-mail in error, please notify the sender immediately by telephone or e-mail and delete the original message. Thank you.



**Agenda Sheet for City Council Meeting of:**  
10/01/2018

<u>Date Rec'd</u>	8/31/2018
<u>Clerk's File #</u>	OPR 2015-0908
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	RFB #4168-15
<u>Agenda Item Type</u>	Purchase w/o Contract	<u>Requisition #</u>	VALUE BLANKET
<u>Agenda Item Name</u>	4490 RENEWAL OF VALUE BLANKET PURCHASE OF CONVEYOR BELTS FOR		

Agenda Wording

Renewal of value blanket with Applied Industrial Technologies, Spokane, WA, for purchase of Conveyor Belts for WTE facility. January 1, 2019 thru December 31, 2019 for a total not to exceed \$150,000 including taxes.

Summary (Background)

The WTE facility's ash handling system utilizes a conveyor belt that is 72 inches wide by 370 feet long. If this belt fails, the ash system must be shut down, resulting in WTE being shut down. To minimize the downtime, the City issued a request for bids to be able to purchase a replacement belts while the current belt is still in place.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ 150,000	# 4490-44100-37148-53210
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	
<u>Division Director</u>	KEGLEY, DANIEL	<u>Other</u>	PIES 9/24/18
<u>Finance</u>	ALBIN-MOORE, ANGELA	<u>Distribution List</u>	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	WAHL, CONNIE	rrinderle@spokanecity.org	
		rcopell@spokanecity.org	

## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Renewal of Valve Blanket with for purchase of Conveyor Belts for the WTE Facility.
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget , Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Innovative Infrastructure – Sustainability; Sustainable Resources – Sustainable Practices
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval of the value blanket renewal; without which the WTE Facility would not be able to continue uninterrupted operations.
<b>Background/History:</b> Conveyor Belt is utilized in WTE ash handling system. Belt is 72 inches wide by 370 long. Belt failure requires shut down of ash system which in turn requires shut down of the WTE facility. To minimize the downtime, the City issued a request for bids to be able to purchase replacement belts while the current belt is still in place.  Applied Industrial Technologies, Spokane, WA, was the only response received to Request for Bids #4168-15, to provide immediate belt delivery upon being requested by WTE facility. Applied Industrial Technologies has local facilities to be able to store the belt until need to be installed. Installation of the belt will be solicited under a separate Request for Proposals.  Applied Industrial Technologies has agreed to renew the terms of the original bid and provide belt(s) to the WTE facility for an additional year. Original Value Blanket was for 1 year with option of 4 one-year renewals. This is the 3rd of 4 renewals with a total cost not to exceed \$150,000.00 including taxes.	
<b>Executive Summary:</b> <ul style="list-style-type: none"> <li>Renewal # 3 of 4 Conveyor Belt(s)</li> <li>Term is from January 1, 2019 thru December 31, 2019</li> <li>Total annual cost inclusive of tax not to exceed \$150,000</li> <li>Renewal would allow for continued uninterrupted operations of WTE Facility</li> </ul>	
<b>Budget Impact:</b> Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
<b>Operations Impact:</b> Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A Specify changes required: Known challenges/barriers:	



## Rinderle, Rick

---

**From:** Turningrobe, Jason <jturningrobe@applied.com>  
**Sent:** Thursday, August 09, 2018 8:45 AM  
**To:** Rinderle, Rick  
**Subject:** RE: Third Opt Year Pricing Sought; VB300750 Conveyor Belt

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

**Categories:** Green Category, Purple Category

Mr. Rinderle

In regards to VB300750-001, that is set to expire 12/31/2018.... (VB300750-002 was the second option year in regard to Bid 4168-15) Applied Industrial Technologies Spokane, would like to renew contract for the *current stocked belt* for an additional year, ( Third Opt Year, that would span from 1/1/2019 thru 12/31/2019.)

- Belt #1's Unit Pricing will remain at \$40,407.53 (not including tax) until delivery is requested at Spokane Solid Waste Disposal

- Belt #2's Unit Pricing will remain at \$47,689.30 (not including tax) until delivery is requested at Spokane Solid Waste Disposal

If an additional belt is needed beyond the currently stocked (belt #2) anytime in the remainder of 2018 or 2019 due to possible increases in raw materials, and market volatility we will need to re-quote at that time.

Please feel free to contact me or Sean Stern with any questions.

Thank you for the opportunity to work with you on this project..

Sincerely

Jason Turningrobe

---

**From:** Rinderle, Rick [mailto:rrinderle@spokanecity.org]  
**Sent:** Monday, August 06, 2018 1:22 PM  
**To:** 'jturningrobe@applied.com'  
**Subject:** FW: Third Opt Year Pricing Sought; VB300750 Conveyor Belt

Mr. Turningrobe.

Sorry, I mistyped your email addressed.

Rick Rinderle, C.P.M.

Procurement Specialist  
City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

---

**From:** Rinderle, Rick  
**Sent:** Monday, August 06, 2018 1:16 PM  
**To:** 'ssstern@applied.com' <[ssstern@applied.com](mailto:ssstern@applied.com)>  
**Cc:** 'jturningrobe@appliede.com' <[jturningrobe@appliede.com](mailto:jturningrobe@appliede.com)>; 'brozier@applied.com' <[brozier@applied.com](mailto:brozier@applied.com)>; Rinderle, Rick <[rrinderle@spokanecity.org](mailto:rrinderle@spokanecity.org)>  
**Subject:** Third Opt Year Pricing Sought; VB300750 Conveyor Belt

Mr. Sean Stern, General Manager  
Applied Industrial Technologies  
Spokane, WA  
PH 509-535-2955  
FX 509-534-1290  
[SStern@applied.com](mailto:SStern@applied.com)

Good Day Mr. Stern:

In regards to Value Blanket VB300750, pertaining to Conveyor Belt, attached is VB300750-002 is the Second Option Year, that is valid thru 12/31/2018;  
to date neither of the two belts have yet been requested to be delivered.

The City of Spokane is looking at exercising the Third Opt Year, that would span from 1/1/2019 thru 12/31/2019.

Please respond advising if:

- Applied is interested in Exercising the Third Opt Year
- Confirm Applied's Unit pricing as depicted below for Belt 1 and Belt 2 remain valid until delivery is requested; as previously agreed in attached VB300750-002.
  - Belt #1's Unit Pricing will remain at \$40,407.53 (not including tax) until delivery is requested at Spokane Solid Waste Disposal
  - Belt #2's Unit Pricing will remain at \$47,689.30 (not including tax) until delivery is requested at Spokane Solid Waste Disposal
- Applied shall ensure a belt is always stock on hand at Applied for immediate delivery to Spokane Solid Waste Disposal.
  - After Belt 1 and Belt 2 have been requested and delivered at future points in time, at stated agreed unit pricing above...
    - Please advise of unit pricing that could be expected to be incurred for additional belt(s).

Thanks in advance for your response, as it will take the City 10 – 12 Weeks to take needed actions in regards to exercising the Third Option Year, upon receiving Applied's response.

Respectfully,

Rick Rinderle, C.P.M.  
 Procurement Specialist  
 City of Spokane Solid Waste Disposal  
 2900 S. Geiger Blvd  
 Spokane WA 99224-5400  
 Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

MINIMUM SPECIFICATIONS CALLED FOR	TO BE SUPPLIED	EXCEPTIONS
<u>Brand: Goodyear</u>	<i>RR</i>	<i>Continental</i>
<u>American Made</u>	<i>RR</i>	
<u>3 Ply / 375 Pounds Per Inch of Width</u>	<i>m</i>	
<u>Stacker 4X1 (implying 1/4 Top Cover and 1/16 Bottom Covering)</u>	<i>RR</i>	<i>with Nylon carcass</i>
<u>Width 72 Inches x 370 Feet Long</u>	<i>m</i>	
<u>Belt Shall Be Rolled When Delivered</u>	<i>m</i>	
Vendor shall own and store belt(s), at its cost, at a facility in the proximity to the City of Spokane Solid Waste Disposal, Waste To Energy Facility (WTEF), to enable vendor to provide immediate delivery 24 hours a day, 7 days a week, 365 days a year. Upon being requested by WTEF, Vendor shall provide immediately to WTEF. (Installation is not part of this requirement).	<i>RR</i>	
Vendor shall only invoice upon WTEF taking possession of belt at 2900 S. Geiger Blvd, Spokane WA 99224-5400.	<i>m</i>	
1. Deliveries shall be made to Shipping and Receiving, Waste to Energy Facility	<i>m</i>	
2. Delivery method is to be compatible with unloading equipment at delivery point - Waste to Energy Facility; Palletized To Enable Unloading via Forklift	<i>RR</i>	
6. Deliveries shall be capable of being made immediately as requested by WTEF, 24 hours a day 7 days a week, 365 days a year. No can be no exceptions, as the WTEF operates 24 hours a day, 7 days a week, 365 Days a year.	<i>m</i>	

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[Applied Industrial Technologies Email Subscription Management](#)

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/7/2018
<u>Clerk's File #</u>	OPR 2014-0755
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	BID #4074-14
<u>Agenda Item Type</u>	Purchase w/o Contract	<u>Requisition #</u>	VALUE BLANKET
<u>Agenda Item Name</u>	4490 RENEWAL VALLUE BLANKET FOR BOILER TUBES		

Agenda Wording

Renewal of Value Blanket (VB) for purchase of boiler tubes for WTE Facility (WTEF). October 1, 2018 thru September 30, 2019 for \$650,000 inclusive of taxes.

Summary (Background)

October 27, 2014, City issued Request for Bid #4074-14, and Helfrich Brothers Boiler Works, Inc., Lawrence, MA, was the lowest cost of two bids received. Helfrich Brothers has agreed to renew VB and provide boiler tubes to WTEF for an additional year. Original VB was for 1 year with options of 4 one-year renewals; this is the 4th renewal. The cost of renewal is \$650,000, inclusive of taxes; vendor's profit margin of 15% remains unchanged from 3rd renewal; 4th renewal pricing was impacted

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ 650,000	# 4490-44100-37148-53210
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	
<u>Division Director</u>	KEGLEY, DANIEL	<u>Other</u>	PIES 9/24/18
<u>Finance</u>	ALBIN-MOORE, ANGELA	<u>Distribution List</u>	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	WAHL, CONNIE	rrinderle@spokanecity.org	
		rcopell@spokanecity.org	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

by Section 232 of Harmonized Tariff imposed by US Government.

Fiscal Impact

Select     \$

Select     \$

Budget Account

#

#

Distribution List


## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Renewal of Value Blanket for the purchase of Boiler Tube for use at the WTE Facility.
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Sustainable Resources – Sustainable Practices; Innovative Infrastructure – Affordable Services
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval for value blanket renewal; without which the WTE would not be able to continue uninterrupted operations.

Background/History:

Renewal of Value Banker for “as needed” purchase of boiler tubes for the WTE Facility.

On October 27, 2014, the City issued RFB #4074-14, and Helfrich Brothers Boiler Works, Inc., Lawrence, MA, was the lowest cost; of the two bids received.

Helfrich Brothers Boiler Works agreed to renew value blanket and provide boiler tubes to WTE facility for an additional year.

Original Value Blanket was for 1 year with options of 4 one-year renewals; this is the 4<sup>th</sup> renewal.

The cost of this renewal is \$650,000, inclusive of tax; vendor’s profit of 15% remains unchanged from 3<sup>rd</sup> Option Year; 4th Opt Year pricing was impacted by Section 232 of Harmonized Tariff imposed by the US Government.

Executive Summary:

- Renewal #4 of 4 Boiler Tubes
- Term is from October 1, 2018 thru September 30, 2019
- Vendor’s profit margin remains unchanged at 15%
- Total annual cost is \$650,000; which includes taxes
- Renewing would allow for continued uninterrupted operation of the WTE Facility.

Budget Impact:

Approved in current year budget? ☒ Yes ☐ No ☐ N/A

Annual/Reoccurring expenditure? ☒ Yes ☐ No ☐ N/A

If new, specify funding source:

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:

Consistent with current operations/policy? ☒ Yes ☐ No ☐ N/A



Requires change in current operations/policy?

☐

Yes

☒

No

☐

N/A

Specify changes required:

Known challenges/barriers:

**4th Option Year Pricing VB300574-004, 10/1/2018 thru 9/30/2019 (See Remarks)**

<b>BOILER TUBES TO INCLUDE FABRICATION OF U-BENDS</b>				
<b>ITEM</b>	<b>EST QTY</b>	<b>DESCRIPTION</b>	<b>UNIT PRICE *** (Note Unit Pricing Subject Change; However Helfrich's Profit Margin will Remain at <u>15</u>%. SEE REMARKS BELOW)</b>	<b>TOTAL</b>
1	6	Superheater Wide Loop Tube 2"x0.240MW; U-Bend	\$139.00	\$834.00
	6	WA SALES TAX 8.8%	\$12.23	\$73.39
	6	Estimated Freight Charges	\$28.00	\$168.00
2	5	Superheater Wide Loop Tube 2"x0.240MW; U-Bend	\$149.00	\$745.00
	5	WA SALES TAX 8.8%	\$13.11	\$65.56
	5	Estimated Freight Charges	\$29.00	\$145.00
3	79	Tube, SA213TP310H 2.0" x 0.240 19' Length	\$780.00	\$61,620.00
	79	WA SALES TAX 8.8%	\$68.64	\$5,422.56
	79	Estimated Freight Charges	\$98.00	\$7,742.00
4	74	Tube, SA213TP310H 2.50" x 0.240 by 19' Length	\$978.00	\$72,372.00
	74	WA SALES TAX 8.8%	\$86.06	\$6,368.74
	74	Estimated Freight Charges	\$98.00	\$7,252.00

Quantities and items shown are estimates only and are not guaranteed. Actual usage may be more or less. Orders will be placed as needed throughout contract term with a blanket order process. Payment will be made only for quantities actually ordered, delivered and accepted, whether greater or less than the stated amounts.

**Helfrich Brothers Boiler Works, Inc.** The pricing changes are due to Section 232 of the Harmonized Tarriff imposed by the US Government. Currently, the tariff is 25% and is included in the above pricing. If the Tarriff changes or get elminiated, HBBW will pass along the costs (increases and/or decreases) during this contact period.

Percentage Discount Off List To Be Provided By Vendor For Additional Tube Related Items "Not Currently Listed Below" but may be realized are needed at a later point in time.

5%

SUBTOTAL \$135,571.00

ESTIMATED GROUND FREIGHT \$15,212.39

SALES TAX 8.8% \$11,930.25

EXTENDED TOTAL \$162,713.64

DELIVERY 100 days.

**\*\*\* REMARKS PERTAINING TO UNIT PRICING**

Helfrich's stated unit pricing for 4th Opt Year Pricing is subject to change.

The current stated unit pricing Helfrich provided for 4th Opt Year Pricing, spanning from 10/1/2018 thru 9/30/2019, as depicted below, allows Helfrich a profit margin of 15%; the stated unit pricing is subject to change based on impact of recently enacted "Steel Tariff"; Helfrich reserves the right to revise pricing as a result of tariff impact which make steel pricing vary volatile; however, Helfrich would maintain its stated profit margin

During the term of the contract, should Helfrich realize any declines at the manufacturer's level, or cost reductions, or enter into pricing agreements with other customers providing greater benefits or lower pricing, the Contractor shall immediately request that an amendment to the Contract to provide similar pricing to the City if the contract with other customers offers similar usage quantities, and similar conditions impacting pricing. The Contractor shall immediately notify the City of any such contracts entered into by the Contractor. Price decreases may be considered and implemented at any time upon mutual consent of the parties

## Rinderle, Rick

---

**From:** Mike Barney <MBarney@hbbwinc.com>  
**Sent:** Wednesday, August 15, 2018 9:53 AM  
**To:** Rinderle, Rick; Dennis Lincoln; Jessica Helfrich  
**Cc:** Paine, David; Dorgan, Michelle  
**Subject:** RE: Fourth Opt Year Pricing Kindly Sought VB300574  
**Attachments:** Copy of Helfrich 4th Opt Year Pricing Work Sheet To Be Filled In-Spokane..pdf

Rick  
Please see attached HBBW pricing.  
Any questions, please feel free to contact me.  
Thanks again  
Mike.  
Michael A. Barney  
Purchasing

## HELFRICH BROTHERS BOILER WORKS, INC.

*A Tradition Of Quality Since 1948*

39 Merrimack St.  
Lawrence, Ma. 01843  
978-683-7244 Fax 978-683-0790  
cell 978-697-0199  
[mbarney@hbbwinc.com](mailto:mbarney@hbbwinc.com)  
[www.hbbwinc.com](http://www.hbbwinc.com)

---

**From:** Rinderle, Rick [mailto:[rrinderle@spokanecity.org](mailto:rrinderle@spokanecity.org)]  
**Sent:** Wednesday, August 15, 2018 11:07 AM  
**To:** Mike Barney; Dennis Lincoln; Jessica Helfrich  
**Cc:** Rinderle, Rick; Paine, David; Dorgan, Michelle  
**Subject:** FW: Fourth Opt Year Pricing Kindly Sought VB300574  
**Importance:** High

Good Day Mr. Lincoln / Mr. Barney

Can you kindly respond advising when 4<sup>th</sup> Opt Year Pricing will be provided...

As initially stated it takes the City 10-12 weeks to exercise an option upon receiving pricing and the current 3<sup>rd</sup> Opt Year expires 9-30-2018.

Rick Rinderle, C.P.M.  
Procurement Specialist  
City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

**From:** Rinderle, Rick  
**Sent:** Wednesday, August 08, 2018 9:24 AM  
**To:** 'Mike Barney' <MBarney@hbbwinc.com>  
**Cc:** Dennis Lincoln <DLincoln@hbbwinc.com>  
**Subject:** FW: Fourth Opt Year Pricing Kindly Sought VB300574  
**Importance:** High

Mr. Mike Barney,

In regard to my phone call to you today seeking the status of Fourth Option Year pricing...

You advised due to recent Tariff pricing steel pricing if very volatile and may change day-to-day.

To address this situation in regards to Helfrich's to be able to provide Fourth Option Year Pricing...

It is recommended that:

Helfrich advise what its profit margin was for the 3<sup>rd</sup> Option Year, which pricing is valid thru 9/30/2018.

What Helfrich's profit margin would be for 4<sup>th</sup> Option Year, and include the following text below when submitting 4<sup>th</sup> option year pricing.

Mike please see attached 4<sup>th</sup> Opt Year Pricing Sheet, that Helfrich could fill, if it agrees,  
\*\*\* Make sure Profit Margins for 3<sup>rd</sup> Opt Year is stated and what 4<sup>th</sup> Opt year would be.

Rick Rinderle, C.P.M.  
Procurement Specialist  
City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

**From:** Rinderle, Rick  
**Sent:** Thursday, August 02, 2018 12:56 PM  
**To:** Dennis Lincoln <DLincoln@hbbwinc.com>; 'Mike Barney' <MBarney@hbbwinc.com>  
**Cc:** Jessica Helfrich <JeHelfrich@hbbwinc.com>; Rinderle, Rick <rrinderle@spokanecity.org>; Paine, David <dpaine@spokanecity.org>  
**Subject:** FW: Fourth Opt Year Pricing Kindly Sought VB300574  
**Importance:** High

Mr. Lincoln,  
Mr. Barney,

Can you kindly address the below email; as stated it takes the City 10 weeks to take contacting actions after pricing is received

Respectfully awaiting feedback soonest.

Rick Rinderle, C.P.M.  
Procurement Specialist

City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

**From:** Rinderle, Rick  
**Sent:** Friday, June 22, 2018 1:38 PM  
**To:** Dennis Lincoln <[DLincoln@hbbwinc.com](mailto:DLincoln@hbbwinc.com)>  
**Cc:** Mike Barney <[MBarney@hbbwinc.com](mailto:MBarney@hbbwinc.com)>; Jessica Helfrich <[JeHelfrich@hbbwinc.com](mailto:JeHelfrich@hbbwinc.com)>; Rinderle, Rick <[rrinderle@spokanecity.org](mailto:rrinderle@spokanecity.org)>  
**Subject:** Fourth Opt Year Pricing Kindly Sought VB300574

Helfrich Brothers Boiler Works, Inc  
39 Merrimack St  
Lawrence, MS 01843  
Phone 978 683 7244

Good Day Mr. Dennis Lincoln,

In regards to the attached "Tubes" Value Blanket VB300574; the Third Option Year Renewal is set to expire on 10/1/2018.

The City of Spokane is looking at exercising the fourth Option Year that would span from 10/1/2018 thru 9/30/2019.

Dennis, would you kindly advise if Helfrich's attached pricing will remain unchanged in regards to the Fourth Option Year that would span from 10/1/2018 thru 9/30/2019.

Thanks in advance for your quick response as it takes the City 10 weeks to take contacting actions after pricing is received.

Respectfully,

Rick Rinderle, C.P.M.  
Procurement Specialist  
City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	8/31/2018
<u>Clerk's File #</u>	OPR 2014-0871
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	4064-14
<u>Agenda Item Type</u>	Purchase w/o Contract	<u>Requisition #</u>	VALUE BLANKET
<u>Agenda Item Name</u>	4490 RENEWAL VALUE BLANKET FOR HIGH CALCIUM QUICKLIME FOR WTEF		

Agenda Wording

Renewal of Value Blanket with Graymont Western US, Inc., of Salt Lake City, for purchase of high calcium quicklime for WTE facility. December 2, 2018 thru November 30, 2019, for \$1,287,360.00 plus taxes of \$113,287.68 for a total of \$1,400,647.68.

Summary (Background)

10/27/14 sealed bids were opened in response to RFB #4064-14 to provide the WTEF with high calcium quicklime. The high calcium quicklime is used to reduce acid in the flue gasses. Water is added to the powered lime to create a slurry which is injected into the flue to remove hydrochloric acid and SO2 to comply with environmental regulations. The slurry also helps to cool the flue gasses to correct emission temperature. The Original Value Blanket was for 1 year, with four additional

<u>Fiscal Impact</u>		Grant related?	NO	<u>Budget Account</u>	
		Public Works?	NO		
Expense	\$ 1,400,647.68		# 4490-44100-37148-53203		
Select	\$		#		
Select	\$		#		
Select	\$		#		
<u>Approvals</u>			<u>Council Notifications</u>		
<u>Dept Head</u>		CONKLIN, CHUCK		<u>Study Session</u>	
<u>Division Director</u>		CONKLIN, CHUCK		<u>Other</u>	
				PIES 9/24/18	
<u>Finance</u>		ALBIN-MOORE, ANGELA		<u>Distribution List</u>	
<u>Legal</u>		ODLE, MARI		mdorgan@spokanecity.org	
<u>For the Mayor</u>		SANDERS, THERESA		jsalstrom@spokanecity.org	
<u>Additional Approvals</u>			tprince@spokanecity.org		
<u>Purchasing</u>		WAHL, CONNIE		rrinderle@spokanecity.org	
				rcopell@spokanecity.org	





Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

1-year renewals, this is the 4th renewal and pricing remains unchanged at \$240 per ton.

Fiscal Impact

Select     \$

Select     \$

Budget Account

#

#

Distribution List


## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Renewal of Value Blanket for purchase of High Calcium Quicklime for the WTE Facility
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Sustainable Resources – Sustainable Practices; Innovative Infrastructure – Affordable Services
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval for value blanket renewal; without which the WTE would not be able to continue uninterrupted operations, or comply with environmental regulations
<p><u>Background/History:</u></p> <p>High Calcium Quicklime is required for operation of WTE Facility. The High Calcium Quicklime is used to reduce the acid in flue gasses. Water is added to the powered lime to create a slurry which is injected into the flue to remove Hydrochloric acid and SO<sub>2</sub> to comply with environmental regulations. The slurry also helps to cool the flue gasses to the correct emission temperature.</p> <p>On October 20, 2014, sealed bids were opened in response to RFB #4064-014 to provide the WTE Facility with High Calcium Quicklime.</p> <p>Original Value Blanket with Graymont Western US, Inc., of Salt Lake City, UT, was for 1 year with options of 4 one-year renewals; this is the 4th renewal. Graymont agreed to renew value blanket and provide High Calcium Quicklime to WTE facility for an additional year; pricing remains unchanged.</p> <p>The original request for bids allowed for one (1) year with the option to renew for four (4) additional one-year terms. This is the 4<sup>th</sup> of those renewals, 12/1/2018 thru 11/30/2019.</p> <p>The cost this renewal is \$1,287,360 plus taxes of \$113,287.68 for a total of \$1,400,647.68; pricing remains unchanged from third option year at \$240 per ton.</p>	
<p><u>Executive Summary:</u></p> <ul style="list-style-type: none"> <li>Renewal #4 of 4 High Calcium Quick Lime</li> <li>Term is December 1, 2018 thru November 30, 2019</li> <li>Pricing is unchanged for 4<sup>th</sup> option year</li> <li>Total annual cost of \$1,400,647.68; which includes taxes</li> <li>Renewal would allow for continued uninterrupted operations of WTE Facility and environmental compliance</li> </ul>	
<p><u>Budget Impact:</u></p> <p>Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A</p>	

Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		
If new, specify funding source:		
Other budget impacts: (revenue generating, match requirements, etc.)		
<u>Operations Impact:</u>		
Consistent with current operations/policy?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> N/A
Requires change in current operations/policy?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No <input type="checkbox"/> N/A
Specify changes required:		
Known challenges/barriers:		

## Rinderle, Rick

---

**From:** Robert J. Freeman <rffreeman@graymont.com>  
**Sent:** Wednesday, August 08, 2018 11:34 AM  
**To:** Rinderle, Rick  
**Subject:** RE: Fourth Option Year Pricing Kindly Sought VB300558 (Customer # 165690)

**Categories:** Purple Category

Rick:

Graymont is interested in exercising the 4th Option Year that would span from 12/1/2018 thru 11/30/2019 and Graymont will hold the current price of \$240.00/ton FOB Indian Creek Plant near Townsend, MT thru 11/30/2019. Please let me know if you have any questions.

Thanks,

**Rob Freeman**  
Account Manager  
**GRAYMONT**

T +1 253 428-6550    M +1 253 732-0605

---

**From:** Rinderle, Rick <rrinderle@spokanecity.org>  
**Sent:** Tuesday, August 07, 2018 3:31 PM  
**To:** Robert J. Freeman <rffreeman@graymont.com>  
**Cc:** Rinderle, Rick <rrinderle@spokanecity.org>  
**Subject:** Fourth Option Year Pricing Kindly Sought VB300558 (Customer # 165690)

Graymont Western US Inc  
3950 South 700 East, Suite 301  
Salt lake City, UT 84107

Rob Freeman, Account Manager  
Office 253 428 6550  
Cell 253 732 0605

Good Day Mr. Rob Freeman:

Attached is the Third Option Year (VB300579-003) to Value Blanket VB300579; the Third Option Year is set to expire 11/30/2018 and remains current thru 11/30/2018, pertaining to Lime.

The City of Spokane, is looking at exercising the Fourth Option Year, that would span from 12/1/2018 thru 11/30/2019.

(Customer # 165690)

Rob, would you please advise if:

- Graymont is interested in exercising the 4th Opt Yr that would span from 12/1/2018 thru 11/30/2019

- Graymont's current unit of \$240 per ton, that is valid thru 11/30/2018, would remain unchanged for the 4th Opt Yr that would span 12/1/2018 thru 11/30/2019. Should pricing not remain the same; documented index-pricing-support must be provided to support pricing change.

Thanks in advance for your response Rob, as it will take the City 10 – 12 Weeks to complete required actions to exercise the 4th Opt Yr.

Respectfully awaiting feedback soonest.

Rick Rinderle, C.P.M.  
Procurement Specialist  
City of Spokane Solid Waste Disposal  
2900 S. Geiger Blvd  
Spokane WA 99224-5400  
Phone 509.625.6527  
[RRinderle@spokanecity.org](mailto:RRinderle@spokanecity.org)

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/10/2018
<u>Clerk's File #</u>	OPR 2018-0038
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	RFB #4418-17
<u>Agenda Item Type</u>	Purchase w/o Contract	<u>Requisition #</u>	VAULE BLANKET
<u>Agenda Item Name</u>	4490 AMENDMENT TO VB FOR PURCHASE OF SODIUM HYDROXIDE 50%		

Agenda Wording

Additional Funding to VB for purchase of Sodium Hydroxide 50% Membrane (Caustic Soda) with Northstar Chemical, Tacoma, WA for WTE Facility February 1, 2018 thru January 21, 2021 for total funds increase of \$157,750.

Summary (Background)

Sodium Hydroxide 50% Membrane (Caustic Soda) is required for feedwater treatment at the WTE Facility. In 2018 Northstar Chemical was the lowest of four received responses to RFB 4418-17 to provide, transport and delivery an annual estimated 140,000 pounds of this chemical. Bid was for 3-year-base with two 1- year options. Original VB was for 3-year base with 2- one-year renewals. VB base period spans from 2/1/18 to 1/31/21 and was generated for \$40,250. Annual cost is expected to be \$66,000

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ 66,000 2/1/18 thru 1/31/18	# 4490-44100-37148-53203
Expense	\$ 66,000 2/1/19 thru 1/31/20	# 4490-44100-37148-53203
Expense	\$ 66,000 2/1/20 thru 1/21/21	# 4490-44100-37148-53203
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	
<u>Division Director</u>	KEGLEY, DANIEL	<u>Other</u>	PIES 9/24/18
<u>Finance</u>	ALBIN-MOORE, ANGELA	<u>Distribution List</u>	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	WAHL, CONNIE	rrinderle@spokanecity.org	
		rcopell@spokanecity.org	





Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

based on current annual estimated chemical usage of 210,880 pounds, rather than 140,000 pounds, equating to a 3-year base amount of \$198,000 inclusive of taxes; resulting in a funds increase of \$157,750 from the original value blanket amount of \$40,250.

Fiscal Impact

Select     \$

Select     \$

Budget Account

#

#

Distribution List


## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Amendment to Valve Blanket for purchase of Sodium Hydroxide 50% Membrane (Caustic Soda) for WTE Facility.
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Sustainable Resources – Sustainable Practices; Innovative Infrastructure – Affordable Services
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval of additional funding to value blanket; without which the WTE facility would not be able to continue uninterrupted operations.
<b>Background/History:</b> Sodium Hydroxide 50% Membrane (Caustic Soda) is required for feedwater treatment at the WTE Facility. In 2018 Northstar Chemical, Tacoma, WA, was lowest of four received responses to RFB #4418-17 to provide, transport and delivery an annual estimated 140,000 pounds of this chemical. Bid was for 3-year-base with two 1-year options.  The original Value Blanket was for 3-year base with option of 2 one-year renewals. The Value Blanket base period spans from 2/1/18 to 1/31/21 and was generated for \$40,250. Annual cost is expected to be \$66,000 based on current annual estimated chemical usage of 210,880 pounds, equating to a 3-year-base amount of \$198,000 inclusive of taxes.	
<b>Executive Summary:</b> <ul style="list-style-type: none"> <li>Original Value Blanket Base Period spans from Feb. 1, 2018 - Jan. 31, 2021</li> <li>Original Value Blanket Base Period was for a pre-taxed amount of \$40,250.</li> <li>Current Annual Estimated Chemical Usage is 210,880 lbs; rather than 140,000 lbs</li> <li>Increase in Funds of \$157,750 to Value Blanket's 3-Year Base Period           <ul style="list-style-type: none"> <li>\$66,000 2/1/18 – 1/31/19; increased from \$40,250</li> <li>\$66,000 2/1/19 – 1/31/20; increased from \$40,250</li> <li>\$66,000 2/1/20 – 1/31/21; increased from \$40,250</li> </ul> </li> <li>Funds Increase would allow for continued uninterrupted operations of WTE facility.</li> </ul>	
<b>Budget Impact:</b> Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
<b>Operations Impact:</b> Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	

Specify changes required:

Known challenges/barriers:

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/14/2018
<u>Clerk's File #</u>	OPR 2017-0861
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	WTE 17-029
<u>Agenda Item Type</u>	Contract Item	<u>Requisition #</u>	CR 19690
<u>Agenda Item Name</u>	4490-AMENDMENT FOR WORK NEEDED ON THE BACK END LIME SYSTEM AT		

Agenda Wording

Amendment of the contract for design and installation of the Portable Lime System Concrete Slab. Original project cost of \$53,240.00. An additional amount of \$5914.56 needed for taxes and additional work scope.

Summary (Background)

In December of 2017, City Council approved a contract with WM Winkler for the design and installation of a concrete slab for the back end lime system at the WTE Facility. Once the project was underway, it was identified that there was a catch basin that would need to be relocated to allow for installation of the concrete slab, which was not identified in the original scope of work. A design change which reduced the size of the slab offset some of the additional costs of the oversight.

<u>Fiscal Impact</u>		Grant related?	NO	<u>Budget Account</u>	
		Public Works?	YES		
Expense	\$ 5,914.56		# 4490-44100-94000-56410		
Select	\$		#		
Select	\$		#		
Select	\$		#		
Approvals			Council Notifications		
<u>Dept Head</u>		CONKLIN, CHUCK		<u>Study Session</u>	
<u>Division Director</u>		SIMMONS, SCOTT M.		PIES 9/24	
<u>Finance</u>		ALBIN-MOORE, ANGELA		<u>Other</u>	
<u>Legal</u>		ODLE, MARI		Distribution List	
<u>For the Mayor</u>		SANDERS, THERESA		mdorgan@spokanecity.org	
Additional Approvals				jsalstrom@spokanecity.org	
<u>Purchasing</u>		PRINCE, THEA		tprince@spokanecity.org	
				rrinderle@spokanecity.org	
				brian@wmwinkler.com	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

The contract was awarded for \$53,240.00 but had also omitted the cost of sales tax in the amount of compensation. The total cost of the additional work amounted to \$1,130.00 and the omitted sales tax amounted to \$4,784.56 for a total deficit of \$5,914.56.

Fiscal Impact

Select      \$

Select      \$

Budget Account

#

#

Distribution List


## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Amendment for Additional Scope of Work Needed for The Back End Lime Concrete Slab Project at the WTE Facility.
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget , Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Innovative Infrastructure-Sustainability of the WTEF Operation
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval for additional funding to the contract for WM Winkler.
<b>Background/History:</b> <p>In December of 2017, City Council approved a contract with WM Winkler for the design and installation of a concrete slab for the back end lime system at the WTE Facility. Once the project was underway, it was identified that there was a catch basin that would need to be relocated to allow for installation of the concrete slab, which was not identified in the original scope of work. A design change which reduced the size of the slab offset some of the additional costs of the oversight.</p> <p>The contract was awarded for \$53,240.00 but had also omitted the cost of sales tax in the amount of compensation. The total cost of the additional work amounted to \$1,130.00 and the omitted sales tax amounted to \$4,784.56 for a total deficit of \$5,914.56.</p>	
<b>Executive Summary:</b> <ul style="list-style-type: none"> <li>• Amendment to contract for the back end lime concrete slab project due to additional scope of work and omission of sales tax from the compensation amount.</li> <li>• Movement of a catch basin was not identified in the original scope of work and amounted to an additional \$1,130.00 required for the project.</li> <li>• The original contract omitted sales tax in the compensation amount of \$4,784.56.</li> <li>• Total amendment amount of \$5,941.56.</li> </ul>	
<b>Budget Impact:</b> Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Annual/Reoccurring expenditure? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
<b>Operations Impact:</b> Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A Specify changes required: Known challenges/barriers:	





**City of Spokane**

**CONTRACT AMENDMENT**

Title: **Portable Lime System Concrete Slab  
Design & Installation – WTE 17-029**

This Contract Amendment is made and entered into by and between the **City of Spokane** as (“City”), a Washington municipal corporation, and WM Winkler Company, whose address is P.O. Box 430, 5516 North Starr Road, Newman Lake, Washington 99025 as (“**Contractor**”). Individually hereafter referenced as a “party”, and together as the “parties”.

*WHEREAS, the parties entered into a Contract wherein the **Contractor** agreed to design and install a concrete slab at the Waste to Energy Facility for the City; and*

*WHEREAS, a change or revision of the Work has been requested, thus the original Contract needs to be formally Amended by this written document; and*

*-- NOW, THEREFORE, in consideration of these terms, the parties mutually agree as follows:*

**1. CONTRACT DOCUMENTS.**

The Contract, dated January 12, 2018, any previous amendments, addendums and / or extensions / renewals thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein.

**2. EFFECTIVE DATE.**

This Contract Amendment shall become effective on April 1, 2018.

**3. ADDITIONAL WORK.**

The Scope of Work in the original Contract is revised to include the following:

**Moving the Catch Basins identified after work had begun and to add applicable sale tax.**

**4. COMPENSATION.**

The City shall pay an additional amount not to exceed **FIVE THOUSAND NINE HUNDRED FOURTEEN AND 56/100 DOLLARS (\$5,914.56)** for everything furnished and done under this Contract Amendment. This is the maximum amount to be paid under this Amendment, and shall not be exceeded without the prior written authorization of the City, memorialized with the same formality as the original Contract and this document.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Contract Amendment by having legally-binding representatives affix their signatures below.

**CONTRACTOR**

By \_\_\_\_\_  
Signature Date

**CITY OF SPOKANE**

By \_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Attest:

Approved as to form:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Assistant City Attorney

**Attachments that are part of this Agreement:**

Amended Scope of Work document dated April 10, 2018

U2018-88

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/17/2018
<u>Clerk's File #</u>	OPR 2016-0784
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	4259-16
<u>Agenda Item Type</u>	Contract Item	<u>Requisition #</u>	
<u>Agenda Item Name</u>	4490-AMENDMENT WITH COST FOR GROUNDWATER ANALYSIS		

Agenda Wording

Amendment with cost to multi-departmental contract for bacteriological and chemical groundwater analysis. Initial 3-year contract from 10/1/2016-9/30/2019 for \$186,400.00. Adding an additional \$34,027.00 for additional landfill testing requirements.

Summary (Background)

In July of 2016, Anatek Labs, Inc. was awarded the contract for analysis of groundwater and drinking water for the Solid Waste Disposal, Water and Wastewater departments. The anticipated annual expense was \$62,100.00 for a contract total of \$186,400.00. New testing requirements for the Landfills has used up more funds than anticipated for the Solid Waste Disposal Departments share of the contract funds. A additional amount of \$34,027.00 is required through 2019.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ \$34,027.00	2019 Funds	# 4490-44850/45600-53748-54101
Select	\$		#
Select	\$		#
Select	\$		#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	PIES 9/24
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	
<u>Finance</u>	ALBIN-MOORE, ANGELA	<u>Distribution List</u>	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	PRINCE, THEA	dgreenlund@spokanecity.org	
		kathy@anateklabs.com	

## Briefing Paper

### Public Infrastructure, Environment, and Sustainability

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Amendment with Cost to Contract with Anatek Labs
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Innovative Infrastructure-Sustainability of the WTEF Operation
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval of additional funds so the landfills can remain in compliance with the Department of Ecology's requirements.
<b>Background/History:</b> <p>In July of 2016, Anatek Labs, Inc. was awarded the contract for bacteriological and chemical analysis of groundwater and drinking water for the Solid Waste Disposal, Water and Wastewater departments, for a three year period. The anticipated annual expense for all three departments was \$62,100.00 for a contract total of \$186,400.00.</p> <p>New testing requirements from the Department of Ecology for the Northside and Southside Landfills has used up more funds than anticipated for the Solid Waste Disposal Departments share of the allocated contract funds. In order to finish out the three year contract period, an additional amount of \$34,027.00 will need to be added to the contract.</p>	
<b>Executive Summary:</b> <ul style="list-style-type: none"> <li>• Amendment with cost to multi-departmental contract for groundwater testing.</li> <li>• Contract valid from October 1, 2016 through September 30, 2019 at a total cost of \$186,400.00.</li> <li>• The Department of Ecology identified additional groundwater testing requirements at the Northside and Southside Landfills.</li> <li>• Additional funds of \$34,027.00 required for the Solid Waste Disposal Department in order to finish out the contract in 2019.</li> </ul>	
<b>Budget Impact:</b> Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
<b>Operations Impact:</b> Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Requires change in current operations/policy?

☐

Yes

☒

No

☐

N/A

Specify changes required:

Known challenges/barriers:



**City of Spokane**

**CONTRACT AMENDMENT**

Title: **Chemical and/or Bacteriological  
Analysis of Water Samples – RFP #4259-16**

This Contract Amendment is made and entered into by and between the **City of Spokane** as ("City"), a Washington municipal corporation, and **Anatek Labs, Inc.**, whose address is 504 East Sprague Avenue, Suite D, Spokane, Washington 99202 as ("**Consultant**"). Individually hereafter referenced as a "party", and together as the "parties".

*WHEREAS, the parties entered into a Contract wherein the **Consultant** agreed to provide analytical services for chemical and bacteriological analysis of water samples for various City departments in accordance with the City's Request for Proposal; and*

*WHEREAS, a revision of the Work has been requested, thus the original Contract needs to be formally Amended by this written document; and*

*-- NOW, THEREFORE, in consideration of these terms, the parties mutually agree as follows:*

**1. CONTRACT DOCUMENTS.**

The Contract, dated September 27, 2016, any previous amendments, addendums and / or extensions / renewals thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein.

**2. EFFECTIVE DATE.**

This Contract Amendment shall become effective on July 24, 2018.

**3. ADDITIONAL WORK.**

The Scope of Work in the original Contract is revised to include the following:

**SOLID WASTE ONLY - Additional tests are required by the Department of Ecology which has increased the amount of funds required for the landfills.**

**4. COMPENSATION.**

The City shall pay an additional amount not to exceed **THIRTY FOUR THOUSAND TWENTY SEVEN AND NO/100 DOLLARS (\$34,027.00) for SOLID WASTE ONLY**, for everything furnished and done under this Contract Amendment. This is the maximum amount to be paid under this Amendment, and shall not be exceeded without the prior written authorization of the City, memorialized with the same formality as the original Contract and this document.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Contract Amendment by having legally-binding representatives affix their signatures below.

**CONSULTANT**

By \_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

Attest:

\_\_\_\_\_  
City Clerk

**CITY OF SPOKANE**

By \_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

**Attachments that are part of this Agreement:**

Amended Scope of Work document

U2018-84

## Contract - OPR 2016-0784

### Chemical &/or Bacteriological Analysis of Waste Samples Anatek

Total Contract Amount for All Departments	\$	186,400
Total for Solid Waste Disposal	\$	88,686

	Account	Contract Amount	Add
SSLF	45600	\$ 29,040	\$ (3,740)
NSLF Closed	44850	\$ 27,918	\$ 12,963
NSLF Open	44800	\$ 30,228	\$ 24,730
WTE Storm	44100	\$ 1,500	\$ 75
Total		\$ 88,686	\$ 34,027

New Solid Waste Total	\$	122,713
New Contract Amount for All Departments	\$	220,427

Not in Original Contract (approximate, as testing has changed)

Sumps	\$	5,991
Extra Wells	\$	16,657
(4) MSW Samples	\$	7,320
(24) MSW/Leachate - Extra Metals	\$	3,960
Total	\$	33,929



**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/18/2018
<u>Clerk's File #</u>	OPR 2017-0860
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	WTE 17-030
<u>Agenda Item Type</u>	Contract Item	<u>Requisition #</u>	CR 19689
<u>Agenda Item Name</u>	4490-AMENDMENT WITH COST FOR INSTALLATION OF PORTABLE LIME		

Agenda Wording

Amendment with cost for mechanical and electrical installation of a portable lime system. Original contract was \$74,533.00. An additional amount of \$15,786.00 needed for additional work and taxes for a total contract amount of \$90,319.23.

Summary (Background)

In December of 2018, Knight Construction & Supply Inc., was awarded the contract for the electrical and mechanical installation of a portable lime system at the WTE Facility in response to WTE 17-030 for \$74,533.00. In order for the mechanical and electrical installation of the silo to be done, the silo needed stood upright with a crane, which was not included in the original scope of work in error. The original contract also failed to include sales tax in the compensation amount.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? YES	

Expense	\$ \$15,786.23	# 4490-44100-94000-56401
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	PIES 9/24
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	
<u>Finance</u>	ALBIN-MOORE, ANGELA	<u>Distribution List</u>	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	PRINCE, THEA	rrinderle@spokanecity.org	
		cgeorge@knightconst.com	

## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Amendment with cost for the electrical and mechanical installation of a portable lime system at the WTE Facility.
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Innovative Infrastructure-Sustainability of the WTEF Operation
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval for additional funds to be added to the contract for the lime system at the WTE Facility.
<b>Background/History:</b> <p>In December of 2018, Knight Construction &amp; Supply Inc., was awarded the contract for the electrical and mechanical installation of a portable lime system at the WTE Facility in response to WTE 17-030 for a contract amount of \$74,533.00. The project included the purchase of a 52-ton capacity Portable Lime Silo, which was procured under RFB #4422-17 from WEMCO, Inc., of Spokane. In order for the mechanical and electrical installation of the silo to be done, the silo needed stood upright with a crane, which was not included in the original scope of work. The additional cost amounts to \$8,481.00 for the silo craning. The original contract also excluded taxes from the overall compensation amount in error.</p> <p>The additional cost of craning the silo, as well as the omission of sales taxes in the original contract amount has required a need for an additional amount of funding to be added to the contract of \$15,786.23.</p>	
<b>Executive Summary:</b> <ul style="list-style-type: none"> <li>Original contract, OPR 2017-0860, awarded to Knight Construction &amp; Supply, Inc. for \$74,533.00.</li> <li>Additional scope of work for lime silo craning needed at a cost of \$8,481.00.</li> <li>Sales tax was excluded from the original contract amount in error at a cost of \$7,305.23.</li> <li>Amendment with cost to OPR 2017-0860 in the amount of \$15,786.23 for a new contract total of \$90,319.23.</li> </ul>	
<b>Budget Impact:</b> Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Annual/Reoccurring expenditure? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A If new, specify funding source:	

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:

Consistent with current operations/policy?

☒ Yes ☐ No ☐ N/A

Requires change in current operations/policy?

☐ Yes ☒ No ☐ N/A

Specify changes required:

Known challenges/barriers:



**City of Spokane**

**CONTRACT ADDENDUM**

Title: **WTE 17-030 Portable Lime System  
Electrical Mechanical Installation**

This Contract Addendum is made and entered into by and between the **City of Spokane** as ("City"), a Washington municipal corporation, and **Knight Construction & Supply, Inc.**, whose address is 28303 North Cedar Road, Deer Park, Washington 99006 as ("**Contractor**"). Individually hereafter referenced as a "party", and together as the "parties".

*WHEREAS, the parties entered into a Contract wherein the **Contractor** agreed to provide for the City electrical and mechanical installation of portable lime system at the Waste to Energy Facility; and*

*WHEREAS, additional work has been requested, thus the original Contract needs to be formally amended by this written document; and*

*-- NOW, THEREFORE, in consideration of these terms, the parties mutually agree as follows:*

**1. CONTRACT DOCUMENTS.**

The Contract, dated January 24, 2018, any previous amendments, addendums and / or extensions / renewals thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein.

**2. EFFECTIVE DATE.**

This Contract Addendum shall become effective on December 18, 2017 and end on December 31, 2018.

**3. ADDITIONAL WORK.**

The Scope of Work in the original Contract is expanded to include the following additional Work:

**Additional work was identified as needing done once work commenced – required for Craning of the Lime Silo, and applicable sales tax, which wasn't identified in the original scope of work.**

**4. COMPENSATION.**

The City shall pay an additional amount not to exceed **FIFTEEN THOUSAND SEVEN HUNDRED EIGHTY SIX AND 23/100 DOLLARS (\$15,786.23)** for everything furnished and done under this Contract Addendum. This is the maximum amount to be paid under this Addendum, and shall not be exceeded without the prior written authorization of the City, memorialized with the same formality as the original Contract and this document.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Contract Addendum by having legally-binding representatives affix their signatures below.

**CONTRACTOR**

By \_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

Attest:

\_\_\_\_\_  
City Clerk

**CITY OF SPOKANE**

By \_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

**Attachments that are part of this Agreement:**

U2018-89

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/18/2018
<u>Clerk's File #</u>	OPR 2018-0596
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE DISPOSAL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	DAVID PAINE 625-6878	<u>Project #</u>	
<u>Contact E-Mail</u>	DPAINE@SPOKANECITY.ORG	<u>Bid #</u>	WTE 18-008
<u>Agenda Item Type</u>	Contract Item	<u>Requisition #</u>	CR 19688
<u>Agenda Item Name</u>	4490-REMOVAL AND REPLACEMENT OF SDA PENTHOUSE FLOOR AT THE WTE		

Agenda Wording

Removal and replacement of the Spray Dryer Absorber (SDA) Penthouse flooring. Contract will run from September of 2018 through August of 2019. Work is anticipated to be done in November of 2018 and is anticipated to cost \$110,000.00 for everything.

Summary (Background)

The Spray Dryer Absorber (SDA) is part of the emission controls system. It is a cylindrical tower with an enclosed working surface located at the top, typically referred to as the "Penthouse". The flooring is coated carbon steel. The lime slurry has a corrosive effect on carbon steel, which has resulted in some degradation over the years leading to its need for replacement. The replacement flooring will be stainless steel, which is less prone to the effects of the lime slurry.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? YES	

Expense	\$ \$110,000.00	# 4490-44100-94000-56401
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	PIES 9/24
<u>Division Director</u>	SIMMONS, SCOTT M.	<u>Other</u>	
<u>Finance</u>	ALBIN-MOORE, ANGELA	<u>Distribution List</u>	
<u>Legal</u>	ODLE, MARI	mdorgan@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jsalstrom@spokanecity.org	
<u>Additional Approvals</u>		tprince@spokanecity.org	
<u>Purchasing</u>	PRINCE, THEA	rrinderle@spokanecity.org	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

The contractor will first procure the steel, followed by installation in November of 2018. In the event installation cannot occur during the November outage due to a delay in steel delivery, installation may take place in January or February of 2019.

Summary (Background)

RFB WTE 18-008 was issued for the removal and replacement of this flooring. Responses were received from B&B Custom Metals of Richland, WA and Empire Boiler of Coeur D'Alene, ID for this project. Empire Boiler was the lowest cost, responsive bidder. The project will have a cost of approximately \$110,000.00.

Fiscal Impact	Budget Account
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Select	\$	#
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Distribution List


## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works Division; Solid Waste Disposal
<b>Subject:</b>	Removal and Replacement of the SDA Penthouse Floor at the WTE Facility.
<b>Date:</b>	September 24, 2018
<b>Contact (email &amp; phone):</b>	David Paine, <a href="mailto:dpaine@spokanecity.org">dpaine@spokanecity.org</a> , 625-6878
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Infrastructure, Environment and Sustainability Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	Innovative Infrastructure-Sustainability of the WTEF Operation
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Council approval of removal and replacement of the SDA Penthouse Floor.
<b>Background/History:</b> The Spray Dryer Absorber (SDA) is part of the emission controls system. The SDA is a cylindrical tower with an enclosed working surface located at the top typically referred to as the “Penthouse”. The flooring of the penthouse is coated carbon steel. The lime slurry has a corrosive effect on carbon steel. This has resulted in some degradation over the years leading us to the point that it is necessary to replace the flooring versus continuing to make repairs. We will be replacing the flooring with Stainless Steel which has been proven to be less prone to the effects of lime slurry. RFB WTE 18-008 was issued for the removal and replacement of this flooring. Responses were received from B&B Custom Metals of Richland, WA and Empire Boiler of Coeur D’Alene, ID for this project. Empire Boiler was the lowest cost, responsive bidder. The project will have a cost of approximately \$110,000.00.	
<b>Executive Summary:</b> <ul style="list-style-type: none"> <li>Removal and replacement of the Spray Dryer Absorber (SDA) Penthouse flooring.</li> <li>The SDA is part of the emission control system and constant contact with lime slurry has corroded the floor to the point where repairs are no longer an option.</li> <li>RFB WTE 18-008 was issued for this project and Empire Boiler of Coeur D’Alene, ID was the lowest cost, responsive bidder.</li> <li>Cost of the project is \$110,000.00</li> </ul>	
<b>Budget Impact:</b> Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Annual/Reoccurring expenditure? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
<b>Operations Impact:</b> Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A Specify changes required: Known challenges/barriers:	





**City of Spokane**

**PUBLIC WORKS CONTRACT**

Title: **REMOVAL AND REPLACEMENT OF FLOORING AT WASTE TO ENERGY FACILITY**

This Contract is made and entered into by and between the **CITY OF SPOKANE** as ("City"), a Washington municipal corporation, and **EMPIRE BOILER, LLC**, whose address is 1032 North Government Way, Coeur d' Alene, Idaho 83814 as ("Contractor"), individually hereafter referenced as a "party", and together as the "parties".

*WHEREAS, the purpose of this Contract is to **REMOVE AND REPLACE STEEL FLOORING AND STEEL CURB PLATING OF SPRAY DRYER ABSORBER PENTHOUSE AT THE WASTE TO ENERGY FACILITY**; and*

*WHEREAS, the Contractor was selected through RFB No. WTE 18-008 issued by the City.*

*-- NOW, THEREFORE, in consideration of the terms, conditions, covenants and performance of the Scope of Work contained herein, the City and Contractor mutually agree as follows:*

**1. TERM OF CONTRACT.**

The term of this Contract begins on September 24, 2018 and ends on August 31, 2019, unless amended by written agreement or terminated earlier under the provisions.

**2. TIME OF BEGINNING AND COMPLETION.**

The Contractor shall begin the work outlined in the "Scope of Work" ("Work") on the beginning date, above. Contractor will first procure the steel, followed by installation in November of 2018. In the event installation cannot occur during the November outage due to a delay in steel delivery, installation may take place in January or February of 2019. The City will acknowledge in writing when the Work is complete. Time limits established under this Contract shall not be extended because of delays for which the Contractor is responsible, but may be extended by the City, in writing, for the City's convenience or conditions beyond the Contractor's control.

**3. SCOPE OF WORK.**

The Contractor's General Scope of Work for this Contract is described in Exhibit A, which is attached to and made a part of this Contract. In the event of a conflict or discrepancy in the Contract documents, this City Public Works Contract controls. The Contractor will do all work, furnish all labor, materials, tools, construction equipment, transportation, supplies, supervision, organization and other items of work and costs necessary for the proper execution and completion

of the work described in the specifications entitled **REMOVE AND REPLACE STEEL FLOORING AND STEEL CURB PLATING OF SPRAY DRYER ABSORBER PENTHOUSE AT THE WASTE TO ENERGY FACILITY, RFB No. WTE 18-008.**

The Work is subject to City review and approval. The Contractor shall confer with the City periodically, and prepare and present information and materials (e.g. detailed outline of completed Work) requested by the City to determine the adequacy of the Work or Contractor's progress.

#### **4. COMPENSATION / PAYMENT.**

Total compensation for Contractor's services under this Contract shall be a maximum amount not to exceed **ONE HUNDRED TEN THOUSAND AND NO/100 DOLLARS (\$110,000.00)**, including tax, unless modified by a written amendment to this Contract. This is the maximum amount to be paid under this Contract for the work described in Section 3 above, and shall not be exceeded without the prior written authorization of the City in the form of an executed amendment to this Contract.

The Contractor shall submit its applications for payment to Director of Solid Waste Disposal, 2900 South Geiger Boulevard, Spokane, Washington 99224. All invoices should include the Department Contract No. "OPR XXXX-XXXX" and an approved L & I Intent to Pay Prevailing Wage number. The final invoice should include an approved Affidavit of Wages Paid number. Payment will not be made with this documentation included on the invoice. **Payment will be made via direct deposit/ACH** within thirty (30) days after receipt of the Contractor's application except as provided in RCW 39.76. Five percent (5%) of the Contract price may be retained by the City, in accord with RCW 60.28 for a minimum of forty five (45) days after final acceptance, as a trust fund for the protection and payment of: the claims of any person arising under the Contract; and the State with respect to taxes imposed pursuant to Titles 50, 51 and 82 RCW which may be due from the Contractor. If the City objects to all or any portion of the invoice, it shall notify the Company and reserves the right to only pay that portion of the invoice not in dispute. In that event, the parties shall immediately make every effort to settle the disputed amount.

#### **5. CONTRACT DOCUMENTS.**

The contract documents are this Contract, the Contractor's completed bid proposal form, contract provisions, contract plans, standard specifications, standard plans, addenda, various certifications and affidavits, supplemental agreements, change orders, and subsurface boring logs (if any). Federal and state requirements and the terms of this Contract, respectively, supersede other inconsistent provisions. These contract documents are on file in the Solid Waste Disposal Department, and are incorporated into this Contract by reference, as if they were set forth at length.

#### **6. BONDS.**

The Contractor may not commence work until it obtains all insurance, permits and bonds required by the contract documents and applicable law. This includes the execution of a payment / performance bond on the form attached, equal to one hundred percent (100%) of the contract price, and written by a corporate surety company licensed to do business in Washington State.

**7. STATEMENT OF INTENT TO PAY PREVAILING WAGES TO BE POSTED.** The Contractor and each subcontractor required to pay the prevailing rate of wages shall post in a location readily visible at the job site: (1) a copy of a "Statement of Intent to Pay Prevailing Wages" approved by the industrial statistician of the Washington State Department of Labor and Industries

(L & I); and (2) the address and telephone number of the industrial statistician of the Department of Labor and Industries where a complaint or inquiry concerning prevailing wages may be made.

#### **8. FEES.**

Reimbursement for the fees paid by the Contractor for the approval of "Statements of Intent to Pay Prevailing Wages" and certification of "Affidavits of Wages Paid" by the industrial statistician of the State Department of Labor and Industries will be added to the amounts due the Contractor. The Contractor will remain responsible for the actual submittal of the documents to the industrial statistician. In order to receive this reimbursement the Contractor will be required to submit to the City, prior to final acceptance of the work, a list of its subcontractors at all tiers and have their "Statements of Intent to Pay Prevailing Wages" on file with the City.

#### **9. STATE PREVAILING WAGES.**

The Contractor and all subcontractors will submit a "Statement of Intent to Pay Prevailing Wages" certified by the industrial statistician of the Department of Labor and Industries, prior to any payments. The "Statement of Intent to Pay Prevailing Wages" shall include: (1) the Contractor's registration number; and (2) the prevailing wages under RCW 39.12.020 and the number of workers in each classification. Each voucher claim submitted by the Contractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the "Statement(s) of Intent to Pay Prevailing Wages" on file with the City. Prior to the payment of funds held under RCW 60.28, the Contractor and subcontractors must submit an "Affidavit of Wages Paid" certified by the industrial statistician.

#### **10. PREVAILING WAGES MULTI-YEAR CONTRACTS AND EXTENSIONS.**

For multi-year contracts and/or contract extensions, prevailing wage rates must be updated annually, using the rates in effect at the beginning of each contract year (not calendar year), and intents and affidavits for prevailing wages paid must be submitted annually for all work completed during the previous 12 months. RCW 35.22.620.

#### **11. TAXES, FEES AND LICENSES.**

- A. Contractor shall pay and maintain in current status, all necessary licenses, fees, assessments, permit charges, etc. necessary to conduct the work included under this Contract. It is the Contractor's sole responsibility to monitor and determine changes or the enactment of any subsequent requirements for said fees, assessments, or changes and to immediately comply.
- B. The cost of any permits, licenses, fees, etc. arising as a result of the projects included in this Contract shall be included in the project budgets.

#### **12. CITY OF SPOKANE BUSINESS LICENSE.**

Section 8.01.070 of the Spokane Municipal Code states that no person may engage in business with the City without first having obtained a valid annual business registration. The Contractor shall be responsible for contacting the State of Washington Business License Services at <http://bls.dor.wa.gov> or 1-800-451-7985 to obtain a business registration. If the Contractor does not believe it is required to obtain a business registration, it may contact the City's Taxes and Licenses Division at (509) 625-6070 to request an exemption status determination.

#### **13. SOCIAL EQUITY REQUIREMENTS / NON-DISCRIMINATION.**

No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this Contract

because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. The Contractor agrees to comply with, and to require that all subcontractors comply with, federal, state and local nondiscrimination laws, including but not limited to: the Civil Rights Act of 1964, the Rehabilitation Act of 1973, the Age Discrimination in Employment Act, and the American's With Disabilities Act, to the extent those laws are applicable.

### **13. DEBARMENT AND SUSPENSION.**

The Contractor has provided its certification that it is in compliance with and shall not contract with individuals or organizations which are debarred, suspended, or otherwise excluded from or ineligible from participation in Federal Assistance Programs under Executive Order 12549 and "Debarment and Suspension", codified at 29 CFR part 98.

### **14. INDEMNIFICATION.**

The Contractor shall defend, indemnify, and hold the City and its officers and employees harmless from all claims, demands, or suits at law or equity asserted by third parties for bodily injury (including death) and/or property damage which arise from the Contractor's negligence or willful misconduct under this Agreement, including attorneys' fees and litigation costs; provided that nothing herein shall require a Contractor to indemnify the City against and hold harmless the City from claims, demands or suits based solely upon the negligence of the City, its agents, officers, and employees. If a claim or suit is caused by or results from the concurrent negligence of the Contractor's agents or employees and the City, its agents, officers and employees, this indemnity provision shall be valid and enforceable to the extent of the negligence of the Contractor, its agents or employees. The Contractor specifically assumes liability and agrees to defend, indemnify, and hold the City harmless for actions brought by the Contractor's own employees against the City and, solely for the purpose of this indemnification and defense, the Contractor specifically waives any immunity under the Washington State industrial insurance law, or Title 51 RCW. The Contractor recognizes that this waiver was specifically entered into pursuant to the provisions of RCW 4.24.115 and was the subject of mutual negotiation. The indemnity and agreement to defend and hold the City harmless provided for in this section shall survive any termination or expiration of this agreement.

### **15. INSURANCE.**

During the period of the Contract, the Contractor shall maintain in force at its own expense, each insurance noted below with companies or through sources approved by the State Insurance Commissioner pursuant to RCW 48:

A. **Worker's Compensation Insurance** in compliance with RCW 51.12.020, which requires subject employers to provide workers' compensation coverage for all their subject workers and Employer's Liability Insurance in the amount of \$1,000,000;

B. **General Liability Insurance** on an occurrence basis, with a combined single limit of not less than \$1,000,000 each occurrence for bodily injury and property damage. It shall include contractual liability coverage for the indemnity provided under this Contract. It shall provide that the City, its officers and employees are additional insureds but only with respect to the Contractor's services to be provided under this Contract;

- i. Acceptable **supplementary Umbrella insurance** coverage combined with Company's General Liability insurance policy must be a minimum of \$1,000,000, in order to meet the insurance coverage limits required in this Contract; and

C. **Automobile Liability Insurance** with a combined single limit, or the equivalent of not less than \$1,000,000 each accident for bodily injury and property damage, including coverage for owned, hired and non-owned vehicles; and

C. **Property Insurance** if materials and supplies are furnished by the Contractor. The amount of the insurance coverage shall be the value of the materials and supplies of the completed value of improvement. Hazard or XCU (explosion, collapse, underground) insurance should be provided if any hazard exists.

There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without thirty (30) days written notice from the Contractor or its insurer(s) to the City. As evidence of the insurance coverage(s) required by this Agreement, the Contractor shall furnish acceptable Certificates of Insurance (COI) to the City at the time it returns this signed Agreement. The certificate shall specify the City of Spokane as "Additional Insured" specifically for Contractor's services under this Agreement, as well as all of the parties who are additional insureds, and include applicable policy endorsements, the thirty (30) day cancellation clause, and the deduction or retention level. The Contractor shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

#### **16. SUBCONTRACTOR RESPONSIBILITY.**

- A. The Contractor must verify responsibility criteria for each first tier subcontractor, and a subcontractor of any tier that hires other subcontractors must verify responsibility criteria for each of its subcontractors. Verification shall include that each subcontractor, at the time of subcontract execution, meets the responsibility criteria listed in RCW 39.04.350. The responsibility criteria are listed in the request for bids document. The Contractor shall include the language of this section in each of its first tier subcontracts, and shall require each of its subcontractors to include the same language of this section in each of their subcontracts, adjusting only as necessary the terms used for the contracting parties. Upon request of the City, the Contractor shall promptly provide documentation to the City demonstrating that the subcontractor meets the subcontractor responsibility criteria below. The requirements of this section apply to all subcontractors regardless of tier.
- B. At the time of subcontract execution, the Contractor shall verify that each of its first tier subcontractors meets the following bidder responsibility criteria:
  - 1. Have a current certificate of registration in compliance with chapter 18.27 RCW, which must have been in effect at the time of subcontract bid submittal;
  - 2. Have a current Washington Unified Business Identifier (UBI) number;
  - 3. If applicable, have:
    - a. Have Industrial Insurance (workers' compensation) coverage for the subcontractor's employees working in Washington, as required in Title 51 RCW;

- b. A Washington Employment Security Department number, as required in Title 50 RCW;
  - c. A Washington Department of Revenue state excise tax registration number, as required in Title 82 RCW;
  - d. An electrical contractor license, if required by Chapter 19.28 RCW;
  - e. An elevator contractor license, if required by Chapter 70.87 RCW.
4. Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065 (3).

#### **17. INDEPENDENT CONTRACTOR.**

The Contractor is an independent Contractor. This Contract does not intend the Contractor to act as a City employee. The City has neither direct nor immediate control over the Contractor nor the right to control the manner or means by which the Contractor works. Neither the Contractor nor any Contractor employee shall be an employee of the City. This Contract prohibits the Contractor to act as an agent or legal representative of the City. The Contractor is not granted express or implied rights or authority to assume or create any obligation or responsibility for or in the name of the City, or to bind the City. The City is not liable for or obligated to pay sick leave, vacation pay, or any other benefit of employment, nor to pay social security or other tax that may arise from employment. The Contractor shall pay all income and other taxes as due.

#### **18. ASSIGNMENT AND SUBCONTRACTING.**

The Contractor shall not assign or subcontract its obligations under this Contract without the City's written consent, which may be granted or withheld in the City's sole discretion. Any subcontract made by the Contractor shall incorporate by reference this Contract, except as otherwise provided. The Contractor shall ensure that all subcontractors comply with the obligations and requirements of the subcontract. The City's consent to any assignment or subcontract does not release the Contractor from liability or any obligation within this Contract, whether before or after City consent, assignment or subcontract.

#### **19. TERMINATION.**

Either party may terminate this Contract, with or without cause, by ten (10) days written notice to the other party. In the event of such termination, the City shall pay the Contractor for all work previously authorized and performed prior to the termination date.

#### **20. STANDARD OF PERFORMANCE.**

The standard of performance applicable to Contractor's services will be the degree of skill and diligence normally employed by professional contractors in the region performing the same or similar Contracting services at the time the work under this Contract are performed.

#### **21. ANTI KICK-BACK.**

No officer or employee of the City of Spokane, having the power or duty to perform an official act or action related to this Contract shall have or acquire any interest in the Contract, or have solicited, accepted or granted a present or future gift, favor, service or other thing of value from or to any person involved in this Contract.

## **22. CONSTRUAL.**

The Contractor acknowledges receipt of a copy of the Contract documents and agrees to comply with them. The silence or omission in the Contract documents concerning any detail required for the proper execution and completion of the work means that only the best general practice is to prevail and that only material and workmanship of the best quality are to be used. This Contract shall be construed neither in favor of nor against either party.

## **23. CONTRACTOR'S ACKNOWLEDGEMENT AND WARRANTY.**

The Contractor acknowledges that it has visited the site of the work, has examined it, and is qualified to perform the work required by this Contract.

The Contractor guarantees and warranties all work, labor and materials under this Contract shall be in accord with the Contract documents. If any unsatisfactory condition or defect develops within that time, the Contractor will immediately place the work in a condition satisfactory to the City and repair all damage caused by the condition or defect. The Contractor will repair or restore to the City's satisfaction, in accordance with the contract documents and at its expense, all property damaged by his performance under this Contract. This warranty is in addition to any manufacturers' or other warranty in the Contract documents.

## **24. MISCELLANEOUS PROVISIONS.**

- A. **Amendments/Modifications:** The City may modify this Contract and order changes in the work whenever necessary or advisable. The Contractor will accept modifications when ordered in writing by the City, and the Contract time and compensation will be adjusted accordingly.
- B. The Contractor, at no expense to the City, shall comply with all laws of the United States and Washington, the Charter and ordinances of the City of Spokane; and rules, regulations, orders and directives of their administrative agencies and officers.
- C. This Contract shall be construed and interpreted under the laws of Washington. The venue of any action brought shall be in a court of competent jurisdiction, located in Spokane County, Washington.
- D. **Captions:** The titles of sections or subsections are for convenience only and do not define or limit the contents.
- E. **Severability:** If any term or provision is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Contract shall not be affected, and each term and provision shall be valid and enforceable to the fullest extent permitted by law.
- F. **Waiver:** No covenant, term or condition or the breach shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition shall not be deemed a waiver of any preceding or succeeding breach of the same or any other covenant, term of condition. Neither the acceptance by the City of any performance by the Contractor after the time the same shall have become due nor payment to the Contractor for any portion of the Work shall constitute a waiver by the City of the breach or default of any covenant, term or condition unless otherwise expressly agreed to by the City in writing.
- G. **Entire Agreement:** This document along with any exhibits and all attachments, and subsequently issued addenda, comprises the entire agreement between the City and the Contractor. If conflict occurs between Contract documents and applicable laws, codes, ordinances or regulations, the most stringent or legally binding requirement shall govern and be considered a part of this Contract to afford the City the maximum benefits.

- H. **No personal liability:** No officer, agent or authorized employee of the City shall be personally responsible for any liability arising under this Contract, whether expressed or implied, nor for any statement or representation made or in any connection with this Contract.
- I. Under Washington State Law (reference RCW Chapter 42.56, the *Public Records Act* [PRA]) all materials received or created by the City of Spokane are **public records** and are available to the public for viewing via the City Clerk's Records (online) or a valid Public Records Request (PRR).

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Contract by having legally-binding representatives affix their signatures below.

**EMPIRE BOILER, LLC**

**CITY OF SPOKANE**

By \_\_\_\_\_  
Signature Date

By \_\_\_\_\_  
Signature Date

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Attest:

Approved as to form:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Assistant City Attorney

**Attachments that are part of this Contract:**

Exhibit A – Contractor's General Scope of Work  
Payment / Performance Bond  
Exhibit B – Certification Regarding Debarment

18-081



**PAYMENT / PERFORMANCE BOND**

We, **EMPIRE BOILER, LLC**, as principal, and \_\_\_\_\_, as Surety, are held and firmly bound to the City of Spokane, Washington, in the sum of **ONE HUNDRED TEN THOUSAND AND NO/100 DOLLARS (\$110,000.00)**, including tax, for the payment of which, we bind ourselves and our legal representatives and successors, jointly and severally by this document.

The principal has entered into a contract with the City of Spokane, Washington, to do all work and furnish all materials for the **REMOVE AND REPLACE STEEL FLOORING AND STEEL CURB PLATING OF SPRAY DRYER ABSORBER PENTHOUSE AT THE WASTE TO ENERGY FACILITY**. If the principal shall:

- A. promptly and faithfully perform the Contract and any contractual guaranty, and indemnify and hold harmless the City from all loss, damage, or claim which may result from any act or omission of the principal, its agents, employees, or subcontractors; and
- B. comply with all federal, state and local laws and regulations; and
- C. pay all laborers, mechanics, subcontractors, material suppliers and all person(s) who shall supply such person or subcontractors, and pay all taxes and contributions, increases and penalties as authorized by law;

then this obligation shall be null and void; otherwise it shall remain in full force and effect.

The Surety for value received agrees that no change, extension of time, alteration or addition to the terms of the Contract, the specifications accompanying the Contract, or to the work to be performed under the Contract shall in any way affect its obligation on this bond, except as provided herein, and waives notice of any change, extension of time, alteration or addition to the terms of the Contract or the work performed. The Surety agrees that modifications and changes to the terms and conditions of the Contract that increase the total amount to be paid the Principal shall automatically increase the obligation of the Surety on this bond and notice to Surety is not required for such increased obligation. Any judgment obtained against the City, which relates to or is covered by the contract or this bond, shall be conclusive against the principal and the Surety, as to the amount of damages, and liability, if reasonable notice of the suit has been given.

SIGNED AND SEALED on \_\_\_\_\_.

**EMPIRE BOILER, LLC,**  
AS PRINCIPAL

By: \_\_\_\_\_  
Title: \_\_\_\_\_

A valid POWER OF ATTORNEY  
for the Surety's agent must  
accompany this bond.

\_\_\_\_\_  
AS SURETY

By: \_\_\_\_\_  
Its Attorney in Fact

STATE OF WASHINGTON                    )  
  ) ss.  
County of \_\_\_\_\_ )

I certify that I know or have satisfactory evidence that \_\_\_\_\_  
\_\_\_\_\_ signed this document; on oath stated that he/she was authorized to  
sign the document and acknowledged it as the agent or representative of the named surety company  
which is authorized to do business in the State of Washington, for the uses and purposes therein  
mentioned.

DATED: \_\_\_\_\_

\_\_\_\_\_  
Signature of Notary Public

My appointment expires \_\_\_\_\_

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

**ATTACHMENT B**

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,  
INELIGIBILITY AND VOLUNTARY EXCLUSION**

1. The undersigned (i.e., signatory for the Subrecipient / Contractor / Consultant) certifies, to the best of its knowledge and belief, that it and its principals:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
  - b. Have not within a three-year period preceding this contract been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
  - c. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and,
  - d. Have not within a three-year period preceding this contract had one or more public transactions (federal, state, or local) terminated for cause or default.
2. The undersigned agrees by signing this contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
3. The undersigned further agrees by signing this contract that it will include the following clause, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

1. The lower tier contractor certified, by signing this contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
2. Where the lower tier contractor is unable to certify to any of the statements in this contract, such contractor shall attach an explanation to this contract.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, person, primary covered transaction, principal, and voluntarily excluded, as used in this exhibit, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. The undersigned may contact the City for assistance in obtaining a copy of these regulations.
5. I understand that a false statement of this certification may be grounds for termination of the contract.

<hr/> Name of Subrecipient / Contractor / Consultant (Type or Print)	<hr/> Program Title (Type or Print)
<hr/> Name of Certifying Official (Type or Print)	<hr/> Signature
<hr/> Title of Certifying Official (Type or Print)	<hr/> Date (Type or Print)

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/18/2018
<u>Clerk's File #</u>	OPR 2018-0072
<u>Renews #</u>	

<u>Submitting Dept</u>	CITY ATTORNEY	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	MIKE ORMSBY 6287	<u>Project #</u>	2014805
<u>Contact E-Mail</u>	MORMSBY@SPOKANECITY.ORG	<u>Bid #</u>	
<u>Agenda Item Type</u>	Contract Item	<u>Requisition #</u>	CR19698
<u>Agenda Item Name</u>	0500 SPECIAL COUNSEL CONTRACT AMENDMENT		

Agenda Wording

Collette Leland and the firm Winston Cashatt provide representation in an Arbitration involving a contract dispute with IMCO Construction Co.

Summary (Background)

Public Works needed legal advice on a dispute regarding completion and payment for a large construction project at the Wastewater Treatment Plant. The dispute has proceeded through mediation and is now scheduled for arbitration in February, 2019. We are requesting an additional \$75,000 for total of \$174,000.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ 75,000.00	# 4320-30210-35141-54105
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	DALTON, PAT	<u>Study Session</u>	
<u>Division Director</u>		<u>Other</u>	Advance Agenda 9/24/18
<u>Finance</u>	BUSTOS, KIM	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT	ccl@winstoncashatt.com	
<u>For the Mayor</u>	SANDERS, THERESA	sdhansen@spokanecity.org	
<u>Additional Approvals</u>		hbarnhart@spokanecity.org	
<u>Purchasing</u>		mtaylor@spokanecity.org	
		mdovol@spokanecity.org	
		kkeck@spokanecity.org	
		lberry@spokanecity.org	



**City of Spokane**  
**SPECIAL COUNSEL  
CONTRACT AMENDMENT**

This Contract Amendment is made and entered into by and between the **City of Spokane** as ("City"), a Washington municipal corporation, and **COLLETTE C. LELAND** and **WINSTON & CASHATT LAWYERS**, whose address is 601 West Riverside Avenue, Suite 1900, Spokane, Washington 99201, as ("Firm"), individually hereafter referenced as a "party", and together as the "parties".

*WHEREAS, the parties entered into a Contract wherein the Firm agreed to act as SPECIAL COUNSEL ON BEHALF OF THE CITY IN A CONTRACT DISPUTE WITH IMCO CONSTRUCTION, consistent with applicable laws and this Contract.*

*WHEREAS, additional funds are necessary, thus the original Contract needs to be formally Amended by this written document; and*

*-- NOW, THEREFORE, in consideration of these terms, the parties mutually agree as follows:*

**1. CONTRACT DOCUMENTS.**

The original Contract, dated January 30, 2018, any previous amendments, addendums and / or extensions / renewals thereto, are incorporated by reference into this document as though written in full and shall remain in full force and effect except as provided herein.

**2. EFFECTIVE DATE.**

This Contract Amendment shall become effective upon signature by both parties.

**3. COMPENSATION.**

The City shall pay an additional amount not to exceed **SEVENTY FIVE THOUSAND AND NO/100 DOLLARS (\$75,000.00)** as full compensation for everything furnished and done under this Contract Amendment. The total amount under the original Contract, any subsequent amendments, and this Contract Amendment is **ONE HUNDRED SEVENTY FOUR THOUSAND AND NO/100 DOLLARS (\$174,000.00)**.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Contract Amendment by having legally-binding representatives affix their signatures below.

**WINSTON & CASHATT LAWYERS**

**CITY OF SPOKANE**

By \_\_\_\_\_  
Signature                      Date

By \_\_\_\_\_  
Signature                      Date

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Attest:

Approved as to form:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Assistant City Attorney



**Agenda Sheet for City Council Meeting of:**  
10/01/2018

<u>Date Rec'd</u>	9/17/2018
<u>Clerk's File #</u>	OPR 2018-0597
<u>Renews #</u>	

Submitting Dept	PLANNING	Cross Ref #	
Contact Name/Phone	ANDREW 625-6991	Project #	
Contact E-Mail	AWORLOCK@SPOKANECITY.ORG	Bid #	
Agenda Item Type	Contract Item	Requisition #	CR19697
Agenda Item Name	0650 - RIDPATH CLUB DEVELOPMENT AGREEMENT		

Agenda Wording

A Development Agreement between the City and Ridpath Club Apartments, LLC Relating to Development and Renovation of the Ridpath Hotel, and Relating to Certain Public Infrastructure Costs.

Summary (Background)

Ripath Club Apartments, LLC is undertaking the renovation of the Ridpath Hotel a mixture of affordable and market rate apartment units with a ground floor restaurant and gift shop and per Admin 0650-16-02 has applied for a development incentive pursuant to the City's Projects of Citywide Significance program.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ 107,864.00	# 1920-30210-58700-54201-99999
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	TRAUTMAN, HEATHER	<u>Study Session</u>	
<u>Division Director</u>	TRAUTMAN, HEATHER	<u>Other</u>	Sustainable Resources -
<u>Finance</u>	ORLOB, KIMBERLY	Distribution List	
<u>Legal</u>	RICHMAN, JAMES	aworlock@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	htrautman@spokanecity.org	
<u>Additional Approvals</u>		sbishop@spokanecity.org	
<u>Purchasing</u>		jrichman@spokanecity.org	
		ronwells@ronwellsgroup.com	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

Based on the findings of public benefits expected from the Project, the Project Review Committee recommendation that \$107,864.00 be awarded to the Project and applied to eligible public improvement costs related to the Project has been was accepted by Council Resolution RES 2017-0031.

Fiscal Impact

Select     \$

Select     \$

Budget Account

#

#

Distribution List




## DEVELOPMENT AGREEMENT

---

### PUBLIC IMPROVEMENT COSTS

THIS DEVELOPMENT AGREEMENT is between the CITY OF SPOKANE, a Washington State municipal corporation, as "City", and RIDPATH CLUB APARTMENTS, LLC, a Washington limited liability company, as "Ridpath", collectively referred to as the "Parties".

#### Recitals

A. In connection with plans to renovate the Ridpath Hotel to provide additional affordable housing in downtown Spokane (the "Project"), Ridpath applied for a development incentive pursuant to the City's Projects of Citywide Significance Incentive Policy. Based on the findings of public benefits expected to result from the Project, the Project Review Committee recommended a financial incentive of \$107,864 be awarded to the Project and applied to eligible public improvement costs related to the Project, as outlined in Admin 0650-16-02.

B. Pursuant to Resolution 2017-0031 the City Council accepted the Project Review Committee's recommendation regarding Ridpath's incentive application, and authorized staff to negotiate and prepare a development agreement with Ridpath setting forth the terms and conditions under which the \$107,864 incentive will be applied to eligible public improvements costs related to the Project, subject to final approval by Council as outlined in Admin 0650-16-02.

C. Pursuant to RCW 35.21.703, Washington's legislature has declared that it shall be in the public purpose for all cities to engage in economic development activities.

D. Chapter 36.70A RCW, commonly known as the Growth Management Act, includes as a planning goal the encouragement of economic development and the promotion of economic opportunity for all citizens of the state.

E. Pursuant to other provisions of State law, including chapter 39.89 RCW relating to community revitalization financing, and RCW 82.02.050-.090 relating to certain development impact fees, Washington cities are authorized to participate in the cost of financing public improvements where the cities' participation will encourage private investment in the surrounding area and are further authorized to waive and/or provide credits against certain development fees.

F. The Project will cause both direct and indirect public benefits and can reasonably be expected to make a significant difference in stimulating economic growth and the creation of new jobs within the City. In addition to a direct benefit to the City in terms of millions of dollars in increased sales and property tax revenues, indirect benefits include encouraging the revitalization and utilization of historic and older commercial buildings in the City's core, providing a mixed-use development that brings employment, shopping, and hospitality activities into downtown Spokane, and contributes to the public realm by providing additional street level amenities in the City's core.

NOW, THEREFORE, in consideration of the mutual terms, covenants and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree:

1. Construction of the Project. Ridpath shall diligently perform and fully complete construction of the Project according to terms of the Joint Development Agreement. Nothing herein shall create a contractual relationship or privity between the City and any contractors engaged by Ridpath.

2. Construction of Public Improvements. Ridpath will construct the following public improvements (the "Public Improvements"), subject to reimbursement by the City pursuant to the terms, limitations, and conditions of this agreement:

- Ceramic planters for the sidewalks with automatic irrigation, at an estimated cost of \$45,000
- Street trees and sidewalk and exterior lighting, at an estimated cost of \$63,000.

3. Reimbursement. Subject to the terms and conditions of this Agreement, the City agrees to reimburse Ridpath's costs associated with the Public Improvements identified in Section 2 above, up to but not exceeding One Hundred Seven Thousand Eight Hundred Sixty Four and 00/100 Dollars (\$107,864.00). The City will make payments to Ridpath, within sixty (60) days after the receipt of Ridpath's application for payment, subject to the City's approval of the completed Public Improvements as substantially in accord with City standards, and subject to compliance with the terms of this agreement.

4. Prevailing Wages Required. Payment for all labor in connection with the Public Improvements shall be on the basis of the State Prevailing Wage for each appropriate job classification. All payments for labor will be based on approved Affidavit of Wages Paid. Ridpath and any of its contractors/subcontractors involved in constructing the Public Street Improvements shall, as a condition of reimbursement under this agreement, comply with the following: Ridpath and all contractors and subcontractors will submit a "Statement of Intent to Pay Prevailing Wages" certified by the industrial statistician of the State Department of Labor and Industries, prior to any payments and each voucher claim submitted by a contractor or subcontractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the

“Statement(s) of Intent to Pay Prevailing Wages” on file with the City. At the end of the work, the contractor and subcontractors must submit an “Affidavit of Wages Paid” certified by the industrial statistician.

5. Inspection of Cost Records. Ridpath and its contractors and subcontractors shall keep available for inspection by City representatives the cost records and accounts pertaining to this Agreement.

6. Actual Material Costs. Payment for all materials for this Project shall be on the basis of the actual cost of Ridpath’s contractors and subcontractors. All payments for materials will be based on approved quantities as verified by City inspectors, receipt of actual and verified material payment by the contractor.

7. Indemnity & Hold Harmless. Ridpath shall indemnify, defend, and hold the City, its officers, agents, and employees harmless from all loss and liability for any claim by any person, or for any injury or property damage resulting from, or by reason of, the construction of the Public Improvements, unless caused directly or indirectly by the City’s negligence or intentional misconduct.

8. Additional Terms.

- A. Waiver. No officer, employee, agent or otherwise of either party has the power, right or authority to waive any of the conditions or provisions of this Agreement. No waiver of any breach of this agreement shall be held to be a waiver of any other or subsequent breach. All remedies afforded in this agreement or a law shall be taken and construed as cumulative, that is, in addition to every other remedy provided herein or by law. Failure of either party to enforce at any time any of the provisions of this agreement or to require at any time performance by the other of any provision hereof, shall in no way be construed to be a waiver of such provisions, nor in any way affect the validity of this agreement or any part hereof, or the right of the party entitled to performance to hereafter enforce each and every such provision. Either party’s failure to insist upon the strict performance of any provision of this agreement or to exercise any right based upon breach hereof or the acceptance of any performance during such breach, shall not constitute a waiver of any right under this Agreement.
- B. Modification. No modification or amendment to this agreement shall be valid until the same is reduced to writing, in the form of an amendment, and executed with the same formalities as this present agreement.
- C. Assignment. Neither party may assign or transfer in whole or in part, its interest in this agreement without the express written consent of the other party

- D. Compliance with Laws. The Parties hereto specifically agree to observe Federal, State and local laws, ordinances and regulations, to the extent that they may have any bearing on either providing any money under the terms of this agreement or the services actually provided under the terms of this agreement.
- E. Nondiscrimination. No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this agreement because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities.
- F. Anti-Kickback. No officer or employee of the Parties, having the power or duty to perform an official act or action related to this agreement, shall have or acquire any interest in this agreement, or have solicited, accepted or granted a present or future gift, favor, service, or other thing of value from or to any person involved in this agreement.
- G. Notices. All notices called for or provided for in this agreement shall be in writing and must be served on any of the Parties either personally or by certified mail. Notices sent by certified mail shall be deemed served when deposited in the United States mail, postage prepaid.
- H. Venue Stipulation. This agreement has and shall be construed as having been made and delivered in the State of Washington, and the laws of the State of Washington shall be applicable to its construction and enforcement of this agreement or any provision hereto shall be instituted only in the courts of competent jurisdiction within Spokane County, Washington.
- I. Headings. The article headings in this agreement have been inserted solely for purposes of convenience and ready reference. In no way do they purport to, and shall not be deemed to, define, limit, or extend the scope or intent of the articles to which they appertain.
- J. All Writings Contained Herein. This agreement contains all the terms and conditions agreed upon by the Parties. No other understandings, oral or otherwise, regarding the subject matter of this agreement shall be deemed to exist or to bind any of the Parties hereto. The Parties have read and understand all of this agreement, and now state that no representation, promise, or agreement not expressed in this document has been made to induce the Parties to execute the same.

K. Relationship of the Parties. The Parties intend that an independent contractor relationship will be created by this agreement. The City is interested only in the results that could be achieved and the conduct and control of all work and services provided by Ridpath will be solely with Ridpath. No agent, employee, servant or otherwise of Ridpath hereto shall be deemed to be an employee, agent, servant, or otherwise of the City for any purpose, and the employees of Ridpath are not entitled to any of the benefits that the City provides for City employees. Ridpath will solely and entirely be responsible for its acts and the acts of its agents, employees, servants, subcontractors, or otherwise, during the performance of this agreement.

Dated: \_\_\_\_\_

CITY OF SPOKANE

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

Title: \_\_\_\_\_

Attest:

Approved as to form:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Assistant City Attorney

Dated: \_\_\_\_\_

RIDPATH

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

Title: \_\_\_\_\_



**Agenda Sheet for City Council Meeting of:**  
10/01/2018

<u>Date Rec'd</u>	9/18/2018
<u>Clerk's File #</u>	OPR 2018-0598
<u>Renews #</u>	

<u>Submitting Dept</u>	SOLID WASTE COLLECTION	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	ERICA JACOBO 509-309-5466	<u>Project #</u>	
<u>Contact E-Mail</u>	EJACOBO@SPOKANECITY.ORG	<u>Bid #</u>	4430-18
<u>Agenda Item Type</u>	Contract Item	<u>Requisition #</u>	CR 19695
<u>Agenda Item Name</u>	4500 CONTRACT FOR SOLID WASTE COLLECTIONS MANAGEMENT &		

Agenda Wording

Three-year contract, with option for two one-year extensions, with Rubicon Global, LLC (Atlanta, GA) for solid waste collections management and telematics system for 100 Solid Waste Collection vehicles -- \$292,063 (plus applicable tax) the first year

Summary (Background)

RFP #4430-18 was advertised in April & May 2018 for route management and telematics solutions in which the City received 10 responses. City representatives visited the top two (2) highest scoring vendors. Rubicon Global, LLC was selected unanimously by the evaluation committee. The first year of the contract includes additional costs for purchasing equipment, maintenance/set up, travel expenses, training services, and fleet optimization services for 100 trucks. The cost each year after is for

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Expense	\$ 195,682.21 (plus applicable tax)	# 4500-45100-37148-54201
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Expense	\$ 96,380.79 (plus applicable tax)	# 4500-44200-37148-54201
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Select	\$	#
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Select	\$	#
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Approvals

Council Notifications

<u>Dept Head</u>	CONKLIN, CHUCK	<u>Study Session</u>	PIES 09/24/18
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<u>Division Director</u>	SIMMONS, SCOTT M.
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Other

<u>Finance</u>	ALBIN-MOORE, ANGELA	<u>Distribution List</u>
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<u>Legal</u>	DALTON, PAT	ejacobo@spokanecity.org
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<u>For the Mayor</u>	SANDERS, THERESA	rschoonover@spokanecity.org
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<u>Additional Approvals</u>	jsalstrom@spokanecity.org
-----------------------------	---------------------------

<u>Purchasing</u>	WAHL, CONNIE	Tax & Licenses
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	cconklin@spokanecity.org
--	--------------------------

	ddbender@spokanecity.org
--	--------------------------

	smsimmons@spokanecity.org
--	---------------------------



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

\$157,819 (plus applicable tax) each additional year.

Summary (Background)

the annual software subscription. This technology will provide paperless routing, navigation, route optimization, service confirmations, exception flagging, picture taking, vehicle reports, and additional data collection. By eliminating several of the manual processes currently in place at Solid Waste Collection, it will increase the overall operational improvements of the department. Additionally, the telematics element can be integrated into the fleet of other interested departments.

Fiscal Impact

Select      \$

Select      \$

Budget Account

#

#

Distribution List

cwahl@spokanecity.org

kdeatrich@spokanecity.org

klund@spokanecity.org

jrunkel@spokanecity.org

msloon@spokanecity.org

Conor.Riffle@rubiconglobal.com

jmnordling@spokanecity.org

## Briefing Paper

### Public Infrastructure, Environment and Sustainability Committee

<b>Division &amp; Department:</b>	Public Works
<b>Subject:</b>	Contract for Solid Waste Collections Management & Telematics Systems
<b>Date:</b>	09/24/2018
<b>Author (email &amp; phone):</b>	Erica Jacobo, (ejacobo@spokanecity.org, 509-309-5466 )
<b>City Council Sponsor:</b>	Breean Beggs
<b>Executive Sponsor:</b>	Scott Simmons
<b>Committee(s) Impacted:</b>	PIES
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b>	
<b>Strategic Initiative:</b>	Innovate Infrastructure
<b>Deadline:</b>	Q1, 2019
<b>Outcome:</b>	Implementation of Solid Waste Collection Management and Telematics System pods on 100 solid waste vehicles. Plus backend management software (SAAS).

#### Background/History:

Currently many portions of Solid Waste Collections are manual process, including, delivery of driver routes, customer billing information and billing integration.

Operational improvements will be realized by reduced manual process (routing and billing) and more visibility into the fleet operations.

Firm selection process was as follows:

- RFP issued on April 10, 2018
- Proposals returned on May 21, 2018
- 10 Firms responded with Proposals
- Selection Committee consisted of members SWC, Fleet and IT
- Extensive Interviews were completed Demos were conducted and onsite visits were conduct for the top three Firms
- The solution from RUBICON GLOBAL, LLC was selected on August 22, 2018
- Terms - Three Years with two one year options; \$292,063 first year, \$157,819 annual for next four years (if all options are exercised)

#### Executive Summary:

- Rubicon's Management and Telematics solution, called RUBICONSmartCity, will provide paperless routing, navigation, route optimization, service confirmations through their patented technology called "The Shake", exception flagging, electronic vehicle inspection reports, picture taking, additional urban data collection capabilities, vehicle fault codes, odometer readings, and more.
- Furthermore, the telematics component offered by RUBICONSmartCity can be utilized by all City of Spokane departments which meets the holistic needs of the request.
- Next Steps – PIES Committee 9/24; Council Approval 10/1; Anticipate Project Kickoff 11/1

#### Budget Impact:

Approved in current year budget? ☒ Yes ☐ No

Annual/Reoccurring expenditure? ☒ Yes ☐ No

If new, specify funding source:

Other budget impacts:..None identiied at this time.



Operations Impact:

Consistent with current operations/policy?

☒

Yes

☐

No

Requires change in current operations/policy?

☐

Yes

☒

No

Specify changes required: None at this time.

Known challenges/barriers: None at this time.



**City of Spokane**  
**MASTER SOFTWARE SERVICES AGREEMENT**

**THIS MASTER SOFTWARE SERVICES AGREEMENT** (this “Agreement”) is made and entered into as of \_\_\_\_\_, 2018, by and between RUBICON GLOBAL, LLC, a Delaware limited liability company (“Rubicon”), and THE CITY OF SPOKANE, WASHINGTON, with a principal place of business at 808 W Spokane Falls Blvd, Spokane, WA 99201 (“Client”).

In consideration of the mutual covenants and agreements made herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

**1. Definitions.**

Capitalized terms used and not otherwise defined in this Agreement shall have the following meanings:

1.1 “Affiliate” means any entity that is controlled by Client, where “control” means the ownership of, or the power to vote, more than fifty percent (50%) of the voting stock, shares, or interests in an entity.

1.2 “Agreement” means this Agreement, and any Orders, exhibits, Statements of Work and amendments to the foregoing.

1.3 “Client” means the entity entering into this Agreement and any Affiliate designated in this Agreement or an Order which is authorized to receive the Subscribed Services. Client shall be fully responsible for the performance of all of its Affiliates’ obligations under this Agreement.

1.4 “Client Content” means all data, imagery, information and other content (a) transmitted by or on behalf of Client through the System; (b) provided by Client or on Client’s behalf for use in connection with the Subscribed Services; or (c) otherwise processed or stored by Rubicon or its contractors on Client’s behalf pursuant to this Agreement.

1.5 “Documentation” means the then-current, commercially available user manuals, training materials and technical manuals relating to the Subscribed Services provided to Client by Rubicon pursuant to this Agreement.

1.6 “Effective Date” means the earlier of (a) the date this Agreement and the first Order are accepted and signed by Rubicon; or (b) the date Client begins using or receiving the Subscribed Services.

1.7 “Intellectual Property Rights” means, on a world-wide basis, any and all (a) rights associated with works of authorship, including without limitation, copyrights, copyrightable rights, moral rights and mask work rights; (b) trademark, service mark and trade name rights and any

similar rights recognized under applicable law; (c) rights in confidential information and trade secret; (d) patents and patentable rights; (e) all rights with respect to inventions, discoveries, improvements, know-how, formulas, algorithms, processes, technical information and other technology; (f) all other intellectual and industrial property rights of every kind or nature, whether arising by operation of law, contract, license or otherwise; and (g) all international, national, foreign, state and local registrations, applications for registration and any renewals and extensions thereof (including, without limitation, any continuations, continuations-in-part, divisions, reissues, substitutions and reexaminations), all goodwill associated therewith, and all benefits, privileges, causes of action and remedies relating to any of the foregoing (including, without limitation, the exclusive rights to apply for and maintain all such registrations, renewals and extensions; to sue for all past, present and future infringements or other violations relating thereto; and to settle and retain all proceeds from any such actions).

1.8 “Marks” means the trademarks, service marks or trade names of Client.

1.9 “Order(s)” means the order(s), and any amendments thereto, executed by the parties and which references this Agreement. Each Order shall specify the Subscribed Services being subscribed for, the licensing parameters, the term of the Order, the applicable fees, billing period, and other charges, as well as payment terms. Each Order with the terms of this Agreement, and any exhibits and amendments to such Order, is a separate and independent contractual obligation of Rubicon from any other Order. In the event of any conflict between the terms of this Agreement and the terms of any such Order, the terms of such Order shall prevail.

1.10 “Professional Services” means implementation, consulting and training services, including without limitation, technical services to facilitate setup and deployment of the Subscribed Services specified in a Statement of Work.

1.11 “Rubicon Software” means Rubicon’s proprietary software programs used by Rubicon to provide the Subscribed Services (including, without limitation, all source code, object code, designs, copyrightable works, ideas, inventions, technology and other Intellectual Property Rights therein), as modified, enhanced or replaced by Rubicon from time to time. For the avoidance of doubt, Rubicon Software does not include Client Content.

1.12 “Statement of Work” means a document executed by both parties that describes the Professional Services to be performed by Rubicon pursuant to the Professional Services Terms (as defined in Section 2.6), including without limitation, the project assumptions, specifications, scope, work plan, responsibilities, duration and fees for such Professional Services, which Statements of Work shall reference this Agreement and be sequentially numbered. Each Statement of Work with the Professional Services Terms, and any exhibits, change orders and amendments to such Statement of Work, is a separate and independent contractual obligation of Rubicon from any other Statement of Work.

1.13 “Subscribed Services” means Rubicon’s proprietary, web-based services set forth in an Order which are provided to Client on a subscription basis and enable use of the Rubicon Software through the System.

1.14 “System” means the Rubicon Software and the server grade computers and related networks maintained by or on behalf of Rubicon and its third-party providers to host the Rubicon Software and provide the Subscribed Services to Client, all as hereafter modified, enhanced or replaced by Rubicon.

1.15 “Third Party Offerings” means services delivered or performed by third parties independently of Rubicon related to the Subscribed Services, or other online, web-based CRM,

ERP, or other business application subscription services, and any associated offline products provided by third parties, that interoperate with the Subscribed Services.

1.16 “Work Product” means any software, data, documentation, graphics, text, code, inventions, pictures, audio, video, animations, enhancements, improvements, methods, processes, works of authorship, work-flow methods or other deliverables or any portions of the foregoing that Rubicon creates, whether alone or jointly, while performing Professional Services or any other services hereunder. Work Product excludes: (a) the Subscribed Services; (b) the System; (c) any generic routines or code that have general application to the Rubicon Software or System; and (d) all modifications, alterations, derivative works and enhancements to the foregoing, and all copies thereof.

## **2. Services.**

2.1 Subscribed Services. Subject to the terms and conditions set forth herein, including without limitation, Client's payment of all applicable fees, Rubicon hereby agrees to provide the Subscribed Services, and in connection therewith, Rubicon hereby grants to Client during the term of the applicable Order a non-exclusive, non-transferable, non-sublicensable, limited right and license to (a) access and use of the Subscribed Services subject to the terms specified in the SOW and as specified in the applicable Order, solely for Client's internal use; (b) to transmit and receive Client Content to and from the System; and (c) use the Documentation in connection with such rights. The rights granted to Client pursuant to any Order shall terminate upon the termination or expiration of this Agreement or the applicable Order for any reason. All rights not expressly granted to Client are reserved by Rubicon and its licensors.

2.2 Limitations. Client shall not: (a) access or use any portion of the Subscribed Services or System except as expressly authorized pursuant to an Order; (b) cause or permit decompilation, reverse assembly or reverse engineering of all or any portion of the Subscribed Services or System; (c) copy any ideas, features, functions or graphics of the Subscribed Services or System or modify or make derivative works based upon the Subscribed Services or System; (d) delete, fail to reproduce or modify any patent, copyright, trademark or other proprietary rights notices which appear on or in the Subscribed Services, System or Documentation; or (e) directly or indirectly, sublicense, relicense, distribute, disclose, use, rent or lease the Subscribed Services or System, or any portion thereof, for third party use, third party training, facilities management or time-sharing, or use as an application service provider or service bureau. Without limiting the foregoing, Client may not use the Subscribed Services or System to: (i) send or store material containing viruses, worms, Trojan horses or other harmful computer code, files, scripts, agents or programs; (ii) interfere with or disrupt the integrity or performance of the Subscribed Services, System or the data contained therein; or (iii) attempt to gain unauthorized access to the Subscribed Services or System.

2.3 Support. Client will be responsible for providing first line maintenance and support to its authorized end users in connection with the Subscribed Services. Rubicon will allow up to two (2) qualified employees of Client who have been trained on use of the Subscribed Services (the “Designated Employees”) to contact Rubicon with technical questions or issues with respect to the Subscribed Services and to report System outages or failures. Rubicon shall respond to the technical support questions from the Designated Employees and commence the process of responding to System or Subscribed Services outages or failures in accordance with Rubicon's standard procedures. The Designated Employees shall assist Rubicon in resolving issues with the Subscribed Services and System. Rubicon is under no obligation to provide functional updates, enhancements or upgrades to the System or Subscribed Services by any time certain.

2.4 System Availability. Rubicon will use commercially reasonable efforts to enable access to the Subscribed Services.

Service Availability:

- Rubicon's Service Availability commitment for a given calendar month is 99.5%.
- Service Availability is calculated per month as follows:
- $$\frac{(\text{Total time} - \text{Unplanned Outage} - \text{Planned Maintenance})}{(\text{Total} - \text{Planned Maintenance})} \times 100$$

Definitions:

- Total is the total minutes in the month
- Unplanned Outage is total minutes unavailable due to an unplanned outage in the month

Planned Maintenance is total minutes of planned maintenance in the month.

Currently, Planned Maintenance is four (4) hours for weekly maintenance, four (4) hours for monthly maintenance, four (4) hours for quarterly maintenance. Rubicon's current weekly maintenance begins at 10 pm (Eastern) on Fridays; monthly maintenance begins at 2:00 am (Eastern) on Saturday; and quarterly maintenance begins at 6:00am (Eastern) on Saturday. All times are subject to change upon reasonable notice. If actual maintenance exceeds the time allotted for Planned Maintenance it is considered an Unplanned Outage. If actual maintenance is less than time allotted for Planned Maintenance, that time is not applied as a credit to offset any Unplanned Outage time for the month. The measurement point for Service Availability is the availability of Rubicon Premier's Production Service. Customer may request an availability report not more than once per month via the Customer Center.

### ***FEE ADJUSTMENT***

In the event that Rubicon does not meet the Availability levels set forth below, the amount of fees payable by Customer will be reduced as follows:

In the event the average Availability for the Application is less than ninety five percent (95%) during any quarter, Customer will receive a credit to its account with Rubicon equivalent to the percent of unavailability over and above 5%. The maximum credit would be 10% of the amount of Rubicon Hosting Services fees paid or payable by Customer to Rubicon

Rubicon' obligation to provide Customer with fee adjustments as set forth above is conditioned on Customer providing detailed written notice to Rubicon of its contention that Rubicon was unable to meet the applicable Availability levels. Upon receipt of such notice, Rubicon shall have thirty (30) calendar days to investigate the contention. If, at the end of the thirty (30) calendar day period it is determined that Rubicon did in fact fail to meet the applicable Availability levels, Customer will receive the appropriate credit to its account during the next invoice cycle.

The remedies set forth in this Section of this Attachment shall be Customer's sole remedy and Rubicon's entire liability in the event of the failure of any Availability measurements to meet the thresholds set forth above.

Rubicon reserves the right to perform maintenance of the Subscribed Services and System as needed and, except in the event of emergency maintenance, will schedule such maintenance before or after 8:00 AM – 8:00 PM Monday-Friday (excluding holidays) U.S. Eastern Time. Client acknowledges and agrees that certain portions of the Subscribed Services, including without

limitation, data storage, hosting, and System hardware management, may be provided by third party service providers. Rubicon will provide ongoing management of the System, located at the third-party provider's location, in accordance with Rubicon's agreement with the third-party provider(s), in order to maintain the best practical availability of the Subscribed Services. Rubicon may change its third-party data hosting provider to another hosting provider, in Rubicon's sole discretion, from time to time. Rubicon shall not make any changes without Forty-Five (45) days prior notification.

In addition to making an Availability Commitment to the Subscriber, Rubicon also commits to notifying the Subscriber if any Subscriber data is exposed to or accessed by third parties unless otherwise provided by agreement between Rubicon and Subscriber. Any such exposure or accessing of Subscriber data will be treated as a software quality issue that Rubicon will resolve in a timely manner. Should Rubicon not resolve the unauthorized exposure or accessing of Subscriber data in a timely manner, Subscriber may declare a Material Breach and terminate under § 5.02.

2.5 Browsers. Client acknowledges and agrees that the Subscribed Services will only be compatible with and support use with the most recently superseded version for one year from the date of the general release of the then-current version, of the following browsers: Internet Explorer, Firefox, Safari and Google Chrome.

2.6 Professional Services. If requested and as available, Rubicon will provide Client with Professional Services pursuant to mutually agreeable Statements of Work in accordance with the Professional Services Terms attached hereto as Exhibit A ("Professional Services Terms").

2.7 Provisioning of the Subscribed Services. Rubicon may update the functionality and user interface of the Subscribed Services from time to time in its sole discretion as part of its ongoing improvement of the Subscribed Services. Client agrees that its subscription to the Subscribed Services is neither contingent on the delivery of any future functionality or features nor dependent on any oral or written public comments made by Rubicon regarding future functionality or features.

### **3. Client Obligations.**

3.1 Resources. Except as expressly set forth herein, Client and its end users shall be solely responsible for providing all resources, equipment and software at its or their respective facilities which are necessary for them to access the System and/or receive the Subscribed Services. Client and its end users must provide all equipment and licenses necessary to access and use the Internet, and pay all fees associated with such access and use. To the extent Rubicon's provision of the Subscribed Services requires data, documents, information or materials of any nature to be furnished, in whole or in part, by Client or its employees, agents, contractors, representatives or authorized users, Client will cause such employees, agents, contractors, representatives and authorized users to furnish such data, documents and information in a manner which permits Rubicon to perform the Subscribed Services as contemplated herein.

3.2 Third Party Coordination; Required Consents. To the extent the Subscribed Services require access to a third party service provider who is under contract with Client, or access or use of such provider's information or interconnection with such provider's services, facilities, technology or systems in order to receive or transmit Client Content, Client shall be

responsible for obtaining any required third party licenses or consents necessary for Rubicon to access and use such information, services, facilities, technology or systems.

3.3 Third-Party Web Sites, Products and Services. The Subscribed Services may rely on or require that Client access Third Party Offerings. If Client elects to use the Subscribed Services with Third Party Offerings, Client agrees that: (a) its use of Third Party Offerings must at all times comply with the terms of service governing such offerings; and (b) Rubicon has the right to export and import Client Content to and from such Third-Party Offerings for purposes of delivering the Subscribed Services purchased by Client. Client's or its user's use of third party websites must at all times comply with the terms of service governing such websites. Client understands and agrees that the availability of the Subscribed Services, or certain features and functions thereof, is dependent on the corresponding availability of Third Party Offerings or specific features and functions of Third Party Offerings. Rubicon will not be liable to Client or any third party in the event that changes in Third Party Offerings cause the unavailability of the Subscribed Services or any feature or function thereof. Rubicon may also refer Client to third party service providers that offer Third Party Offerings. Rubicon does not make any representations or warranties regarding any such Third Party Offerings, whether or not such Third Party Offerings or services are designated by Rubicon as "certified," "approved," "recommended" or otherwise, or the services are provided by a third party that is a member of a Rubicon partner program. To the extent that Rubicon requires that Client grant Rubicon authorizations, passwords or other user credentials to a Third Party Offering ("Rubicon Access Codes") to retrieve Client Content or to enable interoperability with the Subscribed Services, Client shall promptly provide such Rubicon Access Codes.

3.4 Integrated Third-Party Software. Rubicon may integrate third-party computer software into the Subscribed Services. In such an event, Rubicon will obtain, at no additional charge to Client, all rights necessary for Client to use such third-party computer software with the Subscribed Services. All free software is distributed to Client WITHOUT ANY WARRANTY OF ANY KIND, INCLUDING WITHOUT LIMITATION, ANY WARRANTY OF TITLE, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. A copy of the free software is included with the Subscribed Services. Rubicon disclaims on behalf of all individuals or entities that distributed such free software to Rubicon (the "Contributors") all warranties and conditions, express and implied, including warranties or conditions of title and non-infringement, and implied warranties or conditions of merchantability and fitness for a particular purpose; and Rubicon excludes on behalf of all such Contributors (i) all liability for damages, including direct, indirect, special, incidental and consequential damages, such as lost profits; and (ii) any provisions which differ from this Agreement which are offered by any particular Contributor alone and not by any other party.

In addition, Rubicon will provide integration with City of Spokane's Fleet Software AssetWorks at no cost. Integration with AssetWorks will consist solely of linking odometer readings from Rubicon to Assetworks, and any other data points that Rubicon may agree to.

3.5 Compliance with Laws. Client will comply with all applicable laws, rules and regulations relating to Client's or its authorized user's receipt or use of the Subscribed Services. Without limiting the foregoing, Client will be solely responsible for determining the extent to which the design or provision of the Subscribed Services is subject to any privacy laws or regulations ("Privacy Laws") or the oversight of any regulatory agency charged with the enforcement thereof ("Regulatory Oversight"). To the extent that the design and operation of the Subscribed Services is subject to any Privacy Laws or Regulatory Oversight, Client will specify any procedures to be taken by Rubicon during the customization and provision of the Subscribed Services to cause the

Subscribed Services to be in compliance with such Privacy Laws and Regulatory Oversight. Client shall not export the Subscribed Services, System or Documentation in violation of U.S. Department of Commerce export administration regulations.

3.6 Activity. Rubicon will provide Client access to the Subscribed Services by issuance of a confidential site address and passwords to Client. Client is responsible for maintaining the confidentiality of such address and passwords and any activity that transpires through the use of such address and passwords. Client shall: (a) notify Rubicon immediately of any unauthorized use of any password or account or any other known or suspected breach of security; (b) report to Rubicon immediately and use reasonable efforts to stop immediately any unauthorized copying or distribution of Client Content that is known or suspected by Client; and (c) not impersonate another Rubicon client or user or provide false identity information to gain access to or use of the Subscribed Services.

#### **4. Prices; Ordering; Payment.**

4.1 Invoicing and Payment. Except as otherwise specified in an Order or Statement of Work: (a) Client shall pay to Rubicon all fees, charges and expenses due and owing pursuant to an Order or Statement of Work in U.S. dollars to the address designated on the invoice within forty-five (45) days following Rubicon's invoice date; and (b) all payment obligations are non-cancellable, non-refundable and non-contingent. Client may not set-off any amounts owing to Client against any payments owing to Rubicon hereunder. Payments which are not received when due shall bear interest at the lesser of the maximum amount chargeable by law or one percent (1%) per month commencing with the date payment was due. In addition, in the event Client fails to timely pay any fees or charges when due, Rubicon may, in its discretion, suspend or terminate any Subscribed Services or other services hereunder in accordance with Section 5.3. Client will continue to be charged for all Subscribed Services and other services during any period of suspension.

4.2 Taxes and Duties. Excluding taxes based on Rubicon's net income, Client is liable and responsible for paying all federal, state and local sales, foreign withholding, value added, use, property, excise, service and other taxes, and all duties and customs fees relating to Client's receipt or use of the Subscribed Services, whether or not Rubicon invoices Client for such taxes, duties or customs fees, unless Client timely provides Rubicon with a valid tax exemption or direct pay certificate showing Client is exempt from such payments. If Rubicon is required to pay any such taxes, duties or customs fees, Client shall reimburse Rubicon for such amounts in accordance with Section 4.1.

4.3 Expenses. Client shall reimburse Rubicon for any pre-approved travel, meal, lodging and out-of-pocket expenses incurred in carrying out its obligations under this Agreement.

4.4 Audits. During the Term, upon thirty (30) days prior written notice to Client, Rubicon may audit Client's facilities, records and use of the Subscribed Services to determine Client's compliance with the terms and conditions of this Agreement. Such audits shall occur during regular business hours and shall be conducted in a manner designed to limit disruption to Client's business. Any such Audits will be conducted solely at Rubicon's expense.

4.5 Fleet Optimization. If requested by Client, Rubicon will perform fleet optimization services for solid waste vehicles once per year (up to three times total) for the length of the contract. Fleet optimization services are for existing 100 solid waste vehicles only.



## **5. Term and Termination.**

5.1 Term. The term of this Agreement ("Term") shall commence on the Effective Date and shall continue for a period of Three (3) years with two one year options at the Client's sole discretion, unless earlier terminated in accordance with the provisions hereof.

5.2 Termination. Either party may terminate this Agreement or the applicable Order or Statement of Work if the other party breaches this Agreement or such Order or Statement of Work, as applicable, and fails to correct the breach within thirty (30) days following receipt of written notice from the non-breaching party. In addition, Rubicon may terminate this Agreement immediately if Client files for bankruptcy, becomes insolvent, or makes an assignment for the benefit of creditors, or if a trustee is set up to administer a substantial portion of Client's assets or business.

5.3 Suspension of Services. In the event (a) Client fails to timely pay any fees when due; or (b) Rubicon believes, upon advice of counsel, that any element of the Subscribed Services, or Client's receipt or use thereof, violates any applicable law, rule or regulation, Rubicon may in its sole discretion suspend or terminate any Subscribed Services and other services immediately without prior notice. In the event that Rubicon suspends or terminates any Subscribed services or other services under (b) above, Rubicon will promptly notify Client in writing which element of the Subscribed Services or Client's receipt or use thereof violated an applicable law, rule or regulation.

5.4 Effect of Termination. Upon termination of this Agreement or an Order or Statement of Work for any reason, all payment obligations shall become immediately due and owing and Client shall immediately cease using the applicable Subscribed Services and return all Documentation to Rubicon. In addition, in the event this Agreement or any Order is terminated early, before completion of the applicable term, because of a breach by Client, Client shall pay to Rubicon (in addition to any other amounts due under this Agreement) as liquidated damages within thirty (30) days following any such termination, (a) any non-refundable costs incurred by Rubicon in connection with such termination including, but not limited to, hardware costs and licensing fees paid to third party licensors; and (b) fifty percent (50%) of the remaining annual recurring fees (including, without limitation, the subscription fees paid to use and access the Subscribed Services) that would have been charged for the then remaining term of the Agreement or Order(s), as applicable, all of which shall be immediately accelerated. Client acknowledges and agrees that (i) the payment of such fees does not constitute a penalty, but is due to the difficulty in estimating actual damages for early termination; (ii) such fees are a reasonable estimate of the amounts required to fairly compensate Rubicon in such events; and that (iii) such fees have taken into consideration Rubicon's cost savings due to the termination of this Agreement and the present value of accelerated payments. Upon termination of this Agreement, Client shall also return to Rubicon or destroy all copies of Rubicon's Trade Secrets and Confidential Information in every form. Upon request of Rubicon, Client agrees to certify in writing to Rubicon that it and each of its Affiliates have performed the foregoing obligations. Sections 1, 4, 5.4, 6.2, 6.3, and 7, 8, 10 and 11 shall survive any termination of this Agreement in accordance with their respective terms. In the event of any termination hereunder, Client shall not be entitled to any refund of any payments made by Client.

## **6. Representations and Warranties.**

6.1 Services Warranty. Provided that Client notifies Rubicon of the non-conformance within the warranty period, and subject to the limitations set forth herein, Rubicon warrants that the Subscribed Services will be provided substantially in accordance with the applicable Documentation for a period of ninety (90) days from the date such Subscribed Services are first

provided. No specific result from the provision of Subscribed Services is assured or guaranteed. In the event of any breach of the foregoing warranty, Rubicon shall, at its option and as Client's sole and exclusive remedy, (a) re-perform the Subscribed Services which were not performed as warranted at no additional charge; or (b) in the event Rubicon is unable to re-perform such Subscribed Services after exercising commercially reasonable efforts to do so, refund the fees paid to Rubicon for the Subscribed Services which were not performed as warranted. Notwithstanding the foregoing, Rubicon shall have no obligation to provide the warranty services described in this Section 6.1 if: (i) the performance failure is at least partially attributable to Client's deviation from applicable operating instructions or failure to perform Client's obligations set forth in this Agreement; or (ii) Client or any other person or entity (other than Rubicon) has modified the Subscribed Services.

6.2 Client Acknowledgment. Client acknowledges and agrees that it has made its own evaluation in deciding to subscribe for the Subscribed Services. The warranties provided in this Agreement extend solely to Client and to no other person or entity whatsoever. Without limiting the foregoing, Rubicon is not responsible for the results that may be obtained from use of the Subscribed Services.

6.3 DISCLAIMERS. EXCEPT AS EXPRESSLY PROVIDED IN THIS SECTION 6, RUBICON MAKES NO REPRESENTATIONS OR WARRANTIES OF ANY KIND, WHETHER EXPRESS OR IMPLIED (EITHER IN FACT OR BY OPERATION OF LAW), WITH RESPECT TO THE SUBSCRIBED SERVICES, THE SYSTEM OR ANY OTHER SERVICES PROVIDED PURSUANT TO THIS AGREEMENT, INCLUDING WITHOUT LIMITATION, PROFESSIONAL SERVICES. RUBICON EXPRESSLY DISCLAIMS ALL OTHER WARRANTIES OR CONDITIONS, INCLUDING WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ALL WARRANTIES ARISING FROM CONDUCT, COURSE OF DEALING OR CUSTOM OF TRADE, AND ALL WARRANTIES OF TITLE AND NON-INFRINGEMENT. RUBICON DOES NOT WARRANT THAT THE SUBSCRIBED SERVICES, SYSTEM OR OTHER SERVICES ARE OR WILL BE ERROR-FREE OR THAT THE USE OR OPERATION OF THE SUBSCRIBED SERVICES, SYSTEM OR OTHER SERVICES WILL BE UNINTERRUPTED OR THAT ALL ERRORS OR ISSUES WITH THE SUBSCRIBED SERVICES, SYSTEM OR OTHER SERVICES CAN OR WILL BE CORRECTED.

## 7. Confidentiality.

7.1 Confidentiality. Each party (the "Receiving Party") acknowledges that it will have access to Confidential Information and Trade Secrets of the other party (the "Disclosing Party"). For purposes of this Agreement, "Trade Secrets" means information, without regard to form, which: (a) derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy; and "Confidential Information" means information, other than Trade Secrets, that is of value to Disclosing Party and is treated as confidential. Rubicon's Trade Secrets and Confidential Information include, without limitation, the Subscribed Services, the System, the Documentation and object and source code for the Rubicon Software. The Receiving Party agrees to use the Trade Secrets and Confidential Information of the Disclosing Party solely for purposes of performing its obligations or exercising its rights under this Agreement. The Receiving Party agrees to discuss the Trade Secrets and Confidential information of the Disclosing Party only with, and to transmit the Trade Secrets and Confidential Information only to, those officers, employees and consultants of the Receiving Party who have a need to know the Trade Secrets or Confidential Information for the purposes set forth herein and who have agreed in writing to treat such information as confidential on terms no less restrictive than as set forth in this Agreement. The parties acknowledge and agree that the terms

of any previously executed confidentiality or nondisclosure agreements shall remain in effect with respect to the information exchanged thereunder. Rubicon acknowledges that Client is subject to Washington State laws regarding public records and that Client is legally required to release to any person making a public records request, any identifiable record used or possessed by Client. Rubicon further acknowledges that Client may not legally assert a "Trade Secrets" or "Confidential Information" exemption and thereby not release a record sought pursuant to a public records request, but that Rubicon itself may assert a Trade Secrets or Confidential Information exemption and obtain a Court order preventing the Client from releasing a record Rubicon believes to be a Trade Secret or Confidential Information. In the event of a public records request for information supplied to Client by Rubicon pursuant to this Agreement, Client will in good faith examine the records sought by the requestor and, if Client believes that the records may contain Trade Secrets or Confidential Information, Client will notify Rubicon and Rubicon may obtain a Court order preventing Client from releasing the records.

7.2 Security Precautions. The Receiving Party shall take commercially reasonable security precautions to prevent unauthorized use and disclosure of the Trade Secrets and Confidential Information of the Disclosing Party and shall use at least the same degree of care the Receiving Party employs with respect to its own Trade Secrets and Confidential Information, but in no event less than a reasonable standard of care. The Receiving Party shall not permit unauthorized access to the Trade Secrets or Confidential Information of the Disclosing Party.

7.3 Duration and Exceptions. With regard to Confidential Information, the obligations in this Section 7 shall continue for the Term and for a period of five (5) years thereafter. With regard to Trade Secrets, the obligations in this Section 7 shall continue for so long as such information constitutes a trade secret under applicable law, but in no event less than the Term and for a period of five (5) years thereafter. The Receiving Party's obligations with respect to Trade Secrets and Confidential Information of the Disclosing Party shall not apply to the extent such Trade Secrets or Confidential Information: (a) are previously known to the Receiving Party without restriction on disclosure; (b) cease to be secret or confidential except by reason of a breach of this Agreement by the Receiving Party; (c) are independently developed by the Receiving Party without reference to the Trade Secrets or Confidential Information of the Disclosing Party; or (d) were received from a third party without obligations of confidence and without breach of this Agreement. In addition, the Receiving Party may disclose Trade Secrets and Confidential Information of the Disclosing Party to the extent such disclosure is required by applicable law or by any governmental authority, provided the Receiving Party notifies the Disclosing Party, if permitted by law, of the applicable legal requirements before such disclosure occurs so as to enable the Disclosing Party to obtain such protection as may be available to preserve the confidentiality of such information.

## **8. Intellectual Property Rights.**

8.1 Rubicon's Intellectual Property. Rubicon (or its licensors) retains title to the Subscribed Services, System, and Documentation, and all modifications, alterations, derivative works, and enhancements thereto, and all copies thereof and Intellectual Property Rights therein. Except as specified herein, Client does not acquire any rights, express or implied, in the Subscribed Services, System or Documentation, and has no right to commercialize or transfer the Subscribed Services, System or Documentation, in whole or in part. No license, right or Intellectual Property Right in any Rubicon trademark, trade name or service mark is granted pursuant to this Agreement. Subject only to the following, title to all Work Product will at all times remain the sole and exclusive property of Rubicon or its licensors; provided that Rubicon shall not obtain any ownership rights in any Client Content provided by, or on behalf of, Client. Upon request, Client agrees to execute such documents as may be reasonably requested by Rubicon

to secure Rubicon's rights in and to the foregoing. Rubicon hereby grants Client during the term of the applicable Order a non-exclusive, royalty free (subject only to the fees provided for in a Statement of Work), limited right and license to copy, use, modify and sub-license all Work Product.

8.2 Client Content. Client shall own all Client Content. Client shall have sole responsibility for the accuracy, completeness, quality, integrity, legality, reliability, timeliness, appropriateness, and intellectual property ownership and right to use all Client Content, and Rubicon shall not be responsible or liable for the deletion, correction, destruction, damage, loss or failure to store Client Content for any reason. Rubicon does not warrant the correctness, completeness, merchantability or fitness for a particular purpose of any Client Content, and Client shall hold Rubicon harmless from any and all third party claims arising out of Client's use or dissemination of any such Client Content. In the event this Agreement is terminated (other than by reason of Client's breach), Rubicon will make available to Client a file of the Client Content (Data) in its possession, if any, within thirty (30) days following Client's request; provided such request is made within thirty (30) days following termination of the Agreement. Rubicon reserves the right to (a) withhold, remove and/or discard Client Content in its possession, if any, in the event Client breaches this Agreement, including, without limitation, non-payment of fees and charges; and (b) purge and delete Client Content, if any, in its possession if Client fails to request such Client Data within thirty (30) days following termination of this Agreement.

8.3 License to Client Content. Client hereby grants to Rubicon the non-exclusive right and license to (a) receive, retrieve, process, use and transmit any Client Content necessary or reasonably desirable to perform the Subscribed Services or other services; (b) use, copy, manipulate and store any Client Content that will be archived, stored or otherwise transmitted in connection with the Subscribed Services or other services; and (c) to aggregate Client Content and data with content and data from other clients ("Data Aggregations") for purposes including, without limitation, product and service development and commercialization and quality improvement initiatives. Rubicon will redact Client Content in such a way as to not divulge Client's Confidential Information or Trade Secrets. All Data Aggregations will be the sole and exclusive property of Rubicon.

8.4 License to the Marks. Client hereby grants to Rubicon the worldwide, non-exclusive limited right and license during the Term to use the Marks in connection with performance of the Subscribed Services and its other obligations under this Agreement.

## **9. Defense and Indemnification**

9.1 Limited Covenant to Defend. Rubicon will defend any third party claim brought against Client in the United States to the extent that the claim, if true, would constitute an infringement or misappropriation by the Subscribed Services of any valid and subsisting patent or copyright (a) recognized under the laws of the United States; and (b) of which Rubicon had actual knowledge; provided, however, that: (i) Client immediately advises Rubicon of the claim upon learning of the assertion of the claim; and (ii) Rubicon is given the sole right to control the defense and/or settlement of the claim, in litigation or otherwise.

9.2 Injunctions Obtained by Third Parties. If a third-party infringement claim, of which Rubicon is notified in accordance with Section 9.1 (or of which Rubicon is otherwise aware or believe is likely) results, or in Rubicon's opinion is likely to result, in an injunction prohibiting Client from continued use of the Subscribed Services that is the subject matter of the claim, then Rubicon may, in its sole discretion and at its expense: (a) procure for Client the right to continue to use the Subscribed Services that are the subject matter of the claim; (b) replace or modify the Subscribed Services that are the subject matter of the claim to make them non-infringing, but,

where reasonably possible, preserving the functionality of such Subscribed Services; or (c) if the foregoing remedies are not commercially practical, suspend or terminate access to the infringing Subscribed Services. In the event an injunction is issued that results in Client's inability to use Subscribed Services, Client's obligation to pay for those Subscribed Services shall immediately cease and Client may declare a breach of contract.

9.3 Exceptions to Duties to Defend and Indemnify. Notwithstanding any other provisions hereof, Rubicon shall have no obligation to indemnify or defend Client for any third party claim pursuant to this Section 9, nor be required to pay losses, damages or expenses under this Section 9, if Client agrees to settle any such claim without the prior written consent of Rubicon, or if the claim arises out of, in whole or in part: (a) a modification of the Subscribed Services by anyone other than Rubicon; (b) use of the Subscribed Services other than in accordance with the Documentation or the terms of this Agreement; (c) use of a release of the Subscribed Services without having implemented updates, the use of which would have cured the alleged infringement; (d) any third party software or service; (e) use of the Subscribed Services in combination with Third Party Offering or any other third party hardware, software, database or materials where, absent such combination, the Subscribed Services would not be infringing; or (f) Client's negligence or willful misconduct.

9.4 Sole Obligation. This Section 9 states Rubicon's sole obligation, and Client's sole and exclusive remedy, with respect to infringement of proprietary and Intellectual Property Rights. Notwithstanding anything else in this Section 9, Rubicon's aggregate liability for indemnification pursuant to this Section 9 shall not exceed the original subscription fees paid by Client to Rubicon for the infringing Subscribed Services.

## **10. Limitation on Liability.**

10.1 EXCLUSION OF DAMAGES. IN NO EVENT SHALL RUBICON OR ANY OF ITS AFFILIATES OR THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SHAREHOLDERS, AGENTS OR REPRESENTATIVES BE LIABLE TO CLIENT OR ANY OTHER PERSON OR ENTITY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES (INCLUDING WITHOUT LIMITATION, LOSS OF GOODWILL OR BUSINESS PROFITS, WORK STOPPAGE, DATA LOSS, OR COMPUTER FAILURE, DELAY OR MALFUNCTION), EVEN IF RUBICON HAS BEEN ADVISED OF THE POSSIBILITY OR LIKELIHOOD OF SUCH DAMAGES.

10.2 LIMITATION OF LIABILITY. RUBICON TOTAL AGGREGATE LIABILITY TO CLIENT OR ANY OTHER PERSON OR ENTITY FOR ANY AND ALL CLAIMS AND DAMAGES ARISING FROM OR OUT OF THIS AGREEMENT (WHETHER ARISING UNDER CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE) SHALL IN NO EVENT EXCEED THE FEES PAID BY CLIENT TO RUBICON DURING THE SIX (6) MONTHS IMMEDIATELY PRECEDING THE DAY THE ACT OR OMISSION OCCURRED THAT GAVE RISE TO CLIENT'S FIRST CLAIM.

10.3 EXCEPTIONS. THE FOREGOING LIMITATIONS APPLY TO THE EXTENT PERMITTED BY APPLICABLE LAW.

## **11. Miscellaneous.**

11.1 Dispute Resolution; Governing Law. The laws of the State of Washington shall govern this Agreement, without reference to conflicts of law rules or principles. The parties specifically disclaim the application of the UN Convention on Contracts for the International Sale of Goods to the interpretation or enforcement of this Agreement. Client hereby consents and submits to the exclusive jurisdiction and venue over any action, suit or other legal proceeding that may arise out of or in connection with this Agreement, by any state or federal court located within

or about Spokane, Washington, USA. Client shall bring any action, suit or other legal proceeding to enforce, directly or indirectly, this Agreement or any right based upon it exclusively in such courts.

11.2 Force Majeure. Neither party will be liable for any loss, damage or delay resulting from any event beyond such party's reasonable control (a "Force Majeure Event"), and delivery and performance dates will be extended to the extent of any delays resulting from any such Force Majeure Event. Each party will promptly notify the other upon becoming aware that a Force Majeure Event has occurred or is likely to occur and will use commercially reasonable efforts to minimize any resulting delay in or interference with the performance of its obligations under this Agreement. Notwithstanding any other provision of this Section 11.2, a Force Majeure Event shall not relieve Client of its obligations to pay monies due and owing to Rubicon hereunder.

11.3 Assignment. Neither party shall assign, transfer, or otherwise delegate any of its rights, duties, or obligations under this Agreement in whole or in part to any individual, firm or corporation without the prior written consent of the other party, which consent shall not be unreasonably withheld, and any attempted assignment (whether by operation of law or otherwise) shall be void; except that Rubicon may delegate any of its rights, duties, or obligations under this Agreement to one or more of its affiliates. Notwithstanding the foregoing, either party may assign its rights, duties, and obligations hereunder, without approval of the other party, to a party that succeeds to all or substantially all of its assets or business (whether by sale, merger, operation of law or otherwise), so long as the assignee agrees in writing to be bound by the terms and conditions of this Agreement; provided, however, that any such assignment by Client shall be subject to any fee adjustments specified in an Order, or that may be necessary because of Client's use of the subscribed Services beyond the licensing parameters specified in the applicable Order; and further provided that no such assignment may be to a competitor of Rubicon. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their successors and permitted assigns.

11.4 Independent Contractors. Nothing in this Agreement shall be construed to create an agency, joint venture, partnership or other form of business association between the parties. Neither party has the right or authority to make any contract, representation or binding promise of any nature on behalf of the other party, and neither party shall hold itself out as having such right or authority.

11.5 No Waiver. The failure on the part of either party to exercise any right or remedy hereunder will not operate as further waiver of such right or remedy in the future or any other right or remedy.

11.6 Severability. In the event that any provision of this Agreement is held invalid or unenforceable in any circumstances by a court of competent jurisdiction, the remainder of this Agreement, and the application of such provision in any other circumstances, will not be affected thereby.

11.7 Counterparts. This Agreement may be executed in duplicate and either copy or both copies are considered originals.

11.8 Notices. All official notices (including any notices regarding breach, termination, renewal, etc.) required or permitted hereunder shall be in writing and shall be delivered personally or sent by certified, registered mail or next day express mail or courier, postage prepaid. Any such notice shall be deemed given (a) when so delivered personally; (b) three (3) days after, when sent by certified or registered mail; or (c) the day after, when sent by next day express mail or courier, as follows: (i) if to Client, to it at: 808 W Spokane Falls Blvd, Spokane, WA 99201; (ii) if to Rubicon, to it at: Rubicon Global, LLC, 950 East Paces Ferry Road, Ste 1900, Atlanta, GA

30326. In addition, routine, non-contractual notices, consents and approvals (including support) given under this Agreement may be delivered in writing as provided above or through electronic mail or other electronic record addressed to the parties identified herein.

11.9 Marketing. Client agrees that Rubicon may reference Client's execution of this Agreement and its status as a user of the Subscribed Services in marketing materials and in sales presentations. Rubicon may use Client's Marks in connection with such usage.

11.10 Entire Agreement. This Agreement (including any Orders, Exhibits, Statements of Work and attachments, which are hereby incorporated herein by reference) constitute the final and entire agreement between the parties, and supersedes all prior written and oral agreements, understandings, or communications with respect to the subject matter of this Agreement.

11.11 Debarment and Suspension. Rubicon has provided its certification that it is in compliance with and shall not contract with individuals or organizations which are debarred, suspended, or otherwise excluded from or ineligible from participation in Federal Assistance Programs under Executive Order 12549 and "Debarment and Suspension", codified at 29 CFR part 98.

The undersigned represent and warrant that they are authorized as representatives of the party on whose behalf they are signing to sign this Master Software Services Agreement and to bind their respective party hereto.

**CITY OF SPOKANE**

**RUBICON GLOBAL, LLC**

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Assistant City Attorney

**Attachments that are part of this Agreement:**

Exhibit A – Professional Service Terms

Exhibit B – Certificate Regarding Debarment

18-166

## **Exhibit A**

### **Professional Services Terms**

These Professional Services Terms are hereby annexed to and made a part of the Master Software Services Agreement (the "Agreement") between Rubicon and Client. In the event any provisions of these Professional Services Terms contradict or are inconsistent with the provisions of the Agreement, the provisions these Professional Services Terms shall prevail and govern.

1. Services. Upon request by Client, Rubicon will provide consultants to perform implementation, consulting and training services to the extent such Professional Services are identified in any mutually agreed upon Statement of Work more fully describing the project assumptions, specifications, scope, work plan, responsibilities, duration and fees for such Professional Services, which Statements of Work shall reference the Agreement and be sequentially numbered. Any modifications to a Statement of Work shall be made by written change order, in Rubicon's standard form, executed by both parties to this Agreement (a "Change Order"). Each Change Order complying with this Section shall be deemed to be an amendment to the applicable Statement of Work to which it applies and shall become a part thereof.

2. Cooperation. All Professional Services will be coordinated with the designated Client Project Coordinator, as identified in each Statement of Work. Client shall cooperate and provide information as is reasonably necessary or desirable for the timely completion of the Professional Services. Client shall at all times make available its functional and/or information technology personnel as reasonably required or desirable for Rubicon to perform the Professional Services, and Client shall timely fulfill its obligations and responsibilities set forth in each Statement of Work. To the extent required or as specified in any Statement of Work or work plan, Client shall provide Rubicon with access to its facilities, software, systems, data, information and support materials to perform the Professional Services. Client acknowledges that Rubicon's performance hereunder is contingent on Client's timely and effective performance of Client's responsibilities and Client's timely decisions and approvals. If Client fails to provide required information and/or make decisions as agreed or in a reasonably expeditious and timely manner, and such failure results in a delay in delivery of any deliverables or Work Product or to the overall project, Client agrees to extend the time frame for delivery of the deliverable or project, as applicable, on a day for day basis and compensate Rubicon for any additional work required as a result of such delay.

3. Project Control. Rubicon shall have the sole right to supervise, manage, contract, direct, procure, perform, or cause to be performed, all Professional Services performed by it pursuant to a Statement of Work. Rubicon may subcontract all or a portion of the Professional Services to a qualified third party. In recognition that Rubicon personnel may perform similar services for third parties, this Agreement shall not prevent Rubicon from providing services or developing materials that may be perceived as competitive with those developed or provided hereunder, subject to the confidentiality provisions of the Agreement.

4. Compensation. All Professional Services will be provided by Rubicon on a time, materials and expense basis at Rubicon's then current rates, unless otherwise agreed by the parties in a Statement of Work.

5. Termination. These Professional Services Terms shall be effective as of the Effective Date of the Agreement and shall remain in effect until (a) terminated by either party upon thirty (30) days prior written notice in the event no Statement of Work is outstanding; or (b) as provided in the Agreement, whichever is earlier. Client shall be liable for payment to Rubicon for all



Professional Services provided or performed prior to the effective date of any such termination, including any expenses incurred pursuant to the provision of such Services.

6. Additional Services. Any services performed by Rubicon at the request of Client that are outside the scope of any Professional Services described in the applicable Statement of Work shall be governed by these terms and will be billed at Rubicon's then current rates.

**ORDER NUMBER 828 TO THE  
MASTER SOFTWARE SERVICES AGREEMENT**

This independent Order Number 828 ("Order") to the Master Software Services Agreement is made as of \_\_\_\_\_, 2018 ("Order Effective Date"), by and between Rubicon Global, LLC ("Rubicon") and City of Spokane ("Client"). This Order is part of the Master Software Services Agreement between the parties dated \_\_\_\_\_, 2018 ("Agreement"). Capitalized terms used and not otherwise defined in this Order shall have the respective meanings set forth in the Agreement.

1. The Subscribed Services.

<b>Subscribed Services</b>	<b>Initial Term Commencing on the Order Effective Date</b>	<b>Licensing Parameters</b>	<b>Fees for the Initial Term</b>
<b>RUBICONSmartCity</b>	-Three Years with two one year options.	Solid Waste: 100 Vehicles / 187,000 service locations.  Non-Solid Waste Vehicles: TBD  Fleet optimization for 100 solid waste vehicles / 187,000 service locations (once per year or as needed)	See below. Cost excludes non-solid waste vehicles, which will be charged on a per-vehicle basis
<b>TOTAL FEES FOR THE INITIAL TERM</b>			<b>\$923,339</b>

Solid Waste Vehicles			
Period	One-Time	Recurring	Total
Year 1	\$94,244	\$157,819	\$252,063
-Equipment	\$29,058.82		
-Maintenance	\$10,000		
-Training Services	\$9,402		
-Travel	\$42,535		
-Other Misc	\$3,248		
-Software Subscription per month		\$13,151.55	
Year 2		\$157,819	\$157,819
Year 3		\$157,819	\$157,819
Year 4		\$157,819	\$157,819
Year 5		\$157,819	\$157,819
<b>Total Term</b>	<b>\$94,244</b>	<b>\$789,093</b>	<b>\$883,339</b>

Solid Waste Fleet Optimization Services	
Description	Total
Fee for services for 100 solid waste vehicles (One-time cost only)	<b>\$40,000</b>

Integration with Assetworks M5	
Description	Total
Fee for services for integration with Assetworks M5 (odometer readings only)	<b>\$0</b>

Non-Solid Waste Vehicles		
Description	Pods Only	Tablets + Pods
Implementation and Hardware (one-time only) (per vehicle)	\$350	\$950
Recurring (monthly) (per vehicle)	\$45	\$120

2. Other Charges. As may be agreed to by the parties in writing from time to time.

3. Payment Terms. The parties agree that the fees for the above services relating to Solid Waste Vehicles (including fleet optimization services) shall be a total of **NINE HUNDRED AND TWENTY-THREE THOUSAND, THREE HUNDRED AND THIRTY-NINE DOLLARS (US\$923,339)** payable as follows ("Fee"):

- a. US\$292,063 due upon execution of this Agreement.
- b. US\$157,819 due upon the first anniversary of this Agreement.
- c. US\$157,819 due upon the second anniversary of this Agreement.
- d. US\$157,819 due upon the third anniversary of this Agreement.
- e. US\$157,819 due upon the fourth anniversary of this Agreement.

The parties further agree that the fees for the above services relating to non-Solid Waste Vehicles shall be payable as follows:

- a. Full payment due as outlined in Section 4.1 above. Orders can be made at any point during the contract.

4. Renewal. Unless either party gives the other party written notice of non-renewal at least ninety (90) days prior to the expiration of the initial term, upon expiration of the initial terms of the Subscribed Services (as described in the table in Section 1 of this Order) and Client's obligations

to pay the applicable fees, the parties shall meet and determine if the Agreement shall be extended by another term. If the parties shall so agree, they will negotiate in good faith terms, conditions and fees associated with any renewal term. For purposes of clarification, the liquidated damages specified in Section 5.4 of the Agreement shall apply to the initial term of the Subscribed Services, or the then-current renewal term, as the case may be.

5. Separate Agreement. Rubicon may provide Professional Services regarding the Subscribed Services provided hereunder pursuant to a Statement of Work to the Professional Services Terms executed between the parties. Client understands and agrees that such Professional Services and associated Statements of Work that may be signed are separate and independent contractual obligations from any Order or amendment thereto relating to the access and use of the Subscribed Services. Client shall not withhold payments that are due and payable pursuant to this Order or any other Order(s) or amendment(s) thereto because of the status of Professional Services performed under any Statement of Work.

The undersigned represent and warrant that they are authorized as representatives of the party on whose behalf they are signing to sign this Order and to bind their respective party hereto.

**ACCEPTED BY:**

**CITY OF SPOKANE**

---

Authorized Signature

---

Printed Name and Title

**ACCEPTED BY:**

**RUBICON GLOBAL, LLC**

---

Authorized Signature

---

Printed Name and Title

**EXHIBIT B**

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,  
INELIGIBILITY AND VOLUNTARY EXCLUSION**

1. The undersigned (i.e., signatory for the Subrecipient / Contractor / Consultant) certifies, to the best of its knowledge and belief, that it and its principals:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
  - b. Have not within a three-year period preceding this contract been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
  - c. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and,
  - d. Have not within a three-year period preceding this contract had one or more public transactions (federal, state, or local) terminated for cause or default.
2. The undersigned agrees by signing this contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
3. The undersigned further agrees by signing this contract that it will include the following clause, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

1. The lower tier contractor certifies, by signing this contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
  2. Where the lower tier contractor is unable to certify to any of the statements in this contract, such contractor shall attach an explanation to this contract.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, person, primary covered transaction, principal, and voluntarily excluded, as used in this exhibit, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. The undersigned may contact the City for assistance in obtaining a copy of these regulations.
  5. I understand that a false statement of this certification may be grounds for termination of the contract.

<hr/> Name of Subrecipient / Contractor / Consultant (Type or Print)	<hr/> Program Title (Type or Print)
<hr/> Name of Certifying Official (Type or Print)	<hr/> Signature
<hr/> Title of Certifying Official (Type or Print)	<hr/> Date (Type or Print)

**Agenda Sheet for City Council Meeting of:**

10/01/2018

Date Rec'd

9/17/2018

Clerk's File #

OPR 2018-0599

Renews #Submitting Dept

POLICE

Cross Ref #Contact

JUSTIN

625-4115

Project #Contact E-Mail

JCLUNDGREN@SPOKANEPOLICE.ORG

Bid #Agenda Item Type

Contract Item

Requisition #

2019 FUNDS

Agenda Item Name

1620 - SPD WTSC DUI ENFORCEMENT FY2019

Agenda Wording

To accept funding from WTSC (Washington Traffic Safety Commission for federal funding provided by United States Department of Transportation (USDOT) National Highway Traffic Safety Administration for Traffic Safety grant 2019-AG-2891-DUI Enforcement.

Summary (Background)

WTSC's DUI Enforcement grant focuses on reducing instances of DUI serious injury and fatality collisions in the city of Spokane. Two assigned SPD officers will provide a 7 day per week coverage of dedicated DUI patrols. The grant funds will be used to fund a full time FTE position. SPD will assign a second FTE position to the program as a match. Part of the funding will be used for public outreach. Award amount is \$140,024.00. Term is 10/01/2018-09/30/2019.

Fiscal Impact

Grant related?

YES

Budget Account

Public Works?

NO

Expense \$ 140,024.00

# 1620-91133-21700-5\*\*\*\*-68127

Revenue \$ 140,024.00

# 1620-91133-21700-33320-68127

Select \$

#

Select \$

#

ApprovalsCouncil NotificationsDept Head

LUNDGREN, JUSTIN

Study Session

PSCH Meeting

Division Director

LUNDGREN, JUSTIN

OtherFinance

SCHMITT, KEVIN

Distribution ListLegal

DALTON, PAT

spdfinance

For the Mayor

SANDERS, THERESA

contractaccounting

Additional Approvals

sbrown

Purchasing

jgriffin

GRANTS &

STOPHER, SALLY

cwahl

eesqueda@wtsc.wa.gov



## **INTERAGENCY AGREEMENT**

### **BETWEEN THE**

**Washington Traffic Safety Commission**

### **AND**

**Spokane Police Department**

THIS AGREEMENT is made and entered into by and between the Washington Traffic Safety Commission, hereinafter referred to as "WTSC," and Spokane Police Department, hereinafter referred to as "SUB-RECIPIENT."

NOW THEREFORE, in consideration of the terms, conditions, covenants, and performance contained herein, or attached and incorporated and made a part hereof, the parties mutually agree as follows:

#### **1. PURPOSE OF THE AGREEMENT:**

The purpose of this Agreement is to provide funding, provided by the United States Department of Transportation (USDOT) National Highway Traffic Safety Administration (NHTSA) and allowed under the Assistance Listing/Catalog of Federal Domestic Assistance (CFDA) #20.616/20.608, for traffic safety grant project 2019-AG-2891-DUI Enforcement.

#### **2. PERIOD OF PERFORMANCE**

The period of performance of this Agreement shall commence upon the date of execution by both parties, but not earlier than October 1, 2018, and remain in effect until September 30, 2019 unless terminated sooner, as provided herein.

#### **3. STATEMENT OF WORK**

The SUB-RECIPIENT shall carry out the provisions of the traffic safety project described here as the Statement of Work (SOW).

SUMMARY: During the 5 year period 2007-2011, Spokane Police averaged 580 DUI related arrests per year. In the last 5 years, 2012-2016, the average has dropped to 368 DUI related arrests per year, a 36.5% reduction. During the same time frames, DUI related arrest in Spokane County have remained relatively constant with only a drop of 4.5% in the last 5 years. The data seems to indicate that the Spokane Police Department, due to low staffing levels and a higher volume of call loads, has not had the free discretionary time to devote to proactive self-initiated activity resulting in less traffic stops and ultimately a reduction in DUI arrests. Spokane Police Department will be addressing impaired driving by dedicating two law enforcement officers to conduct around the clock DUI enforcement. This will support the candidate DUI Court at the City of Spokane, assist in the training and proficiency of officers conducting DUI arrests, address Target Zero and ultimately make the streets safer for drivers, bicyclists, and pedestrians.

Objective: 1. Conduct sustained impaired driving traffic enforcement in Spokane with a goal of 150 DUI related arrests during the performance period.

Deliverable: 1a. Assign an officer to conduct sustained traffic enforcement position specifically assigned to work impaired driving  
Completed by: 10/31/2018

Deliverable: 1b. Establish a contact per hour goal

Completed by: 10/31/2018

Deliverable: 1c. Establish a monthly and quarterly DUI goal.

Completed by: 10/31/2018

Deliverable: 1d. Conduct patrols in areas with a high concentration of DUI related collisions.

Completed by: 9/30/2019

Deliverable: 1e. Support surrounding jurisdictions who request DRE assistance.

Completed by: 9/30/2019

Measures for Objective 1:

Number of DUI arrests by officer

Number of DRE evaluations or consultations by officer

Number of blood search warrants written by officer

Number of DUI arrests in high DUI collision areas.

Objective: 2. Conduct a Public Awareness and education campaign addressing the Spokane PD sustained impaired driving enforcement program and Target Zero.

Deliverable: 2a. Create a media PSA and other education materials in collaboration with the WTSC.

Completed by: 12/1/2018

Deliverable: 2b. Create and disseminate a news release detailing the program to local media.

Completed by: 12/15/2018

Deliverable: 2c. Purchase media

Completed by: 1/2/2019

Deliverable: 2d. Conduct outreach with diverse community groups and education institutions by making presentations when requested.

Completed by: 9/30/2019

Measures for Objective 2:

Number of PSAs purchased and aired

Number of earned media opportunities reported by local media

Number of presentations and education opportunities conducted by officers

Objective: 3. Train new recruits on DUI arrests and processes.

Deliverable: 3a. New officers/recruits will ride with the DUI Enforcement Officer to have a better understanding of the DUI arrest process

Completed by: 9/30/2019

Deliverable: 3b. Education to new recruits on the blood search warrant and reporting process during ride alongs

Completed by: 9/30/2019

Measures for Objective 3:

Number of ride alongs conducted with new recruits



Number of DUI arrests made by new recruits after training  
Number of blood search warrants written by new recruits after training

Objective: 4. Support City of Spokane DUI Court

Deliverable: 4a. Attend one training that supports and furthers the goals of City of Spokane DUI Court  
Completed by: 09/30/2019

Deliverable: 4b. Attend team meetings as determined necessary by the DUI Court Team  
Completed by: 9/30/2019

Deliverable: 4c. Conduct home visits as determined necessary by the DUI Court team  
Completed by: 9/30/2019

Measures for Objective 4:

Number of Officers who attended training  
Number of site visits performed

Objective 5: Increase DUI Training to SPD Patrol Officers.

Deliverables 5a: Continue using and training officers on the established standardized Process on Electronic DUI Package.  
Completed by: 9/30/2019

Deliverable 5b: Conduct Roll Call Training for all patrol teams at least yearly  
Completed by: 09/30/2019

Measures:

Number of roll call trainings done  
Number of officers trained at roll call  
Number of DUI arrests made by patrol after training

### 3.1. MILESTONES AND DELIVERABLES

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#### **Milestone OR Deliverable Description and completed date**

Assign an officer to conduct sustained traffic enforcement position specifically assigned to work impaired driving (OBJ1)  
10/31/2018

Establish a contact per hour goal (OBJ1) 10/31/2018

Establish a monthly and quarterly DUI goal (OBJ1) 10/31/2018

Create and disseminate a news release detailing the program to local media (OBJ2) 10/31/2018

Purchase media and education materials (OBJ2) 09/30/2019

Create a media PSA and other educations materials in collaboration with the WTSC (OBJ2) 09/30/2019

Conduct patrols in areas with a high concentration of DUI related collisions (OBJ1) 09/30/2019

Support surrounding jurisdictions who request DRE assistance (OBJ1) 09/30/2019

Conduct outreach with diverse community groups and education institutions by making presentations when requested (OBJ2)

New officers/recruits will ride with the DUI Enforcement Officer to have a better understanding of the DUI arrest process (OBJ3)

09/30/2019

Education to new recruits on the blood search warrant and reporting process during ride alongs (OBJ3)

09/30/2019

Attend team meetings as determined necessary by the DUI Court Team (OBJ4)

09/30/2019

Conduct home visits as determined necessary by the DUI Court team (OBJ4)

09/30/2019

### 3.2. COMPENSATION

3.2.1. Compensation for the work provided in accordance with this Agreement has been established under the terms of RCW 39.34. The cost of accomplishing the work described in the SOW will not exceed \$140,024.00. Payment for satisfactory performance of the work shall not exceed this amount unless the parties mutually agree to a higher amount in a written Amendment to this Agreement executed by both parties.

3.2.2. If the SUB-RECIPIENT intends to charge indirect costs, an Indirect Cost Rate must be established in accordance with WTSC policies, and a federally-approved cost allocation plan may be required to be submitted to the WTSC before any performance is conducted under this Agreement.

### 3.3. SUMMARY OF PROJECT COSTS

SUMMARY OF COSTS	AMOUNT
Employee salaries and benefits	\$125,024.00
Travel	\$0.00
Contract Services	\$15,000.00
Equipment (listed in the table below)	\$0.00
Goods or other expenses	\$0.00
Indirect Costs	\$0.00
TOTAL	\$140,024.00

Employees' Salaries and Benefits: \$125, 024.25

Grant funds will be used to reimburse the Spokane Police Department the cost of a full time officer's salary including benefits and anticipated job related overtime. The officer paid for by grant funds will be dedicated to full time enforcement of DUI laws in pursuing Target Zero goals and objectives. The Spokane Police Department agrees to provide a second officer full salary, benefits and overtime paid for by the Spokane Police Department. The second officer will also be dedicated to full time DUI enforcement. The use of a "matching officer" allows for a 7 day per week sustained enforcement effort covering nighttime hours, weekends, significant holidays and local events that have the potential to increase the number of impaired drivers on the roadways. This comprehensive coverage will allow the Spokane Police Department to reduce fatal and serious injury collisions

by 10% by the projects end date of 09-30-2019.

Contract Services: \$15,000

Grant funds will be used to develop a public information campaign along with 2-3 PSA's based on Target Zero goals and objectives that address the dangers of impaired driving, specially alcohol impaired driving or ride home alternatives. Additionally, grant funds will be used to purchase air time for the PSA's as well as additional messaging materials that further the objectives and mission of the grant such as coasters, posters, etc. Local procurement processes will be observed.

Note: this grant is funded out of FAST ACT 405d (CFDA#20.616) and 164 Transfer Funds (CFDA#20.608). This project is split 50/50 with \$70,012 allocated out of each fund.

Total grant award \$140,024.00

#### APPLICABLE STATE AND FEDERAL TERMS AND CONDITIONS:

#### **4. ACTIVITY REPORTS**

The SUB-RECIPIENT will submit quarterly reports and a final report on the activity of this project in the form provided by the WTSC using the WTSC Enterprise Management System (WEMS) Progress Reporting process or other alternate means pre-approved by WTSC. The SUB-RECIPIENT will include copies of publications, training reports, and any statistical data generated in project execution in the reports. The final report will be submitted to WTSC within 30 days of termination of this Agreement. WTSC reserves the right to delay the processing of invoices until activity reports are received and approved.

#### **5. ADVANCE PAYMENTS PROHIBITED**

No payments in advance of or in anticipation of goods or services to be provided under this Agreement shall be made by the WTSC.

#### **6. AGREEMENT ALTERATIONS AND AMENDMENTS**

This Agreement may be amended by mutual agreement of the parties in the form of a written Amendment to this Agreement. Such amendments shall only be binding if they are in writing and signed by personnel authorized to bind each of the parties.

#### **7. ALL WRITINGS CONTAINED HEREIN**

This Agreement contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto.

#### **8. ASSIGNMENT**

The SUB-RECIPIENT may not assign the work to be provided under this Agreement, in whole or in part, without the express prior written consent of the WTSC, which consent shall not be unreasonably withheld. The SUB-RECIPIENT shall provide the WTSC a copy of all third-party contracts and agreements entered into for purposes of fulfilling the SOW. Such third-party contracts and agreements must follow applicable federal, state, and local law, including but not limited to procurement law, rules, and procedures. If any of the funds provided under this Agreement include funds from NHTSA, such third-party contracts and agreements must include the federal provisions set forth in this Agreement in sections 32 through 40.

#### **9. ATTORNEYS' FEES**

In the event of litigation or other action brought to enforce the Agreement terms, each party agrees to bear its own attorney fees

and costs.

## **10. BILLING PROCEDURE**

The SUB-RECIPIENT shall submit monthly invoices for reimbursement to WTSC with supporting documentation as WTSC shall require. All invoices for reimbursement shall be submitted using a standard Form A-19 provided by WTSC, its pre-approved equivalent, or through the WTSC automated electronic system, as determined by the WTSC. Payment to the SUB-RECIPIENT for approved and completed work will be made by warrant or account transfer by WTSC within 30 days of receipt of such properly documented invoices acceptable to WTSC. Upon expiration of the Agreement, any claim for payment not already made shall be submitted within 45 days after the expiration date of this Agreement. All invoices for goods received or services performed on or prior to June 30, 2019, must be received by WTSC no later than August 10, 2019. All invoices for goods received or services performed between July 1, 2019, and September 30, 2019, must be received by WTSC no later than November 15, 2019. WTSC reserves the right to delay the processing of invoices until activity reports required by Section 4 of this agreement, are received and approved.

## **11. CONFIDENTIALITY/SAFEGUARDING OF INFORMATION**

The SUB-RECIPIENT shall not use or disclose any information concerning the WTSC, or information which may be classified as confidential, for any purpose not directly connected with the administration of this Agreement, except with prior written consent of the WTSC, or as may be required by law.

## **12. COST PRINCIPLES**

Costs incurred under this Agreement shall adhere to provisions of 2 CFR Part 200 Subpart E.

## **13. COVENANT AGAINST CONTINGENT FEES**

The SUB-RECIPIENT warrants that it has not paid, and agrees not to pay, any bonus, commission, brokerage, or contingent fee to solicit or secure this Agreement or to obtain approval of any application for federal financial assistance for this Agreement. The WTSC shall have the right, in the event of breach of this section by the SUB-RECIPIENT, to annul this Agreement without liability.

## **14. DISPUTES**

14.1. Disputes arising in the performance of this Agreement, which are not resolved by agreement of the parties, shall be decided in writing by the WTSC Deputy Director or designee. This decision shall be final and conclusive, unless within 10 days from the date of the SUB-RECIPIENT's receipt of WTSC's written decision, the SUB-RECIPIENT furnishes a written appeal to the WTSC Director. The SUB-RECIPIENT's appeal shall be decided in writing by the Director or designee within 30 days of receipt of the appeal by the Director. The decision shall be binding upon the SUB-RECIPIENT and the SUB-RECIPIENT shall abide by the decision.

14.2. Performance During Dispute. Unless otherwise directed by WTSC, the SUB-RECIPIENT shall continue performance under this Agreement while matters in dispute are being resolved.

## **15. GOVERNANCE**

15.1. This Agreement is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. The provisions of this Agreement shall be construed to conform to those laws.

15.2. In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

15.2.1. Applicable federal and state statutes and rules

15.2.2. Terms and Conditions of this Agreement

15.2.3. Any Amendment executed under this Agreement

15.2.4. Any SOW executed under this Agreement

15.2.5. Any other provisions of the Agreement, including materials incorporated by reference

## **16. INCOME**

Any income earned by the SUB-RECIPIENT from the conduct of the SOW (e.g., sale of publications, registration fees, or service charges) must be accounted for, reported to WTSC, and that income must be applied to project purposes or used to reduce project costs.

## **17. INDEMNIFICATION**

17.1. To the fullest extent permitted by law, the SUB-RECIPIENT shall indemnify and hold harmless the WTSC, its officers, employees, and agents, and process and defend at its own expense any and all claims, demands, suits at law or equity, actions, penalties, losses, damages, or costs of whatsoever kind ("claims") brought against WTSC arising out of or in connection with this Agreement and/or the SUB-RECIPIENT's performance or failure to perform any aspect of the Agreement. This indemnity provision applies to all claims against WTSC, its officers, employees, and agents arising out of, in connection with, or incident to the acts or omissions of the SUB-RECIPIENT, its officers, employees, agents, contractors, and subcontractors. Provided, however, that nothing herein shall require the SUB-RECIPIENT to indemnify and hold harmless or defend the WTSC, its agents, employees, or officers to the extent that claims are caused by the negligent acts or omissions of the WTSC, its officers, employees or agents; and provided further that if such claims result from the concurrent negligence of (a) the SUB-RECIPIENT, its officers, employees, agents, contractors, or subcontractors, and (b) the WTSC, its officers, employees, or agents, or involves those actions covered by RCW 4.24.115, the indemnity provisions provided herein shall be valid and enforceable only to the extent of the negligence of the SUB-RECIPIENT, its officers, employees, agents, contractors, or subcontractors.

17.2. The SUB-RECIPIENT waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend, and hold harmless the WTSC, its officers, employees, or agents.

17.3. The indemnification and hold harmless provision shall survive termination of this Agreement.

## **18. INDEPENDENT CAPACITY**

The employees or agents of each party who are engaged in the performance of this Agreement shall continue to be employees or agents of that party and shall not be considered for any purpose to be employees or agents of the other party.

## **19. INSURANCE COVERAGE**

19.1. The SUB-RECIPIENT shall comply with the provisions of Title 51 RCW, Industrial Insurance, if required by law.

19.2. If the SUB-RECIPIENT is not required to maintain insurance in accordance with Title 51 RCW, prior to the start of any performance of work under this Agreement, the SUB-RECIPIENT shall provide WTSC with proof of insurance coverage (e.g., vehicle liability insurance, private property liability insurance, or commercial property liability insurance), as determined appropriate by WTSC, which protects the SUB-RECIPIENT and WTSC from risks associated with executing the SOW associated with this Agreement.

## **20. LICENSING, ACCREDITATION, AND REGISTRATION**

The SUB-RECIPIENT shall comply with all applicable local, state, and federal licensing, accreditation, and registration requirements and standards necessary for the performance of this Agreement. The SUB-RECIPIENT shall complete registration

with the Washington State Department of Revenue, if required, and be responsible for payment of all taxes due on payments made under this Agreement.

## **21. RECORDS MAINTENANCE**

21.1. During the term of this Agreement and for six years thereafter, the SUB-RECIPIENT shall maintain books, records, documents, and other evidence that sufficiently and properly reflect all direct and indirect costs expended in the performance of the services described herein. These records shall be subject to inspection, review, or audit by authorized personnel of the WTSC, the Office of the State Auditor, and federal officials so authorized by law. All books, records, documents, and other material relevant to this Agreement will be retained for six years after expiration. The Office of the State Auditor, federal auditors, the WTSC, and any duly authorized representatives shall have full access and the right to examine any of these materials during this period.

21.2. Records and other documents, in any medium, furnished by one party to this Agreement to the other party, will remain the property of the furnishing party, unless otherwise agreed. The receiving party will not disclose or make available this material to any third parties without first giving notice to the furnishing party and giving them a reasonable opportunity to respond. Each party will utilize reasonable security procedures and protections to assure that records and documents provided by the other party are not erroneously disclosed to third parties.

## **22. RIGHT OF INSPECTION**

The SUB-RECIPIENT shall provide right of access to its facilities to the WTSC or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this Agreement. The SUB-RECIPIENT shall make available information necessary for WTSC to comply with the right to access, amend, and receive an accounting of disclosures of their Personal Information according to the Health Insurance Portability and Accountability Act of 1996 (HIPAA) or any regulations enacted or revised pursuant to the HIPAA provisions and applicable provisions of Washington State law. The SUB-RECIPIENT shall upon request make available to the WTSC and the United States Secretary of the Department of Health and Human Services all internal policies and procedures, books, and records relating to the safeguarding, use, and disclosure of Personal Information obtained or used as a result of this Agreement.

## **23. RIGHTS IN DATA**

23.1. WTSC and SUB-RECIPIENT agree that all data and work products (collectively called "Work Product") pursuant to this Agreement shall be considered works made for hire under the U.S. Copyright Act, 17 USC §101 et seq., and shall be owned by the state of Washington. Work Product includes, but is not limited to, reports, documents, pamphlets, advertisement, books, magazines, surveys, studies, computer programs, films, tapes, sound reproductions, designs, plans, diagrams, drawings, software, and/or databases to the extent provided by law. Ownership includes the right to copyright, register the copyright, distribute, prepare derivative works, publicly perform, publicly display, and the ability to otherwise use and transfer these rights.

23.2. If for any reason the Work Product would not be considered a work made for hire under applicable law, the SUB-RECIPIENT assigns and transfers to WTSC the entire right, title, and interest in and to all rights in the Work Product and any registrations and copyright applications relating thereto and any renewals and extensions thereof.

23.3. The SUB-RECIPIENT may publish, at its own expense, the results of project activities without prior review by the WTSC, provided that any publications (written, visual, or sound) contain acknowledgment of the support provided by NHTSA and the WTSC. Any discovery or invention derived from work performed under this project shall be referred to the WTSC, who will determine through NHTSA whether patent protections will be sought, how any rights will be administered, and other actions required to protect the public interest.

## **24. SAVINGS**

In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this Agreement and prior to completion of the SOW under this Agreement, the WTSC may terminate the Agreement under the "TERMINATION FOR CONVENIENCE" clause, without the 30 day notice requirement. The Agreement is subject to renegotiation at the WTSC's discretion under any new funding limitations or conditions.

## **25. SEVERABILITY**

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

## **26. SITE SECURITY**

While on WTSC premises, the SUB-RECIPIENT, its agents, employees, or sub-contractors shall conform in all respects with all WTSC physical, fire, or other security policies and applicable regulations.

## **27. TAXES**

All payments of payroll taxes, unemployment contributions, any other taxes, insurance, or other such expenses for the SUB-RECIPIENT or its staff shall be the sole responsibility of the SUB-RECIPIENT.

## **28. TERMINATION FOR CAUSE**

If the SUB-RECIPIENT does not fulfill in a timely and proper manner its obligations under this Agreement or violates any of these terms and conditions, the WTSC will give the SUB-RECIPIENT written notice of such failure or violation, and may terminate this Agreement immediately. At the WTSC's discretion, the SUB-RECIPIENT may be given 15 days to correct the violation or failure. In the event that the SUB-RECIPIENT is given the opportunity to correct the violation and the violation is not corrected within the 15-day period, this Agreement may be terminated at the end of that period by written notice of the WTSC.

## **29. TERMINATION FOR CONVENIENCE**

Except as otherwise provided in this Agreement, either party may terminate this Agreement, without cause or reason, with 30 days written notice to the other party. If this Agreement is so terminated, the WTSC shall be liable only for payment required under the terms of this Agreement for services rendered or goods delivered prior to the effective date of termination.

## **30. TREATMENT OF ASSETS**

30.1. Title to all property furnished by the WTSC shall remain property of the WTSC. Title to all property furnished by the SUB-RECIPIENT for the cost of which the SUB-RECIPIENT is entitled to be reimbursed as a direct item of cost under this Agreement shall pass to and vest in the WTSC upon delivery of such property by the SUB-RECIPIENT. Title to other property, the cost of which is reimbursable to the SUB-RECIPIENT under this Agreement, shall pass to and vest in the WTSC upon (i) issuance for use of such property in the performance of this Agreement, or (ii) commencement of use of such property in the performance of this Agreement, or (iii) reimbursement of the cost thereof by the WTSC in whole or in part, whichever first occurs.

30.2. Any property of the WTSC furnished to the SUB-RECIPIENT shall, unless otherwise provided herein or approved by the WTSC, be used only for the performance of this Agreement.

30.3. The SUB-RECIPIENT shall be responsible for any loss or damage to property of the WTSC which results from the negligence of the SUB-RECIPIENT or which results from the failure on the part of the SUB-RECIPIENT to maintain and administer that property in accordance with sound management practices.

30.4. If any WTSC property is lost, destroyed, or damaged, the SUB-RECIPIENT shall immediately notify the WTSC and shall take all reasonable steps to protect the property from further damage.

30.5. The SUB-RECIPIENT shall surrender to the WTSC all property of the WTSC upon completion, termination, or cancellation of this Agreement.

30.6. All reference to the SUB-RECIPIENT under this clause shall also include SUB-RECIPIENT's employees, agents, or sub-contractors.

### **31. WAIVER**

A failure by either party to exercise its rights under this Agreement shall not preclude that party from subsequent exercise of such rights and shall not constitute a waiver of any other rights under this Agreement.

APPLICABLE CERTIFICATIONS AND ASSURANCES FOR HIGHWAY SAFETY GRANTS (23 CFR PART 1300 APPENDIX A):

### **32. BUY AMERICA ACT**

The SUB-RECIPIENT will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using federal funds. Buy America requires the SUB-RECIPIENT to purchase only steel, iron, and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use federal funds to purchase foreign produced items, the WTSC must submit a waiver request that provides an adequate basis and justification, and which is approved by the Secretary of Transportation.

### **33. DEBARMENT AND SUSPENSION**

Instructions for Lower Tier Certification

33.1. By signing this Agreement, the SUB-RECIPIENT (hereinafter in this section referred to as the "lower tier participant") is providing the certification set out below and agrees to comply with the requirements of 2 CFR part 180 and 23 CFR part 1300.

33.2. The certification in this section is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

33.3. The lower tier participant shall provide immediate written notice to the WTSC if at any time the lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

33.4. The terms covered transaction, debarment, suspension, ineligible, lower tier, participant, person, primary tier, principal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Covered Transactions sections of 2 CFR part 180.

33.5. The lower tier participant agrees by signing this Agreement that it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by NHTSA.



33.6. The lower tier participant further agrees by signing this Agreement that it will include the clause titled "Instructions for Lower Tier Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions, and will require lower tier participants to comply with 2 CFR part 180 and 23 CFR part 1300.

33.7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of parties Excluded from Federal Procurement and Non-procurement Programs.

33.8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

33.9. Except for transactions authorized under paragraph 33.5. of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, the department or agency with which this transaction originated may disallow costs, annul or terminate the transaction, issue a stop work order, debar or suspend you, or take other remedies as appropriate.

#### Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions

33.10. The lower tier participant certifies, by signing this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

33.11. Where the lower tier participant is unable to certify to any of the statements in this certification, such participant shall attach an explanation to this Agreement.

### **34. THE DRUG-FREE WORKPLACE ACT OF 1988 (41 U.S.C. 8103)**

34.1. The SUB-RECIPIENT shall:

34.1.1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace, and shall specify the actions that will be taken against employees for violation of such prohibition.

34.1.2. Establish a drug-free awareness program to inform employees about the dangers of drug abuse in the workplace; the SUB-RECIPIENT's policy of maintaining a drug-free workplace; any available drug counseling, rehabilitation, and employee assistance programs; and the penalties that may be imposed upon employees for drug violations occurring in the workplace.

34.1.3. Make it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph 34.1.1. of this section.

34.1.4. Notify the employee in the statement required by paragraph 34.1.1. of this section that, as a condition of employment under the grant, the employee will abide by the terms of the statement, notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction, and notify the WTSC within 10

days after receiving notice from an employee or otherwise receiving actual notice of such conviction.

34.1.5. Take one of the following actions within 30 days of receiving notice under paragraph 34.1.3. of this section, with respect to any employee who is so convicted: take appropriate personnel action against such an employee, up to and including termination, and/or require such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a federal, state, or local health, law enforcement, or other appropriate agency.

34.1.6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of all of the paragraphs above.

### **35. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT (FFATA)**

In accordance with FFATA, the SUB-RECIPIENT shall, upon request, provide WTSC the names and total compensation of the five most highly compensated officers of the entity, if the entity in the preceding fiscal year received 80 percent or more of its annual gross revenues in federal awards, received \$25,000,000 or more in annual gross revenues from federal awards, and if the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 or section 6104 of the Internal Revenue Code of 1986.

### **36. FEDERAL LOBBYING**

36.1. The undersigned certifies, to the best of his or her knowledge and belief, that:

36.1.1. No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

36.1.2. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

36.1.3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-contracts, sub-grants, and contracts under grant, loans, and cooperative agreements), and that all sub-recipients shall certify and disclose accordingly.

36.2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### **37. NONDISCRIMINATION**

37.1. During the performance of this Agreement, the SUB-RECIPIENT agrees:

37.1.1. To comply with all federal nondiscrimination laws and regulations, as may be amended from time to time.

37.1.2. Not to participate directly or indirectly in the discrimination prohibited by any federal non-discrimination law or regulation, as set forth in Appendix B of 49 CFR Part 21 and herein.

37.1.3. To permit access to its books, records, accounts, other sources of information, and its facilities as required by the WTSC, USDOT, or NHTSA.

37.1.4. That, in the event a contractor/funding recipient fails to comply with any nondiscrimination provisions in this contract/funding Agreement, the WTSC will have the right to impose such contract/agreement sanctions as it or NHTSA determine are appropriate, including but not limited to withholding payments to the contractor/funding recipient under the contract/agreement until the contractor/funding recipient complies, and/or cancelling, terminating, or suspending a contract or funding agreement, in whole or in part.

37.1.5. To insert this clause, including all paragraphs, in every sub-contract and sub-agreement and in every solicitation for a sub-contract or sub-agreement that receives federal funds under this program.

### 38. POLITICAL ACTIVITY (HATCH ACT)

The SUB-RECIPIENT will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limit the political activities of employees whose principal employment activities are funded in whole or in part with federal funds.

### 39. PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE

The SUB-RECIPIENT will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists. This Agreement does not include any aspects or elements of helmet usage or checkpoints, and so fully complies with this requirement.

### 40. STATE LOBBYING

None of the funds under this Agreement will be used for any activity specifically designed to urge or influence a state or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any state or local legislative body. Such activities include both direct and indirect (e.g., “grassroots”) lobbying activities, with one exception. This does not preclude a state official whose salary is supported with NHTSA funds from engaging in direct communications with state or local legislative officials, in accordance with customary state practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

### 41. DESIGNATED CONTACTS

The following named individuals will serve as designated contacts for each of the parties for all communications, notices, and reimbursements regarding this Agreement:

The Contact for the SUB-RECIPIENT is:	The Contact for WTSC is:
John Griffin jgriffin@spokanepolice.org 509-835-4587	Edica Esqueda eesqueda@wtsc.wa.gov 360-725-9886 ext.

### 42. AUTHORITY TO SIGN

The undersigned acknowledge that they are authorized to execute this Agreement and bind their respective agencies or entities to the obligations set forth herein.

**IN WITNESS WHEREOF**, the parties have executed this Agreement.

**Spokane Police Department**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

**WASHINGTON TRAFFIC SAFETY COMMISSION**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

# Briefing Paper

## PSCH Committee Meeting 9/10/18

<b>Division &amp; Department:</b>	Spokane Police Department
<b>Subject:</b>	DUI AG-1942 WTSC Enforcement Grant
<b>Date:</b>	8/16/2018
<b>Contact (email &amp; phone):</b>	Sgt. John Griffin 835-4587
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	
<b>Committee(s) Impacted:</b>	Public Safety
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget , Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	
<b>Deadline:</b>	9/30/18
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	<p><u>Action</u></p> <p>2019 WTSC grant. The performance period runs from 10/1/18 to 9/30/19.</p> <p><u>Funding</u></p> <p>50% of approved budget will come from the grant. The grant requires a 50% match which will be paid out of the general fund through reassignment of an existing FTE.</p>
<b>Background/History:</b>	
<p>The Spokane Police Department applied for and received a grant with WTSC-DUI AG-1942 in FY17-18 &amp; would like to continue in FY18-19 in a continued effort to reduce instances of DUI serious injury and fatality collisions in the City of Spokane. The grant requests funding to pay for one full time officer's salary, benefits and anticipated job related overtime for the purpose of dedicated enforcement of DUI laws that pursue Target Zero goals and objectives. Upon acceptance of the grant, the Spokane Police Department will provide an additional full time officer that is also dedicated to DUI enforcement. Two officers will allow for 7 day per week coverage of dedicated DUI patrols.</p>	
<b>Executive Summary:</b>	
<p>Washington Traffic Safety Commission grant focused on DUI enforcement pursuing Target Zero goals and objectives.</p> <p>The goal of the grant is to reduce instances of DUI serious injury and fatality collisions in the City of Spokane. These DUI officers will provide 7 day per week coverage of dedicated DUI patrols. The increased presence and enforcement will reduce the number of DUI serious injury and fatality collisions in the City of Spokane.</p>	
<b>Budget Impact:</b>	
Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	

Annual/Reoccurring expenditure? ☒ Yes ☐ No ☐ N/A

If new, specify funding source: Federal Funding – Department of Justice

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:

Consistent with current operations/policy? ☒ Yes ☐ No ☐ N/A

Requires change in current operations/policy? ☐ Yes ☒ No ☐ N/A

Specify changes required:

Known challenges/barriers:

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/19/2018
<u>Clerk's File #</u>	OPR 2018-0600
<u>Renews #</u>	

<u>Submitting Dept</u>	MAYOR	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	BRANDY COTE 6256774	<u>Project #</u>	
<u>Contact E-Mail</u>	BCOTE@SPOKANECITY.ORG	<u>Bid #</u>	
<u>Agenda Item Type</u>	Contract Item	<u>Requisition #</u>	CR19700
<u>Agenda Item Name</u>	0520 CONTRACT FOR FEDERAL LOBBYING SERVICES		

Agenda Wording

Contract with K&L Gates, LLP. for Federal Lobbying Services at a rate of \$36,000 per year. The initial contract term will be from October 1, 2018 - December 31, 2019.

Summary (Background)

Contract with K&L Gates, LLP. for Federal Lobbying Services at a rate of \$36,000 per year. The initial contract term will be from October 1, 2018 - December 31, 2019. This firm was selected in response to RFP #4434-18.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	
Expense \$ 36,000.00	# 0520 36200 13100 54101	
Select \$	#	
Select \$	#	
Select \$	#	
<u>Approvals</u>		<u>Council Notifications</u>
<u>Dept Head</u>	COTE, BRANDY	<u>Study Session</u>
<u>Division Director</u>		<u>Other</u>
<u>Finance</u>	BUSTOS, KIM	Distribution List
<u>Legal</u>	DALTON, PAT	bcote@spokanecity.org
<u>For the Mayor</u>	SANDERS, THERESA	
<u>Additional Approvals</u>		
<u>Purchasing</u>		



**City of Spokane**  
**LOBBYING SERVICES AGREEMENT**  
**Title: FEDERAL LOBBYING**  
**SERVICES AGREEMENT**

This Agreement is made and entered into by and between the **City of Spokane** as ("City"), a Washington municipal corporation, and **K&L GATES, LLP**, whose address is 1601 K Street, NW, Washington, D.C. 20006 as ("Firm"), individually hereafter referenced as a "party", and together as the "parties".

*WHEREAS, the purpose of this Agreement is to Provide Federal Lobbying Services to the City of Spokane; and*

*WHEREAS, the Firm was selected through RFP #4434-18 issued by the City.*

*-- NOW, THEREFORE, in consideration of the terms, conditions, covenants and performance of the Scope of Work contained herein, the City and Firm mutually agree as follows:*

**1. TERM OF AGREEMENT.**

The term of this Agreement begins on October 1, 2018, and shall run through December 31, 2019, unless amended by written agreement or terminated earlier under the provisions. This Agreement may be renewed by written agreement of the parties not to exceed two (2) additional two year contract periods.

**2. TIME OF BEGINNING AND COMPLETION.**

The Firm shall begin the work outlined in the "Scope of Work" ("Work") on the beginning date, above. The City will acknowledge in writing when the Work is complete. Time limits established under this Agreement shall not be extended because of delays for which the Firm is responsible, but may be extended by the City, in writing, for the City's convenience or conditions beyond the Firm's control.

**3. SCOPE OF WORK.**

The General Scope of Work for this Agreement is described in RFP 4423418 and Firm's RFP Response dated March 19, 2018, which is attached as Exhibit A and made a part of this Agreement. In the event of a conflict or discrepancy in the Agreement documents, this City Personal Services Agreement controls.

The Work is subject to City review and approval. The Firm shall confer with the City periodically, and prepare and present information and materials (e.g. detailed outline of completed Work) requested by the City to determine the adequacy of the Work or Firm's progress.



#### **4. COMPENSATION / PAYMENT.**

Total compensation for Firm's services under this Agreement shall not exceed **THIRTY SIX THOUSAND AND NO/100 DOLLARS (\$36,000.00)**, unless modified by a written amendment to this Agreement.

The Company shall submit its applications for payment to Mayor's Office, 808 West Spokane Falls Blvd., 7<sup>th</sup> Floor, Spokane, Washington 99201. **Payment will be made via direct deposit/ACH** within thirty (30) days after receipt of the Company's application except as provided by state law. If the City objects to all or any portion of the invoice, it shall notify the Company and reserves the right to only pay that portion of the invoice not in dispute. In that event, the parties shall immediately make every effort to settle the disputed amount.

#### **5. TAXES, FEES AND LICENSES.**

- A. Firm shall pay and maintain in current status, all necessary licenses, fees, assessments, permit charges, etc. necessary to conduct the work included under this Agreement. It is the Firm's sole responsibility to monitor and determine changes or the enactment of any subsequent requirements for said fees, assessments, or changes and to immediately comply.
- B. The cost of any permits, licenses, fees, etc. arising as a result of the projects included in this Agreement shall be included in the project budgets.

#### **6. CITY OF SPOKANE BUSINESS LICENSE.**

Section 8.01.070 of the Spokane Municipal Code states that no person may engage in business with the City without first having obtained a valid annual business registration. The Firm shall be responsible for contacting the State of Washington Business License Services at <http://bls.dor.wa.gov> or 1-800-451-7985 to obtain a business registration. If the Firm does not believe it is required to obtain a business registration, it may contact the City's Taxes and Licenses Division at (509) 625-6070 to request an exemption status determination.

**Subcontractor:** Subcontractor expenses will be reimbursed at the actual cost incurred and may not include a mark up. Copies of all Subcontractor invoices that are rebilled to the City are required.

#### **7. SOCIAL EQUITY REQUIREMENTS / NON-DISCRIMINATION.**

No individual shall be excluded from participation in, denied the benefit of, subjected to discrimination under, or denied employment in the administration of or in connection with this Agreement because of age, sex, race, color, religion, creed, marital status, familial status, sexual orientation including gender expression or gender identity, national origin, honorably discharged veteran or military status, the presence of any sensory, mental or physical disability, or use of a service animal by a person with disabilities. The Firm agrees to comply with, and to require that all subcontractors comply with, federal, state and local nondiscrimination laws, including but not limited to: the Civil Rights Act of 1964, the Rehabilitation Act of 1973, the Age Discrimination in Employment Act, and the American's With Disabilities Act, to the extent those laws are applicable.

#### **8. INSURANCE.**

During the period of the Agreement, the Firm shall maintain in force at its own expense, each insurance noted below with companies or through sources approved by the State Insurance Commissioner pursuant to RCW 48:

A. **Worker's Compensation Insurance** in compliance with RCW 51.12.020, which requires subject employers to provide workers' compensation coverage for all their subject workers and Employer's Liability Insurance in the amount of \$1,000,000;

B. **General Liability Insurance** on an occurrence basis, with a combined single limit of not less than \$1,000,000 each occurrence for bodily injury and property damage. It shall include contractual liability coverage for the indemnity provided under this agreement. It shall provide that the City, its officers and employees are additional insureds but only with respect to the Firm's services to be provided under this Agreement;

i. Acceptable **supplementary Umbrella insurance** coverage combined with Company's General Liability insurance policy must be a minimum of \$1,000,000, in order to meet the insurance coverage limits required in this Agreement; and

C. **Automobile Liability Insurance** with a combined single limit, or the equivalent of not less than \$1,000,000 each accident for bodily injury and property damage, including coverage for owned, hired and non-owned vehicles.

There shall be no cancellation, material change, reduction of limits or intent not to renew the insurance coverage(s) without forty-five (45) days written notice from the Firm or its insurer(s) to the City. As evidence of the insurance coverage(s) required by this Agreement, the Firm shall furnish acceptable Certificates Of Insurance (COI) to the City at the time it returns this signed Agreement. The certificate shall specify the City of Spokane as "Additional Insured" specifically for Firm's services under this Agreement, as well as all of the parties who are additional insureds, and include applicable policy endorsements, the forty-five (45) day cancellation clause, and the deduction or retention level. The Firm shall be financially responsible for all pertinent deductibles, self-insured retentions, and/or self-insurance.

## **9. DEBARMENT AND SUSPENSION.**

The Firm has provided its certification that it is in compliance with and shall not contract with individuals or organizations which are debarred, suspended, or otherwise excluded from or ineligible from participation in Federal Assistance Programs under Executive Order 12549 and "Debarment and Suspension", codified at 29 CFR part 98.

## **10. AUDIT.**

The Firm and its sub-contractor shall maintain for a minimum of three (3) years following final payment all records related to its performance of the Agreement. The Firm and its sub-contractors shall provide access to authorized City representatives, at reasonable times and in a reasonable manner to inspect and copy any such record. In the event of conflict between this provision and related auditing provisions required under federal law applicable to the Agreement, the federal law shall prevail.

## **11. KEY PERSONS.**

The Firm shall not transfer or reassign any individual designated in this Agreement as essential to the Work, nor shall those key persons, or employees of Firm identified as to be involved in the Project Work be replaced, removed or withdrawn from the Work without the express written consent of the City, which shall not be unreasonably withheld. If any such individual leaves the Firm's employment, the Firm shall present to the City one or more individuals with greater or equal qualifications as a replacement, subject to the City's approval, which shall not be unreasonably withheld. The City's approval does not release the Firm from its obligations under this Agreement.

## **12. ASSIGNMENT AND SUBCONTRACTING.**

The Firm shall not assign or subcontract its obligations under this Agreement without the City's written consent, which may be granted or withheld in the City's sole discretion. Any subcontract made by the Firm shall incorporate by reference this Agreement, except as otherwise provided. The Firm shall ensure that all subcontractors comply with the obligations and requirements of the subcontract. The City's consent to any assignment or subcontract does not release the Firm from liability or any obligation within this Agreement, whether before or after City consent, assignment or subcontract.

## **13. TERMINATION.**

Either party may terminate this Agreement, with or without cause, by ten (10) days written notice to the other party. In the event of such termination, the City shall pay the Firm for all work previously authorized and performed prior to the termination date.

## **14. STANDARD OF PERFORMANCE.**

The standard of performance applicable to Firm's services will be the degree of skill and diligence normally employed by professional Firms performing the same or similar services at the time the services under this Agreement are performed.

## **15. OWNERSHIP AND USE OF RECORDS AND DOCUMENTS.**

Original documents, drawings, designs, reports, or any other records developed or created under this Agreement shall belong to and become the property of the City. All records submitted by the City to the Firm shall be safeguarded by the Firm. The Firm shall make such data, documents and files available to the City upon the City's request. If the City's use of the Firm's records or data is not related to this project, it shall be without liability or legal exposure to the Firm.

Under Washington State Law (reference RCW Chapter 42.56, the *Public Records Act* [PRA]) all materials received or created by the City of Spokane are **public records** and are available to the public for viewing via the City Clerk's Records (online) or a valid Public Records Request (PRR).

## **16. ANTI KICK-BACK.**

No officer or employee of the City of Spokane, having the power or duty to perform an official act or action related to this Agreement shall have or acquire any interest in the Agreement, or have solicited, accepted or granted a present or future gift, favor, service or other thing of value from or to any person involved in this Agreement.

## **17. MISCELLANEOUS PROVISIONS.**

- A. **Amendments/Modifications:** This Agreement may be modified by the City in writing when necessary, and no modification or Amendment of this Agreement shall be effective unless signed by an authorized representative of each of the parties hereto.
- B. The Firm, at no expense to the City, shall comply with all laws of the United States and Washington, the Charter and ordinances of the City of Spokane; and rules, regulations, orders and directives of their administrative agencies and officers. Without limiting the generality of this paragraph, the Firm shall comply with the requirements of this Section.
- C. This Agreement shall be construed and interpreted under the laws of Washington. The venue of any action brought shall be in a court of competent jurisdiction, located in Spokane County, Washington.
- D. **Captions:** The titles of sections or subsections are for convenience only and do not define or limit the contents.
- E. **Severability:** If any term or provision is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected, and

each term and provision shall be valid and enforceable to the fullest extent permitted by law.

- F. **Waiver:** No covenant, term or condition or the breach shall be deemed waived, except by written consent of the party against whom the waiver is claimed, and any waiver of the breach of any covenant, term or condition shall not be deemed a waiver of any preceding or succeeding breach of the same or any other covenant, term of condition. Neither the acceptance by the City of any performance by the Firm after the time the same shall have become due nor payment to the Firm for any portion of the Work shall constitute a waiver by the City of the breach or default of any covenant, term or condition unless otherwise expressly agreed to by the City in writing.
- G. **Entire Agreement:** This document along with any exhibits and all attachments, and subsequently issued addenda, comprises the entire agreement between the City and the Firm. If conflict occurs between Agreement documents and applicable laws, codes, ordinances or regulations, the most stringent or legally binding requirement shall govern and be considered a part of this Agreement to afford the City the maximum benefits.
- H. **No personal liability:** No officer, agent or authorized employee of the City shall be personally responsible for any liability arising under this Agreement, whether expressed or implied, nor for any statement or representation made or in any connection with this Agreement.

IN WITNESS WHEREOF, in consideration of the terms, conditions and covenants contained, or attached and incorporated and made a part, the parties have executed this Agreement by having legally-binding representatives affix their signatures below.

**K&L GATES, LLP**

**CITY OF SPOKANE**

By \_\_\_\_\_  
Signature                      Date

By \_\_\_\_\_  
Signature                      Date

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Type or Print Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

Attest:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Assistant City Attorney

**Attachments that are part of this Agreement:**

Exhibit A – Firm's RFP Response dated March 19, 2018

Exhibit B – Certificate Regarding Debarment

**EXHIBIT B**

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,  
INELIGIBILITY AND VOLUNTARY EXCLUSION**

1. The undersigned (i.e., signatory for the Subrecipient / Contractor / Consultant) certifies, to the best of its knowledge and belief, that it and its principals:
  - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
  - b. Have not within a three-year period preceding this contract been convicted or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, receiving stolen property, making false claims, or obstruction of justice;
  - c. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and,
  - d. Have not within a three-year period preceding this contract had one or more public transactions (federal, state, or local) terminated for cause or default.
2. The undersigned agrees by signing this contract that it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction.
3. The undersigned further agrees by signing this contract that it will include the following clause, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions:

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

1. The lower tier contractor certifies, by signing this contract that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.
  2. Where the lower tier contractor is unable to certify to any of the statements in this contract, such contractor shall attach an explanation to this contract.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, person, primary covered transaction, principal, and voluntarily excluded, as used in this exhibit, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. The undersigned may contact the City for assistance in obtaining a copy of these regulations.
  5. I understand that a false statement of this certification may be grounds for termination of the contract.

<hr/> Name of Subrecipient / Contractor / Consultant (Type or Print)	<hr/> Program Title (Type or Print)
<hr/> Name of Certifying Official (Type or Print)	<hr/> Signature
<hr/> Title of Certifying Official (Type or Print)	<hr/> Date (Type or Print)



**Agenda Sheet for City Council Meeting of:**  
10/01/2018

<u>Date Rec'd</u>	9/19/2018
<u>Clerk's File #</u>	RES 2018-0083
<u>Renews #</u>	

<u>Submitting Dept</u>	TAX & LICENSING/AUDIT	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	CRYSTAL X6369	<u>Project #</u>	
<u>Contact E-Mail</u>	CMARCHAND@SPOKANECITY.ORG	<u>Bid #</u>	
<u>Agenda Item Type</u>	Resolutions	<u>Requisition #</u>	
<u>Agenda Item Name</u>	0410 - LGIP INVESTMENT AUTHORIZATION		

Agenda Wording

Resolution Authorizing Investment of City of Spokane Monies in the Local Government Investment Pool.

Summary (Background)

Washington State LGIP needs an updated resolution designating "Authorized Individuals" and incorporating a current "Transaction Authorization Form" to allow investment of City funds. The Resolution designates City Administrator, Director of Finance and Administration, and the Chief Financial Officer as the "Authorized Individuals" on the account. The referenced "Transaction Authorization Form" authorizes key treasury staff to make daily deposits/withdrawals.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Neutral	\$ N/A	# N/A
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	MARCHAND, CRYSTAL	<u>Study Session</u>	Finance Committee -
<u>Division Director</u>	STOPHER, SALLY	<u>Other</u>	
<u>Finance</u>	BUSTOS, KIM	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT	cmarchand@spokanecity.org	
<u>For the Mayor</u>	SANDERS, THERESA	jahensley@spokanecity.org	
<u>Additional Approvals</u>		Tax&Licenses@spokanecity.org	
<u>Purchasing</u>		treasuryaccounting@spokanecity.org	
<u>CITY COUNCIL</u>	MCCLATCHEY, BRIAN	gcooley@spokanecity.org	



Continuation of Wording, Summary, Budget, and Distribution

Agenda Wording

Summary (Background)

LGIP Prospectus (included for reference) to be received, read, and understood by any person delegated or otherwise authorized to make contribution or withdrawals into or out of the LGIP.

<u>Fiscal Impact</u>		<u>Budget Account</u>
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Select	\$	#
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Select	\$	#
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<u>Distribution List</u>	
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## Briefing Paper

### Finance & Administration Committee

<b>Division &amp; Department:</b>	Finance – Treasury Services
<b>Subject:</b>	Local Government Investment Pool (LGIP) investment authorization
<b>Date:</b>	September 10, 2018
<b>Author (email &amp; phone):</b>	Jake Hensley ( <a href="mailto:jahensley@spokanecity.org">jahensley@spokanecity.org</a> ) 625-6074 Crystal Marchand ( <a href="mailto:cmarchand@spokanecity.org">cmarchand@spokanecity.org</a> ) 625-6369
<b>City Council Sponsor:</b>	None
<b>Executive Sponsor:</b>	Gavin Cooley
<b>Committee(s) Impacted:</b>	Finance Committee
<b>Type of Agenda item:</b>	<input checked="" type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	
<b>Strategic Initiative:</b>	N/A
<b>Deadline:</b>	None
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	Allows City of Spokane to invest Treasurer's cash with the LGIP.
<b>Background/History:</b> Washington State LGIP needs an updated resolution designating "Authorized Individuals" and incorporating a current "Transaction Authorization Form" to allow investment of City funds.	
<b>Executive Summary:</b> <ul style="list-style-type: none"> <li>File updated "Resolution Authorizing Investment of City of Spokane Monies in the Local Government Investment Pool"</li> <li>Resolution designates City Administrator, Director of Finance and Administration, and the Chief Financial Officer as the "Authorized Individuals" on the account.</li> <li>Resolution references "Transaction Authorization Form" to authorize Treasury Manager and Accounting Clerks to make daily deposits/withdrawals.</li> <li>LGIP Prospectus (included for reference) to be received, read, and understood by any person delegated or otherwise authorized to make contribution or withdrawals into or out of the LGIP.</li> </ul>	
<b>Budget Impact:</b> Approved in current year budget? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Annual/Reoccurring expenditure? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If new, specify funding source: Other budget impacts: (revenue generating, match requirements, etc.)	
<b>Operations Impact:</b> Consistent with current operations/policy? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Requires change in current operations/policy? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Specify changes required: None Known challenges/barriers: None	



RESOLUTION AUTHORIZING INVESTMENT  
OF CITY OF SPOKANE MONIES IN THE  
LOCAL GOVERNMENT INVESTMENT POOL

WHEREAS, pursuant to Chapter 294, Laws of 1986, the Legislature created a trust fund to be known as the public funds investment account (commonly referred to as the Local Government Investment Pool (LGIP)) for the contribution and withdrawal of money by an authorized governmental entity for purposes of investment by the Office of the State Treasurer; and

WHEREAS, from time to time it may be advantageous to the authorized governmental entity, the City of Spokane, the “governmental entity”, to contribute funds available for investment in the LGIP; and

WHEREAS, the investment strategy for the LGIP is set forth in its policies and procedures; and

WHEREAS, any contributions or withdrawals to or from the LGIP made on behalf of the governmental entity shall be first duly authorized by the City Council, the “governing body” or any designee of the governing body pursuant to this resolution, or a subsequent resolution; and

WHEREAS the governmental entity will cause to be filed a certified copy of said resolution with the Office of the State Treasurer; and

WHEREAS the governing body and any designee appointed by the governing body with authority to contribute or withdraw funds of the governmental entity has received and read a copy of the prospectus and understands the risks and limitations of investing in the LGIP; and

WHEREAS, the governing body attests by the signature of its members that it is duly authorized and empowered to enter into this agreement, to direct the contribution or withdrawal of governmental entity monies, and to delegate certain authority to make adjustments to the incorporated transactional forms, to the individuals designated herein.

NOW THEREFORE, BE IT RESOLVED that the governing body does hereby authorize the contribution and withdrawal of governmental entity monies in the LGIP in the manner prescribed by law, rule, and prospectus.

BE IT FURTHER RESOLVED that the governing body has approved the Local Government Investment Pool Transaction Authorization Form (“Form”) as completed

by the City Treasury Manager and incorporates said form into this resolution by reference and does hereby attest to its accuracy.

BE IT FURTHER RESOLVED that the governmental entity designates the City Administrator, Director of Finance and Administration, and/or the Chief Financial Officer, the “authorized individuals” to authorize all amendments, changes, or alterations to the Form or any other documentation including the designation of other individuals to make contributions and withdrawals on behalf of the governmental entity.

BE IT FURTHER RESOLVED that this delegation ends upon the written notice, by any method set forth in the prospectus, of the governing body that the authorized individual has been terminated or that his or her delegation has been revoked. The Office of the State Treasurer will rely solely on the governing body to provide notice of such revocation and is entitled to rely on the authorized individual’s instructions until such time as said notice has been provided.

BE IT FURTHER RESOLVED that the Form as incorporated into this resolution or hereafter amended by delegated authority, or any other documentation signed or otherwise approved by the authorized individual shall remain in effect after revocation of the authorized individual’s delegated authority, except to the extent that the authorized individual whose delegation has been terminated shall not be permitted to make further withdrawals or contributions to the LGIP on behalf of the governmental entity. No amendments, changes, or alterations shall be made to the Form or any other documentation until the entity passes a new resolution naming a new authorized individual; and

BE IT FURTHER RESOLVED that the governing body acknowledges that it has received, read, and understood the prospectus as provided by the Office of the State Treasurer. In addition, the governing body agrees that a copy of the prospectus will be provided to any person delegated or otherwise authorized to make contributions or withdrawals into or out of the LGIP and that said individuals will be required to read the prospectus prior to making any withdrawals or contributions or any further withdrawals or contributions if authorizations are already in place.

ADOPTED by City Council on this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

CITY OF SPOKANE  
Spokane County, Washington

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Ben Stuckart, Council President

---

David A. Condon, Mayor

ATTEST:

---

City Clerk

Approved as to form:

---

Assistant City Attorney

LOCAL GOVERNMENT INVESTMENT POOL  
TRANSACTION AUTHORIZATION FORM

Please fill out this form completely, including any existing information, as this form will **replace** the previous form.

Name of Entity: City of Spokane	Mailing Address: 808 W. Spokane Falls Blvd Spokane, WA 99201
Fax Number: 509-625-6939	
E-mail Contact: treasuryaccounting@spokanecity.org	

How do you wish to have your monthly LGIP statements faxed or emailed to the information listed above?

**Please note** – if you choose to receive statements via email, fax or U.S. Mail.

☒ Email      ☐ Fax      ☐ U.S. Mail

**Bank account where funds will be wired when a withdrawal is requested.**

**(Note: Funds will not be transferred to any account other than that listed).**

Bank Name: US Bank
Branch Location: Seattle – 1420 5 <sup>th</sup> Ave Seattle, WA 98101
Bank Routing Number:
Account Number:
Account Name: Master Consolidated

**Persons authorized to make deposits and withdrawals for the entity listed above.**

Name	Title	Signature	Telephone Number
	Treasury Manager		
	Accounting Clerk		
	Accounting Clerk		

**By signature below, I certify I am authorized to represent the institution/agency for the purpose of this transaction.**

<i>(Authorized Signature)</i>	<i>(Title)</i>	<i>(Date)</i>
<i>(Print Authorized Signature)</i>	<i>(E-mail Address)</i>	<i>(Telephone number)</i>

**Any changes to these instructions must be submitted in writing to the Office of the State Treasurer. Please mail this form to the address listed below:**

OFFICE OF THE STATE TREASURER  
LOCAL GOVERNMENT INVESTMENT POOL  
PO Box 40200  
OLYMPIA, WA 98504-0200  
FAX: (360) 902-9044

<b>Date Received:</b> ____ / ____ / ____ <b>Fund Number:</b> _____ <i>(for LGIP use only)</i>
---

State of Washington    )  
County of \_\_\_\_\_) ss.

Signed or attested before me by \_\_\_\_\_.

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

SEAL OR STAMP

\_\_\_\_\_  
*Signature of Notary*

\_\_\_\_\_  
*Typed or printed name of Notary*  
Notary Public in and for the State of Wash.

My appointment expires: \_\_\_\_\_

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**LOCAL GOVERNMENT  
INVESTMENT POOL**

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**Prospectus**

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**August 2016**



***James L. McIntire***  
***Washington State Treasurer***

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**Contents**

I.	The LGIP	3-4
II.	Local Government Investment Pool – Money Market Fund	4-9
III.	Management	10
IV.	Miscellaneous	10

## I. The LGIP

The Local Government Investment Pool (the “LGIP”) is an investment pool of public funds placed in the custody of the Office of the Washington State Treasurer (the “State Treasurer”) for investment and reinvestment as defined by RCW 43.250.020. The purpose of the LGIP is to allow eligible governmental entities to participate with the state in the investment of surplus public funds, in a manner that optimizes liquidity and return on such funds. In establishing the LGIP, the legislature recognized that not all eligible governmental entities are able to maximize the return on their temporary surplus funds, and therefore it provided a mechanism whereby they may, at their option, utilize the resources of the State Treasurer to maximize the potential of their surplus funds while ensuring the liquidity of those funds.

The State Treasurer has established a sub-pool within the LGIP whose shares are offered by means of this Prospectus: The LGIP-Money Market Fund (the “LGIP-MMF” or the “Fund”). The State Treasurer has the authority to establish additional sub-pools in the future.

The Fund offered in this Prospectus seeks to provide current income by investing in high-quality, short term money market instruments. These standards are specific to the Fund, as illustrated in the following table. The LGIP-MMF offers daily contributions and withdrawals.

### FUND SNAPSHOT

**The table below provides a summary comparison of the Fund’s investment types and sensitivity to interest rate risk. This current snapshot can be expected to vary over time.**

Fund	Investment Types	Maximum Dollar-Weighted Average Maturity for LGIP-MMF
<b>LGIP-Money Market Fund</b>	Cash	60 days
<b>Current Investments (as of July 1, 2016)</b>	Bank Deposits US Treasury bills Repurchase agreements US Government agency obligations	

## Fees and Expenses

**Administrative Fee.** The State Treasurer charges pool participants a fee representing administration and recovery costs associated with the operation of the Fund. The administrative fee accrues daily from pool participants’ earnings prior to the earnings being posted to their account. The administrative fee will be paid monthly. In the event that there are no earnings, the administrative fee will be deducted from principal.

The chart below illustrates the operating expenses of the LGIP-MMF for past years, expressed in basis points as a percentage of fund assets.

**Local Government Investment Pool-MMF**  
**Operating Expenses by Fiscal Year (in Basis Points)**

			2009	2010	2011	2012	2013	2014	2015	2016
<i>Total Operating Expenses</i>			<i>0.88</i>	<i>0.64</i>	<i>0.81</i>	<i>0.68</i>	<i>0.87</i>	<i>0.88</i>	<i>0.95</i>	<i>0.88</i>

(1 basis point = 0.01%)

Because most of the expenses of the LGIP-MMF are fixed costs, the fee (expressed as a percentage of fund assets) will be affected by: (i) the amount of operating expenses; and (ii) the assets of the LGIP-MMF. The table below shows how the fee (expressed as a percentage of fund assets) would change as the fund assets change, assuming an annual fund operating expenses amount of \$950,000.

Fund Assets	\$8.0 bn	\$10.0 bn	\$12.0 bn
Total Operating Expenses (in Basis Points)	1.19	0.95	0.79

**Portfolio Turnover:** The Fund does not pay a commission or fee when it buys or sells securities (or “turns over” its portfolio). However, debt securities often trade with a bid/ask spread. Consequently, a higher portfolio turnover rate may generate higher transaction costs that could affect the Fund’s performance.

## II. Local Government Investment Pool – Money Market Fund

### Investment Objective

The LGIP-MMF will seek to effectively maximize yield while maintaining liquidity and a stable net asset value per share, e.g., all contributions will be transacted at \$1.00 net asset value per share.

### Principal Investment Strategies

The LGIP-MMF will seek to invest primarily in high-quality, short term money market instruments. Typically, at least 55% of the Fund’s assets will be invested in US government securities and repurchase agreements collateralized by those securities. The LGIP-MMF means a sub-pool of the LGIP whose investments will primarily be money market instruments. The LGIP-MMF will only invest in eligible investments permitted by state law. The LGIP portfolio will be managed to meet the portfolio maturity, quality, diversification and liquidity requirements set forth in GASB 79 for external investment pools who wish to measure, for financial reporting purposes, all of their investments at amortized cost. Investments of the LGIP-MMF will conform to the LGIP Investment Policy, the most recent version of which will be posted on the LGIP website and will be available upon request.

### Principal Risks of Investing in the LGIP-Money Market Fund

**Counterparty Credit Risk.** A party to a transaction involving the Fund may fail to meet its obligations. This could cause the Fund to lose the benefit of the transaction or prevent the Fund from selling or buying other securities to implement its investment strategies.

**Interest Rate Risk.** The LGIP-MMF’s income may decline when interest rates fall. Because the Fund’s income is based on short-term interest rates, which can fluctuate significantly over short periods, income risk is expected to



be high. In addition, interest rate increases can cause the price of a debt security to decrease and even lead to a loss of principal.

**Liquidity Risk.** Liquidity risk is the risk that the Fund will experience significant net withdrawals of Fund shares at a time when it cannot find willing buyers for its portfolio securities or can only sell its portfolio securities at a material loss.

**Management Risk.** Poor security selection or an ineffective investment strategy could cause the LGIP-MMF to underperform relevant benchmarks or other funds with a similar investment objective.

**Issuer Risk.** The LGIP-MMF is subject to the risk that debt issuers and other counterparties may not honor their obligations. Changes in an issuer's credit rating (e.g., a rating downgrade) or the market's perception of an issuer's creditworthiness could also affect the value of the Fund's investment in that issuer. The degree of credit risk depends on both the financial condition of the issuer and the terms of the obligation. Also, a decline in the credit quality of an issuer can cause the price of a money market security to decrease.

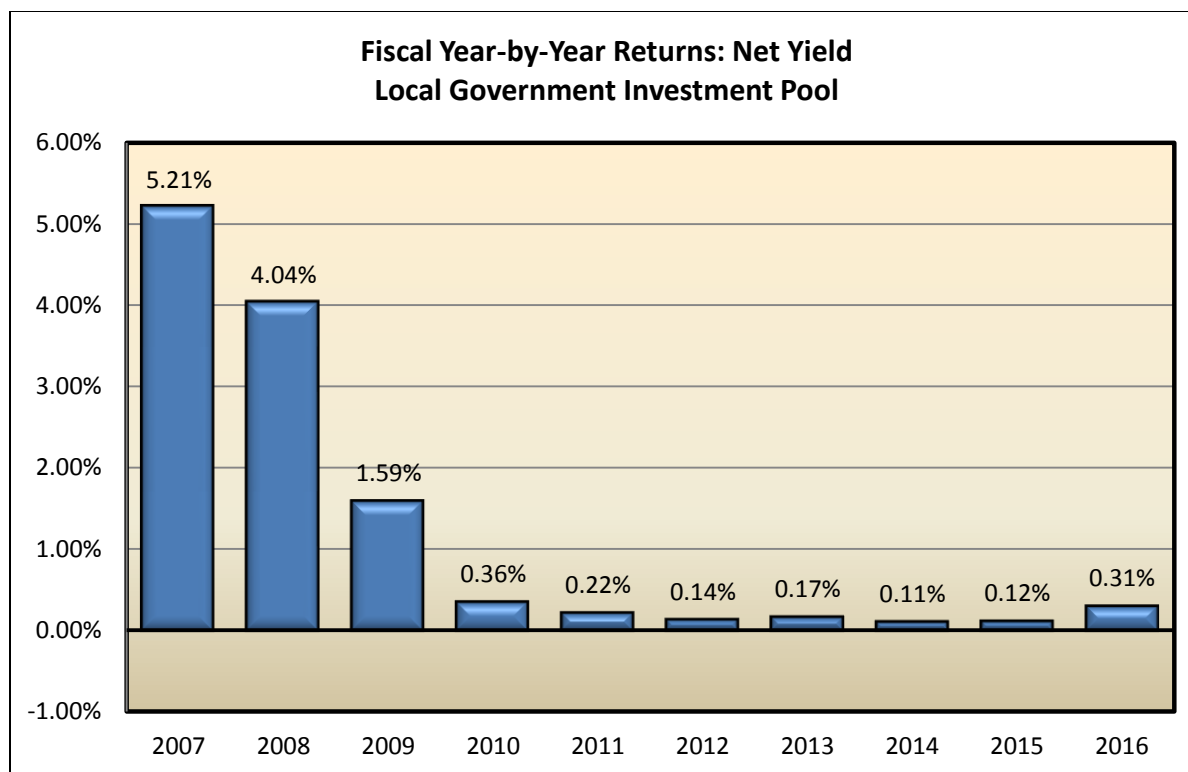
**Securities Lending Risk and Reverse Repurchase Agreement Risk.** The LGIP-MMF may engage in securities lending or in reverse repurchase agreements. Securities lending and reverse repurchase agreements involve the risk that the Fund may lose money because the borrower of the Fund's securities fails to return the securities in a timely manner or at all or the Fund's lending agent defaults on its obligations to indemnify the Fund, or such obligations prove unenforceable. The Fund could also lose money in the event of a decline in the value of the collateral provided for loaned securities or a decline in the value of any investments made with cash collateral.

**Risks Associated with use of Amortized Cost.** The use of amortized cost valuation means that the LGIP-MMF's share price may vary from its market value NAV per share. In the unlikely event that the State Treasurer were to determine that the extent of the deviation between the Fund's amortized cost per share and its market-based NAV per share may result in material dilution or other unfair results to shareholders, the State Treasurer may cause the Fund to take such action as it deems appropriate to eliminate or reduce to the extent practicable such dilution or unfair results.

**An investment in the LGIP-MMF is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of investments at \$1 per share, pool participants could lose money by investing in the LGIP-MMF. There is no assurance that the LGIP-MMF will achieve its investment objective.**

## Performance

The following information is intended to address the risks of investing in the LGIP-MMF. The information illustrates changes in the performance of the LGIP-MMF's shares from year to year. Returns are based on past results and are not an indication of future performance. Updated performance information may be obtained on our website at [www.tre.wa.gov](http://www.tre.wa.gov) or by calling the LGIP toll-free at 800-331-3284.



<u>Local Government Investment Pool-Money Market Fund</u>			
<u>Average Accrued Net Yield</u>			
<u>1 Year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
0.31%	0.18%	0.17%	1.28%

## Transactions: LGIP-MMF

### General Information

The minimum transaction size (contributions or withdrawals) for the LGIP-MMF will be five thousand dollars. The State Treasurer may, in its sole discretion, allow for transactions of less than five thousand dollars.

### Valuing Shares

The LGIP-MMF will be operated using a net asset value (NAV) calculation based on the amortized cost of all securities held such that the securities will be valued at their acquisition cost, plus accrued income, amortized daily.

The Fund's NAV will be the value of a single share. NAV will normally be calculated as of the close of business of the NYSE, usually 4:00 p.m. Eastern time. If the NYSE is closed on a particular day, the Fund will be priced on the next day the NYSE is open.

NAV will not be calculated and the Fund will not process contributions and withdrawals submitted on days when the Fund is not open for business. The time at which shares are priced and until which contributions and withdrawals are accepted is specified below and may be changed as permitted by the State Treasurer.

To the extent that the LGIP-MMF's assets are traded in other markets on days when the Fund is not open for business, the value of the Fund's assets may be affected on those days. In addition, trading in some of the Fund's assets may not occur on days when the Fund is open for business.

### **Transaction Limitations**

The State Treasurer reserves the right at its sole discretion to set a minimum and/or maximum transaction amount from the LGIP-MMF and to limit the number of transactions, whether contribution, withdrawal, or transfer permitted in a day or any other given period of time.

The State Treasurer also reserves the right at its sole discretion to reject any proposed contribution, and in particular to reject any proposed contribution made by a pool participant engaged in behavior deemed by the State Treasurer to be abusive of the LGIP-MMF.

A pool participant may transfer funds from one LGIP-MMF account to another subject to the same time and contribution limits as set forth in WAC 210.10.060.

Contributions deposited by ACH will be unavailable for withdrawal for a period of five business days following receipt of funds

### **Contributions**

Pool participants may make contributions to the LGIP-MMF on any business day. All contributions will be effected by electronic funds to the account of the LGIP-MMF designated by the State Treasurer. It is the responsibility of each pool participant to pay any bank charges associated with such electronic transfers. Failure to submit funds by a pool participant after notification to the State Treasurer of an intended transfer will result in penalties. Penalties for failure to timely submit will be assessed to the account of the pool participant responsible.

**Notice of Wire contribution.** To ensure same day credit, a pool participant must inform the State Treasurer of any contribution over one million dollars no later than 9 a.m. on the same day the contribution is made. Contributions for one million dollars or less can be requested at any time prior to 10 a.m. on the day of contribution. For all other contributions over one million dollars that are requested prior to 10 a.m., a pool participant may receive same day credit at the sole discretion of the State Treasurer. Contributions that receive same day credit will count, for earnings rate purposes, as of the day in which the contribution was made. Contributions for which no notice is received prior to 10:00 a.m. will be credited as of the following business day.

**Notice of ACH contribution.** A pool participant must inform the State Treasurer of any contribution submitted through ACH no later than 2:00 p.m. on the business day before the contribution is made. Contributions that receive same day credit will count, for earnings rate purposes, as of the day in which the contribution was made. Contributions for which proper notice is not received as described above will not receive same day credit, but will be credited as of the next business day from when the contribution is made. Contributions deposited by ACH will be unavailable for withdrawal for a period of five business days following receipt of funds.

Notice of contributions may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to State Treasurer's Treasury Management System ("TMS"). Please refer to the [LGIP-MMF Operations Manual](#) for specific instructions regarding contributions to the LGIP-MMF.

Direct deposits from the State of Washington will be credited on the same business day.

**Pricing.** Contribution requests received in good order will receive the NAV per unit of the LGIP-MMF next determined after the order is accepted by the State Treasurer on that contribution date.

### **Withdrawals**

Pool participants may withdraw funds from the LGIP-MMF on any business day. Each pool participant shall file with the State Treasurer a letter designating the financial institution at which funds withdrawn from the LGIP-MMF shall be deposited (the "Letter"). This Letter shall contain the name of the financial institution, the location of the financial institution, the account name, and the account number to which funds will be deposited. This Letter shall be signed by local officials authorized to receive and disburse funds, as described in WAC 210-10-020.

Disbursements from the LGIP-MMF will be effected by electronic funds transfer. Failure by the State Treasurer to transmit funds to a pool participant after proper notification to the State Treasurer to disburse funds to a pool participant may result in a bank overdraft in the pool participant's bank account. The State Treasurer will reimburse a pool participant for such bank overdraft penalties charged to the pool participant's bank account.

**Notice of Wire withdrawal.** In order to withdraw funds from the LGIP-MMF, a pool participant must notify the State Treasurer of any withdrawal over one million dollars no later than 9 a.m. on the same day the withdrawal is made. Withdrawals for one million dollars or less can be requested at any time prior to 10 a.m. on the day of withdrawal. For all other withdrawals from the LGIP-MMF over one million dollars that are requested prior to 10 a.m., a pool participant may receive such withdrawal on the same day it is requested at the sole discretion of the State Treasurer. No earnings will be credited on the date of withdrawal for the amounts withdrawn. Notice of withdrawals may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to TMS. Please refer to the LGIP-MMF Operations Manual for specific instructions regarding withdrawals from the Fund.

**Notice of ACH withdrawal.** In order to withdraw funds from the LGIP-MMF, a pool participant must notify the State Treasurer of any withdrawal by ACH no later than 2 p.m. on the prior business day the withdrawal is requested. No earnings will be credited on the date of withdrawal for the amounts withdrawn.

Notice of withdrawals may be given by calling the Local Government Investment Pool (800-331-3284) OR by logging on to TMS. Please refer to the LGIP-MMF Operations Manual for specific instructions regarding withdrawals from the Fund.

**Pricing.** Withdrawal requests with respect to the LGIP-MMF received in good order will receive the NAV per unit of the LGIP-MMF next determined after the order is accepted by the State Treasurer on that withdrawal date.

**Suspension of Withdrawals.** If the State Treasurer has determined that the deviation between the Fund's amortized cost price per share and the current net asset value per share calculated using available market quotations (or an appropriate substitute that reflects current market conditions) may result in material dilution or other unfair results, the State Treasurer may, if it has determined irrevocably to liquidate the Fund, suspend withdrawals and payments of withdrawal proceeds in order to facilitate the permanent termination of the Fund in an orderly manner. The State Treasurer will distribute proceeds in liquidation as soon as practicable, subject to the possibility that certain assets may be illiquid, and subject to subsequent distribution, and the possibility that the State Treasurer may need to hold back a reserve to pay expenses.

The State Treasurer also may suspend redemptions if the New York Stock Exchange suspends trading or closes, if US bond markets are closed, or if the Securities and Exchange Commission declares an emergency. If any of these events were to occur, it would likely result in a delay in the pool participants' redemption proceeds.

The State Treasurer will notify pool participants within five business days of making a determination to suspend withdrawals and/or irrevocably liquidate the fund and the reason for such action.

## **Earnings and Distribution**

### **LGIP-MMF Daily Factor**

The LGIP-MMF daily factor is a net earnings figure that is calculated daily using the investment income earned (excluding realized gains or losses) each day, assuming daily amortization and/or accretion of income of all fixed income securities held by the Fund, less the administrative fee. The daily factor is reported on an annualized 7-day basis, using the daily factors from the previous 7 calendar days. The reporting of a 7-day annualized yield based solely on investment income which excludes realized gains or losses is an industry standard practice that allows for the fair comparison of funds that seek to maintain a constant NAV of \$1.00.

### **LGIP-MMF Actual Yield Factor**

The LGIP-MMF actual yield factor is a net daily earnings figure that is calculated using the total net earnings including realized gains and losses occurring each day, less the administrative fee.

### **Dividends**

The LGIP-MMF's dividends include any net realized capital gains or losses, as well as any other capital changes other than investment income, and are declared daily and distributed monthly.

### **Distribution**

The total net earnings of the LGIP-MMF will be declared daily and paid monthly to each pool participant's account in which the income was earned on a per-share basis. These funds will remain in the pool and earn additional interest unless withdrawn and sent to the pool participant's designated bank account as specified on the Authorization Form. Interest earned will be distributed monthly on the first business day of the following month.

### **Monthly Statements and Reporting**

On the first business day of every calendar month, each pool participant will be sent a monthly statement which includes the pool participant's beginning balance, contributions, withdrawals, transfers, administrative charges, earnings rate, earnings, and ending balance for the preceding calendar month. Also included with the statement will be the monthly enclosure. This report will contain information regarding the maturity structure of the portfolio and balances broken down by security type.

### III. Management

The State Treasurer is the manager of the LGIP-MMF and has overall responsibility for the general management and administration of the Fund. The State Treasurer has the authority to offer additional sub-pools within the LGIP at such times as the State Treasurer deems appropriate in its sole discretion.

**Administrator and Transfer Agent.** The State Treasurer will serve as the administrator and transfer agent for the Fund.

**Custodian.** A custodian for the Fund will be appointed in accordance with the terms of the LGIP Investment Policy.

### IV. Miscellaneous

#### Limitation of Liability

All persons extending credit to, contracting with or having any claim against the Fund offered in this Prospectus shall look only to the assets of the Fund that such person extended credit to, contracted with or has a claim against, and none of (i) the State Treasurer, (ii) any subsequent sub-pool, (iii) any pool participant, (iv) the LGIP, or (v) the State Treasurer's officers, employees or agents (whether past, present or future), shall be liable therefor. The determination of the State Treasurer that assets, debts, liabilities, obligations, or expenses are allocable to the Fund shall be binding on all pool participants and on any person extending credit to or contracting with or having any claim against the LGIP or the Fund offered in this Prospectus. There is a remote risk that a court may not enforce these limitation of liability provisions.

#### Amendments

This Prospectus and the attached Investment Policy may be amended from time to time. Pool participants shall receive notice of changes to the Prospectus and the Investment Policy. The amended and restated documents will be posted on the State Treasurer website: [www.tre.wa.gov](http://www.tre.wa.gov).

Should the State Treasurer deem appropriate to offer additional sub-pools within the LGIP, said sub-pools will be offered by means of an amendment to this prospectus.

#### LGIP-MMF Contact Information

Internet: [www.tre.wa.gov](http://www.tre.wa.gov) Treasury Management System/TMS

Phone: 1-800-331-3284 (within Washington State)

Mail: Office of the State Treasurer  
Local Government Investment Pool  
PO Box 40200  
Olympia, Washington 98504  
FAX: 360-902-9044

**Agenda Sheet for City Council Meeting of:**

10/01/2018

<u>Date Rec'd</u>	9/19/2018
<u>Clerk's File #</u>	RES 2018-0084
<u>Renews #</u>	

<u>Submitting Dept</u>	CITY COUNCIL	<u>Cross Ref #</u>	
<u>Contact Name/Phone</u>	LORI KINNEAR 625-6261	<u>Project #</u>	
<u>Contact E-Mail</u>	LKINNEAR@SPOKANECITY.ORG	<u>Bid #</u>	
<u>Agenda Item Type</u>	Resolutions	<u>Requisition #</u>	
<u>Agenda Item Name</u>	0320 - RESOLUTION AUTHORIZING POLICE USE OF UNMANNED AERIAL		

Agenda Wording

A resolution permitting the use of unmanned aerial systems ("UAS") by the Spokane Police Department to record and document crime scenes, search for missing people, locate reported campsites, and for officer safety tactical applications.

Summary (Background)

Pursuant to chapter 18.04, SMC, the use of city dollars for surveillance equipment requires City Council approval. This resolution would authorize the Spokane Police Department to operate UAS's (otherwise known as drones) in certain specific situations in which physical access to a site is difficult or dangerous.

<u>Fiscal Impact</u>	Grant related? NO	<u>Budget Account</u>
	Public Works? NO	

Neutral	\$	#
Select	\$	#
Select	\$	#
Select	\$	#

<u>Approvals</u>		<u>Council Notifications</u>	
<u>Dept Head</u>	MCCLATCHEY, BRIAN	<u>Study Session</u>	PSCH, 9/10/2018
<u>Division Director</u>		<u>Other</u>	
<u>Finance</u>	BUSTOS, KIM	<u>Distribution List</u>	
<u>Legal</u>	DALTON, PAT		
<u>For the Mayor</u>	SANDERS, THERESA		

<u>Additional Approvals</u>		
<u>Purchasing</u>		
<u>CITY COUNCIL</u>	MCDANIEL, ADAM	

## **RESOLUTION NO. 2018-0084**

A resolution permitting the use of unmanned aerial systems ("UAS") by the Spokane Police Department to safely and efficiently record and document crime scenes, search for missing people, locate reported campsites, and for officer safety tactical applications.

**WHEREAS**, the Spokane Police Department ("SPD") is responsible for providing public safety services to the community and is dedicated to implementing methods to increase the safety and efficiency of these operations; and

**WHEREAS**, the SPD responds to incidents that may involve danger to the community and responding officers and that this risk could be mitigated by the appropriate use of unmanned aerial systems; and

**WHEREAS**, the SPD emphasizes the use of time, distance, and cover by officers to decrease the likelihood of injury or use of force and a UAS can help to accomplish this objective; and

**WHEREAS**, searches for missing children and vulnerable adults can be very personnel-intensive and also involve a level of urgency until resolved; and

**WHEREAS**, reports of missing people, including children and vulnerable adults, are investigated by the SPD and UAS provide an aerial vantage point with night vision capability during hours of darkness to speed the locating of these individuals; and

**WHEREAS**, the SPD is tasked with responding to reported campsites in prohibited areas that are remote and difficult to locate and access, and UAS support would save considerable staff time and make the approach in such areas safer for officers; and

**WHEREAS**, only FAA-certified members of the SPD authorized by the appropriate department authority will operate a UAS; and

**WHEREAS**, the SPD will operate any UAS in compliance with Chapter 18.04, SMC (Safeguards on the Use of Surveillance Equipment), Department Policy, and FAA regulations; and

**WHEREAS**, a search warrant will be obtained prior to any flight that requires one and when no lawful exception to the warrant requirement exists.

**NOW, THEREFORE**, be it resolved that the Spokane Police Department is authorized to use Unmanned Aircraft Systems to assist in crime scene investigation, the search for missing people, locating reported campsites, and for officer safety tactical operations.



**ADOPTED** by the City Council this \_\_\_\_\_ day of \_\_\_\_\_,  
2018.

\_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
Assistant City Attorney

# Briefing Paper

## Public Safety and Community Health Committee

<b>Division &amp; Department:</b>	Police
<b>Subject:</b>	Authorization for the use of Unmanned Aircraft to support safe and efficient police operations
<b>Date:</b>	August 18, 2018
<b>Contact (email &amp; phone):</b>	Justin Lundgren, jclundgren@spokanepolice.org
<b>City Council Sponsor:</b>	
<b>Executive Sponsor:</b>	Chief Craig Meidl
<b>Committee(s) Impacted:</b>	PSCH
<b>Type of Agenda item:</b>	<input type="checkbox"/> Consent <input checked="" type="checkbox"/> Discussion <input type="checkbox"/> Strategic Initiative
<b>Alignment:</b> (link agenda item to guiding document – i.e., Master Plan, Budget, Comp Plan, Policy, Charter, Strategic Plan)	The authorized use of Unmanned Aircraft Systems is in support of the City of Spokane's Strategic Plan Safe and Healthy initiative.
<b>Strategic Initiative:</b>	Safe and Healthy
<b>Deadline:</b>	
<b>Outcome:</b> (deliverables, delivery duties, milestones to meet)	The authorization for utilizing UAV technology to increase operational safety and efficiency to aid in crime scene photography and mapping, searching for missing people, searching for fleeing criminal suspects, locating reported camping sites, and providing a safe observation capability during tactical situations.

### Background/History:

The Spokane Police Department is responsible to provide a wide variety of public safety services to the Spokane community. At times, officers respond to situations that are dangerous for the public and personnel, emergent in nature, and/or disruptive to vehicular and pedestrian traffic. Utilizing UAS technology to support operations is a relatively inexpensive way to accelerate service delivery, photograph and record crime scene information, and increase the level of safety to officers and the public.

The use of UAS technology by law enforcement agencies for these purposes has grown extensively over the last few years with an increasing number of law enforcement agencies employing a UAS program. The Spokane County Sheriff's Office acquired two UAS systems within the last month as a part of their regional Air Support Unit (ASU). The SPD is currently a member of the regional ASU with two officers serving as Tactical Flight Officers in support of the helicopter program. The new ASU drones are equipped with forward-looking infrared (FLIR) capability allowing the operator to find people during low-light operations. Additionally, the SCSO has purchased PIX4D mapping software capable of documenting collision and crime scenes from the air. The UAS's and software were purchased by the SCSO using grant funding to support regional public safety. Undersheriff Ellis has offered the use of these tools by our agency without cost, upon approval.

The UAS will be operated by only approved department members. All operators will be certified through an FAA-approved course before operating and will be required to complete and maintain a flight log for all operational usage. SPD operators will maintain their certifications and recertify at the necessary two-year interval. Only those with a current certification will be permitted to operate a UAS.

The SPD will deploy this technology to employ a safer and more efficient response to the following types of incidents:

**Crime Scene Investigation:** Record, photograph, and/or map aerial crime scenes in the course of a criminal investigation. A UAS can record an outdoor crime scene more quickly than other current methods. The PIX4D software allows for the mapping of a collision scene in approximately 20 minutes. This will reduce the length of road closures during the investigation of serious motor vehicle collisions.

**Missing People:** Conduct aerial searches for missing people, when beneficial. Factors such as terrain, drowning risk, cognitive level of the missing person, level of darkness, and other relevant factors will help to determine the need for an aerial search.

**Locating Reported Camping sites:** The SPD is responsible for responding to reported campsites in areas where camping is prohibited. These locations are often remote and difficult to locate from the ground. Officers spend a considerable amount of time hiking in and searching for campsites that are commonly concealed by terrain features and foliage. The use of a UAV to locate these campsites will save considerable staff time and make the process safer for officers.

**Officer Safety Tactical Operations:** Deployment in an effort to protect officers from unnecessary exposure to danger and minimize the risk of injury to bystanders, officers and suspects, and enhance the likelihood of bringing peaceful resolutions to potentially deadly incidents. Use of the UAS for these safety purposes should be limited to incidents involving suspects believed to be armed, situations with a heightened possibility of violent resistance, or those who demonstrate an emotional or mental state indicating they are a threat to themselves or others. Examples of these types of incidents include, but are not limited to, armed barricaded suspects, armed suicidal suspects, high risk search warrants, high risk violent offender apprehension, hostage situations, and incidents involving suspected explosives or improvised explosive devices.

**Prohibited Uses:** Use of a UAS to conduct random surveillance activities or to conduct any type of personal business will be strictly prohibited.

All UAS deployments will be at the direction of and with the prior approval of the Shift Commander or another department member of the rank of Lieutenant or higher.

Executive Summary:

- *Provide details in bullet format*

Budget Impact:

Approved in current year budget? ☐ Yes ☐ No ☐ N/A

Annual/Reoccurring expenditure? ☐ Yes ☐ No ☐ N/A

If new, specify funding source:

Other budget impacts: (revenue generating, match requirements, etc.)

Operations Impact:

Consistent with current operations/policy? ☐ Yes ☐ No ☐ N/A

Requires change in current operations/policy? ☐ Yes ☐ No ☐ N/A

Specify changes required:

Known challenges/barriers: