SEATTLE CITY COUNCIL

Legislative Summary

CB 118396

Record No.: CB 118396 **Type:** Ordinance (Ord) **Status:** Passed

Version: 1 124789 **In Control:** City Clerk

File Created: 05/06/2015

Final Action: 06/18/2015

Title: AN ORDINANCE authorizing the Director of Seattle Public Utilities to enter into a contract with Rabanco, Ltd. to provide recycling processing services for the City of Seattle; and ratifying and confirming certain prior acts.

Date

Notes:

Filed with City Clerk:

Mayor's Signature:

Sponsors: Bagshaw

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: bob.hennessey@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File **Legal Notice Published:** ☐ Yes ☐ No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	05/12/2015	Mayor's leg transmitted to Council	City Clerk			
	Action Text: The Council Bill (CB) was Mayor's leg transmitted to Council to the City Clerk						
	Notes:						
1	City Clerk	05/12/2015	sent for review	Council President's Office			
	Action Text: The Council Bill (CB) was sent for review to the Council President's Office						
	Notes:						
1	Council President's Office	05/12/2015	sent for review	Seattle Public Utilities and Neighborhoods Committee			
	Action Text: The Council Bill (CB) was sent for review to the Seattle Public Utilities and Neighborhoods Committee						
	Notes:						

1	Full Council	05/18/2015	referred	Seattle Public Utilities and Neighborhoods Committee	

Action Text: The Council Bill (CB) was referred. to the Seattle Public Utilities and Neighborhoods Committee
Notes:

1	Seattle Public Utilities and Neighborhoods Committee	05/29/2015	pass		Pass

Action Text: The Committee recommends that Full Council pass the Council Bill (CB).

In Favor: 1 Chair Bagshaw

Opposed: 0

Absent(NV): 1 Member Harrell

1	Full Council	06/08/2015	passed		Pass

Action Text: The Council Bill (CB) was passed by the following vote and the President signed the Bill:
Notes:

In Favor: 9 Councilmember Bagshaw, Council President Burgess, Councilmember Godden, Councilmember Harrell, Councilmember Licata, Councilmember O'Brien, Councilmember Okamoto, Councilmember Rasmussen, Councilmember Sawant

Opposed: 0

1	City Clerk	06/11/2015	submitted for Mayor's signature	Mayor	

Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor
Notes:

1	City Clerk	06/18/2015	attested by City Clerk		

Action Text: The Ordinance (Ord) was attested by City Clerk.
Notes:

1	Mayor	06/22/2015	Signed		

Action Text: The Council Bill (CB) was Signed.
Notes:

1	Mayor	06/22/2015	returned	City Clerk	

Action Text: The Council Bill (CB) was returned. to the City Clerk
Notes:

CITY OF SEATTLE

ORDINANCE 124789

COUNCIL BILL 118396

AN ORDINANCE authorizing the Director of Seattle Public Utilities to enter into a contract with Rabanco, Ltd. to provide recycling processing services for the City of Seattle; and ratifying and confirming certain prior acts.

WHEREAS, the City contracts with Rabanco, Ltd. for recycling processing under a contract scheduled to expire March 31, 2016; and

WHEREAS, the City will continue to need recycling processing services; and

WHEREAS, Seattle Public Utilities issued a Request for Proposal in 2014 for future processing services; and

WHEREAS, Seattle Public Utilities selected Rabanco, Ltd. as a finalist and negotiated a new contract to provide processing services; NOW, THEREFORE;

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. The Director of Seattle Public Utilities is authorized to execute, for and on behalf of the City of Seattle, a contract with Rabanco, Ltd. substantially in the form of the contract attached hereto and identified as Attachment 1.

Section 2. Any act taken after the passage but prior to the effective date of this ordinance and consistent with its authority is hereby ratified and confirmed.

Section 3. This ordinance shall take effect and be in force 30 days after its approval by the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it shall take effect as provided by Seattle Municipal Code Section 1.04.020.

Passed by the City Council the 8th day of June, 2015, and signed by me in open session in authentication of its passage this 8th day of June, 2015.

President _____ of the City Council

Approved by me this 18th day of June, 2015.

Edward B. Murray, Mayor

Filed by me this 18th day of June, 2015.

Monica Martinez Simmons, City Clerk

(Seal)

Attachment 1 – Contract with Rabanco, Ltd.

Attachment 1

Recycling Processing Contract between City of Seattle and Rabanco, Ltd.

Hans Van Dusen
SPU Recycling Contract ORD ATT 1
April 15, 2015
#D1

Attachment 1 to SPU Recycling Contract ORD

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Hans Van Dusen
SPU Recycling Contract ORD ATT 1
April 15, 2015
#D1

RECYCLING PROCESSING CONTRACT

BETWEEN THE CITY OF SEATTLE

AND RABANCO, LTD.

THIS RECYCLING PROCESSING CONTRACT is entered into by and between THE CITY OF SEATTLE, a municipal corporation of the State of Washington by and through Seattle Public Utilities ("City"), and Rabanco, Ltd. ("Contractor"), to provide for the processing of Recyclables (as hereinafter defined) collected through the City's residential, commercial and transfer station services.

The parties, in consideration of the promises, representations and warranties contained herein, agree as follows:

A. GENERAL PROVISIONS

Section 10. Purpose and Intent

This Contract engages Rabanco, Ltd. to accept and process Recyclables into marketable products.

Section 20. Contract Term

This Contract is entered into on this ____ day of _____, _____. Actual processing services will begin, and this Contract shall commence, on April 1, 2016 and continue for a term of five years, ending at midnight March 31, 2021. The City, at its option, may extend this Contract for two successive three-year periods to March 31, 2024 or March 31, 2027, by notifying the Contractor on or before June 30, 2020 or June 30, 2026. If the Contract is extended, the same terms, conditions, and method of payment shall apply during the extension period.

Section 30. Definitions

In addition to capitalized terms that are defined elsewhere, the following meanings apply:

"Recyclables" means mixed waste paper; cardboard; newspaper; tin cans; aluminum cans, pots, pans, foil and food containers; glass bottles and jars; plastic bottles, jars, cups, food containers (excluding styrofoam), rigid plastic 1-7; planter pots and five (5) gallon buckets; bagged plastic bags; polycoated paper; aseptic packaging; scrap metal less than two (2) feet in any direction and less than 35 pounds; and used motor oil and cooking oil collected separately. The City has the option of adding bagged textiles collected separately with six months prior notice.

"Recycle" or "Recycling" means transforming or remanufacturing waste materials into usable or marketable materials for use other than incineration (including incineration for energy recovery) or other methods of disposal.

"Recycling Processing Facility" or "Processing Facility" means the processing facility Specified in Section 100 and which is covered by this Contract.

Section 40. City Responsibilities

The City shall be responsible for:

1. Making payments contemplated by this Contract;

2. Inspecting Contractor performance; and

3. Contracting for recycling collection and ensuring that all Recyclables collected under separate City collection contracts are delivered to the Contractor's processing facility.

4. Coordinating recycling education efforts with City-contracted haulers to ensure Recyclables are delivered to the Processing Facility with minimal contamination.

Section 50. City Representations and Warranties

The City represents and warrants to the Contractor as follows:

1. Organization and Qualification. The City is a municipal corporation and has all requisite corporate power and authority to enter into and to perform its obligations under this Contract.

2. Authority.

   a) The City has the authority to execute this Contract, to make the representations and warranties set forth in it and to perform the obligations of the City under this Contract in accordance with its terms.

   b) This Contract has been validly executed and constitutes a valid and legally binding and enforceable obligation of the City.

Section 60. Contractor Responsibilities

The Contractor shall be responsible for:

1. Furnishing all skill, labor, equipment, materials, supplies and utility services required for providing all services in accordance with this Contract;

2. All actions and activities of its subcontractors;

3. Supplying all records and information required by this Contract;

4. Securing at Contractor's expense all governmental permits and licenses and required regulatory approvals (including those required by City ordinance);

5. Paying all applicable taxes;

6. Complying with all applicable laws and regulations, including without limitation relevant environmental and health laws, regulations and standards related to the processing of recyclable materials;

7. Performing all work in a timely, thorough and professional manner;

8. All wage increases for Contractor's employees; and

9. Any added costs resulting from changes in technology, laws and regulations, labor practices, availability of equipment, and other business risks that may affect the performance of this Contract.

Section 70. Contractor Representations and Warranties

The Contractor represents and warrants to the City as follows:

1. Organization and Qualification. The Contractor is duly incorporated, validly existing and in good standing under the laws of the State of Washington, and has all requisite corporate power and authority to enter into and to perform its obligations under this Contract.

2. Authority.

   a) The Contractor has the authority to execute this Contract, to make the representations and warranties set forth in it and to perform the obligations of Contractor under this Contract in accordance with its terms.

   b) This Contract has been validly executed by an authorized representative of the Contractor and constitutes a valid and legally binding and enforceable obligation of Contractor.

3. Government Authorizations and Consents. The Contractor has or will obtain prior to the first date on which any materials will be processed under this Contract, such licenses, permits and other authorizations from federal, state and other governmental authorities, as are necessary for the performance of its obligations under this Contract.

4. Compliance with Laws. The Contractor is not in violation of any law, ordinance or regulation, the consequence of which violation will or may materially affect Contractor's ability to perform its obligations under this Contract. The Contractor is not subject to any order or judgment of any court, tribunal or governmental agency which materially and adversely affects its operations or assets in the state of Washington, or its ability to perform its obligations under this Contract.

5. Accuracy of Information. None of the representations or warranties in this Contract, and none of the documents, statements, certificates or schedules furnished or to be furnished by Contractor pursuant hereto or in connection with the performance of the obligations contemplated under this Contract, contains or will contain any untrue statement of a material

fact or omits or will omit to state a material fact necessary to make the statements of fact contained therein not misleading.

6. Independent Examination. In accepting these responsibilities, the Contractor represents and affirms that it has made its own examination of all conditions, facilities and properties affecting the performance of this Contract and of the quantity and expense of labor, equipment, material needed, and of applicable taxes, permits, and laws.

7. Statements in Response to RFP Binding. The Contractor hereby agrees to be bound by all statements made in its Response to the Request for Proposals, including all answers to Proposal Questions and completed Forms; provided that if there is a direct conflict with a specific provision of this Contract, then that provision of this Contract shall control.

Section 90. Ownership of Equipment

All facilities, equipment, and property used in the performance of this Contract shall be wholly owned by the Contractor, provided, that leases, conditional sale contracts, mortgages, or other agreements for the use or financing the purchase of essential facilities, equipment, and property may be allowed with the prior written approval of the City, which approval shall not be unreasonably withheld.

All such leases, conditional sale contracts, mortgages, or other agreements shall provide that in the event of the Contractor's failure to perform its obligations under this Contract, the City, at its option, shall have the right to take possession of and operate facilities, equipment, and property covered by such lease or agreement for the unexpired term of this Contract, as provided in Section 710 of this Contract. No further encumbrance shall be placed upon any such facilities, equipment, and without the prior written approval of the City, which approval shall not be unreasonably withheld.

Section 95. Contractor's Office

The Contractor shall maintain an office with telephone service, email, and staff as needed to coordinate with the City. Office hours shall be 8:00 a.m. to 5:00 p.m., Monday through Friday.

B. PROCESSING SERVICES

Section 100. Recycling Processing Facility

The Contractor's Processing Facility is the Rabanco Recycling and Waste Reduction Center facility located at 2733 Third Avenue South. The facility will receive, process and market all Recyclables collected under City contracts and from the City transfer station. Receiving hours will be 7:00 am to 7:00 pm., Monday through Saturday. The processing facility will, if necessary, remain open later during periods of inclement weather if the collection trucks are collecting Recyclables after 5:00 pm. This Contract does not preclude the Contractor from accepting recyclables from other sources or from accepting Recyclables at the processing (or tip) facility before 7:00 am or after 7:00 pm.

The Processing Facility shall be capable of processing the Recyclables in accordance with the terms of this Contract, including but not limited to Sections 130, 140 and150. The Processing Facility shall have sufficient capacity to receive, process, and store all materials collected in one week.

The Contractor will receive and process used motor oil, used cooking oil, retired plastic collection carts and cans, and bagged textiles delivered separately from the commingled materials. The City will notify the Contractor 180 days prior to initiating textile processing. Used motor oil and cooking oil will be delivered in plastic bottles with secure lids.

The Processing Facility shall conform to all applicable zoning, Health Department and Puget Sound Air Pollution Control Agency regulations and any other applicable rules, regulations, or ordinances. If the Contractor is unable to meet Health Department regulations, or other pertinent state or local regulations and/or Contract stipulations, the Contractor shall arrange for processing of collected Recyclables at a back-up facility that meets all such regulations and/or stipulations. In such event, all requirements of Section 120 shall be met.

The Contractor's arrangements for processing Recyclables, at both the primary and back-up Recycling Processing Facilities, shall be subject to review and approval before the Contractor begins processing Recyclables, and the facilities shall be subject to inspection by City staff during business hours to determine compliance with this Contract and all the rules and regulations pertaining to processing.

Section 110. Textile Collection

The City retains an option to have the Contractor collect bagged textiles from residential customers. The City will notify the Contractor 180 days prior to initiating this collection service. The Contractor will collect bagged textiles set out next to a residential recycling cart on the scheduled recycling pickup day, when notified by a customer or the City at least one day prior to the recycling day. The Contractor will receive service requests through live phone agents during business hours, through online requests available 24/7, or through electronic records from the City. The Contractor will collect any missed pickups that were previously requested within 24 hours. The City and the Contractor will confirm additional details for textile collection in an Operations Plan to be completed 180 days prior to implementation.

Section 120. Back-up Recycling Processing Facility

To support an initial start-up period or avoid disruption of the Recycling collection program through a temporary shutdown in processing, the Contractor shall have an agreement with another permitted processing facility(s) for processing Recyclables. The Contractor represents and warrants that as of the date hereof each of the following facilities is so permitted and that each has agreed to process Recyclables as a back-up facility pursuant to this Section 120:

Pioneer Recycling Services
4109 192nd St E
Tacoma, WA 98446

If the Contractor is unable to meet Health Department regulations or other pertinent state, local or other regulations, or is unable for any reason whatsoever to receive Recyclables for processing at its specified primary Processing Facility, the Contractor, at its own initiative or upon notification from the City, shall direct the City to one of the back-up Recycling processing facilities identified above, or if the back-up facility is located outside the City, shall direct the City to a transfer site located within the City.

The Contractor shall be responsible for all payments required to contract for use of the back-up facility. The City shall deduct Contractor payments for any increase in transport costs (i.e., collection contractor operational costs) charged to the City as a result of delivery of the Recyclables to a back-up facility or transfer site. The City will document the increased operational costs, and shall bill the Contractor for them. The amount owed in the bill will appear as a deduction on that month's compensation from the City. The Contractor will receive no payment adjustment for decreases in transport or operational costs.

Section 130. Cycle Time

The Contractor shall weigh collection trucks in and out of the processing or tip facility in a timely manner. The Cycle Time from the inbound to the outbound scale shall not exceed 15 minutes.

Section 140. Processing Plant Contamination and Residuals

The Contractor's residuals from the overall processing operations at the facility (including both City and non-City material) shall meet a performance target of under 8% of all inbound materials. Except as otherwise provided in this section, the Contractor is responsible for the disposal of all contamination received and residuals produced at the facility. The Contractor will be responsible for transportation of residuals to a City transfer station or rail yard for disposal. For rail yard disposal, the City will provide empty shipping containers for the Contractor at the rail yard. However, the Contractor will be allowed to dispose of City-generated contamination at no cost to the Contractor. The City will conduct random sorts of Recyclables approximately every four years to establish the amount of City-generated contamination as described in Attachment 1.

In the event that the Contractor identifies any hazardous materials, or other materials not suitable for disposal at a City transfer station or rail yard, in contamination received or residuals produced from loads delivered to the Contractor under this Contract, the Contractor shall immediately notify the City and segregate those materials, and the City shall be responsible for making arrangements for their proper disposal.

Section 150. Processing Standards and Marketing Material

The Contractor is responsible for establishing transportation and marketing arrangements for the processed material. The Contractor shall process Recyclables in such a manner that all City newspaper, cardboard mixed waste paper shall be sold as paper bales for remanufacture; 50% or more of received City HDPE and PET plastic shall be sold as HDPE and PET bales; and 50% or more of received City glass shall be sold as glass cullet. The City will approve variances to this requirement if relevant markets become unavailable.

Section 160. Disposal Prohibition

The Contractor is prohibited from disposing, composting, or incinerating any Recyclables received under this Contract, unless authorized by the City. The Contractor is further prohibited from marketing materials that the Contractor knows, or has reason to know, will be disposed of. Violation of this Contract provision shall be cause for termination.

Section 170. Litter Control

The Contractor shall ensure that litter from the Recycling Processing Facility is minimized and contained.

Section 180. Safety and Training Plan; Safety Meetings

Prior to beginning operations under this Contract, the Contractor shall develop a safety and training plan for the Processing Facility. This plan shall include standard operating procedures (SOP's) for employees working at the facility, as well as SOP's for the trucks and drivers/swampers using the facility. The Contractor shall develop the SOP's relating to the trucks and drivers/swampers using the facility by working in cooperation with those firms.

The Contractor shall hold regular quarterly safety meetings with their own personnel, as well as with representatives of those collection firms that are tipping material at the Processing Facility. City representatives shall be informed of these meetings and given the opportunity to attend.

Section 185. Facility Tours and Education Center

The Contractor will provide facility tours as requested by the City. The City will provide minimum one week advance notice for tour requests. If the Contractor has preexisting conflicts with requested date, then the Contractor and the City will concur on a mutually agreeable alternative. The Contractor will build an onsite education center available as requested to City groups and to be completed by September 1, 2017, unless delayed due to factors beyond the Contractor's control.

Section 190. Pilot Tests

The City may require the Contractor to conduct pilot tests that temporarily change one or more provisions of this Contract. A pilot test is an experiment with a new processing method, and/or a different type of service. A pilot test may require additional record keeping. The City and the Contractor shall negotiate in good faith and sign a letter of agreement covering the expected cost and the pilot program duration prior to commencing any such test.

C. REPORTING REQUIREMENTS

Section 200. Weekly Scale Files

The Contractor shall provide to the City each week, in an electronic format specified by the City, a listing of the previous week's scale records for all materials received each day by the Contractor at the Processing Facility. Information must include gross and net weights (tare weights are not allowed), truck number, route number, and the date and time of the weight slip. The Contractor shall keep as back-up a paper copy of each weight transaction.

Weights must be obtained from certified private scales approved by the City, or other scales approved by the City. The City has the option of requiring any private scales to be certified as frequently as monthly. Falsified or altered weight information shall be cause for Contract termination.

Section 210. Monthly Tonnage Reports

The Contractor shall submit a tonnage report each month accompanying the services invoice described in Section 330. At a minimum, the monthly spreadsheet shall include a list and summary of trips and tons for all received material by source type; list and summary of turn time performance as described in Section 740; and a list and summary of trips and tons for all residuals delivered to the City for disposal.

Section 212. Quarterly Processing Reports

The Contractor shall submit a quarterly report within fifteen (15) working days of the close of the quarter, which shall include:

1. Summary of monthly inbound trips and tons for contract year to date.
2. Summary of monthly outbound commodities and residuals for contract year to date.
3. Listing of the current destinations for outbound commodities and facility performance relative to processing standards in Section 150.
4. Payroll records as required in Section 360.
5. Contractor recommendations for partnership improvements with the City.

D. COMPENSATION

Section 300. Payment for Processing Services

The City shall pay the Contractor monthly for all commingled tons of Recyclables delivered to the Contractor's receiving facility during the month documented per Sections 200 and 210. From April 2016 through March 31, 2017, the City will pay the Contractor a rate of $89.50 per ton for commingled processing.

Separately collected used motor oil, used cooking oil, retired plastic collection carts and cans, and bagged textiles will be processed at no cost to the City.

Section 305. Payment for Textile Collection

The City shall pay the contractor $9,375 per month for textile collection services for the period April 2016 to March 2017, if initiated by the City. Payment in subsequent contract years will be adjusted per Section 310.

Section 310. Adjustments in Subsequent Contract Years

The City will compute compensation payable for the second and subsequent Contract years as follows:

The per ton rate from the preceding year shall be multiplied by 1.0 plus 50% of the percentage difference between the most recently available second-half annual consumer price index for Urban Wage Earners and Clerical Workers for the Seattle-Tacoma-Bremerton Area (CPI), Series ID No. CWURA423SAO, or successor indices and the second-half annual CPI for the previous year.

Section 320. Recycling Market Credits

The City will receive a market credit each month equal to the full current market value of all tons processed. The monthly market value will be based on total tons processed by commodity multiplied by current index values for each commodity.

The monthly tons processed for each commodity will be based total tons received and the composition percentages from the most recent characterization sort completed by the City, as described in Attachment 1. The City will perform a characterization study, based on random sampling, approximately every four years at the Contractor's Processing Facility. The Contractor shall fully cooperate with the City in this sampling effort, including providing space at the Processing Facility to conduct the sorting.

Monthly index prices will be based on index publications and quotations as listed in Attachment 1.

Section 330. Payment Procedure.

No later than the 10th of each month, the Contractor will submit an invoice and copies of weight information required pursuant to Sections 200 and 210. The Contractor shall not receive its monthly compensation until all items required in the report are submitted to the City. This invoice will be paid by the City to the Contractor by wire transfer on or before the 30th of the same month (or 20 calendar days after the invoice date, if the invoice/weight information is presented late).

E. Employee Compensation and Rights

Section 400. Contract Rate of Wage

The Contractor shall ensure that all processing workers performing work on this contract are permanent employees of the Contractor and paid not less than the Contract Wages as set by the City, unless authorized by the City. Processing workers include all primary line sorters, fork lift drivers and equipment operators performing work on this contract. The Contract Wages, as of April 1, 2016, for processing workers are listed in Attachment 2 and will be updated as needed to reflect changes to local prevailing wage.

Contract Wages includes the hourly wage, usual benefits, and overtime. The Contractor's duty to pay the Contract Wage is absolute and mandatory. No worker may waive full compliance or accept a lesser sum.

Within thirty (30) days of starting processing on this Contract and thereafter on a yearly basis, the Contractor shall supply to each recycling processing worker a copy of the Contract Wage.

The Contractor shall also supply a copy to each new permanent sorter. The information shall be in both Spanish and English.

Should an employee prevail in a suit against the Contractor for wages or benefits due and establish that his or her wages paid were less than the Contract Wage, the Contractor shall pay to the employee, in addition to the wages or benefits due and accrued interest, a reasonable attorney's fee, expert witness fee, and court costs, as well as any other damages that may be awarded.

Under-payment of Contract Wages shall be a material breach of the Contract.

Section 410. Payroll Records and Reports

The Contractor shall keep complete and accurate payrolls containing the following information with respect to each permanent recycling process worker employed upon or in connection with this Contract:

1. Employee's identification number;
2. Classification of work;
3. Number of hours employed each day, as verified by a time clock record;
4. Total number of hours employed each payroll period, as verified by a time clock;
5. Rate of wages;
6. Total amount earned;
7. All deductions;
8. Net amount paid; and
9. Funds paid by employer for prevailing benefits.

All employees shall be paid in lawful money of the United States, in the full amount accrued to each employee at the time of closing the payroll.

The Contractor's payroll records shall be available for inspection by City staff during office hours at the Contractor's Seattle office.

On a quarterly basis, the Contractor shall file with the City an electronic copy of each payroll together with an electronic listing of time clock records and other above information.

The City shall withhold payment on all estimates for work performed by the Contractor under this Contract until: (1) all payroll reports, with the above information of said Contractor for work performed, have been filed with the City; and (2) all permanent employees doing recycling processing work under this Contract have been paid the Contract Wage as determined by the City.

Section 420. Wage Increases for Employees

All wage increases for employees of the Contractor granted during the term of this Contract shall be the sole responsibility of the Contractor. Any benefits or added costs resulting from changes in technology, laws and regulations, labor practices, availability of equipment, and

other foreseeable business risks that may affect the performance of this Contract shall be to the Contractor's advantage or expense respectively, except as may be noted herein.

Section 430. Withholding and Payment of Tax Liens and Judgments

The City may withhold and pay to the United States of America or to any federal court, or the State of Washington or any state court, the amount claimed in a levy filed by the United States Internal Revenue Service or the Washington State Department of Revenue, respectively; the amount directed by a writ of garnishment, writ of attachment, or writ of execution; or by an order of a Bankruptcy Court, and/or by any court order, each for monies claimed from the Contractor. When presented such an order, the City may in its discretion institute interpleader proceedings. The City may make a payment in conjunction with the interpleader action to the appropriate court. Payments so made or deposited into the registry of the court shall be satisfaction of payment due to the Contractor.

Section 440. Withholding and Payment to Workers

If any worker doing transportation or processing work for the Contractor (or any subcontractor) shall be paid by a postdated check, a check presented and dishonored for insufficient funds on account, or other negotiable instrument or promissory note that is not payable on the worker's regular payroll date or paid when presented, the worker may present the unpaid document to the City and request payment directly from the City. The City shall contact the Contractor, and if payment is not made within twenty-four hours, the City may issue a warrant drawn on the City for the amount of the unpaid wages and the City shall deduct the amount paid, together with a service charge of Thirty Dollars ($30) per warrant from the next succeeding payment to be made to the Contractor.

Section 450. Workers Right to Know

"Right to Know" legislation required the Department of Labor and Industries to establish a program to make employers and employees more aware of the hazardous substances in their work environment. WAC 296-800-108 requires among other things that all manufacturers/distributors of hazardous substances, including any of the items listed on this ITB, RFP or contract bid and subsequent award, must include with each delivery completed Material Safety Data Sheets (MSDS) for each hazardous material. Additionally, each container of hazardous material must be appropriately labeled with: the identity of the hazardous material, appropriate hazardous warnings, and the Name and Address of the chemical manufacturer, importer, or other responsible party. Labor and Industries may levy appropriate fines against employers for noncompliance and agencies may withhold payment pending receipt of a legible copy of the MSDS. OSHA Form 20 is not acceptable in lieu of this requirement unless it is modified to include appropriate information relative to "carcinogenic ingredients: and "routes of entry" of the product(s) in question.

Section 460. Hiring Preference

For initial hiring under this Contract, the Contractor shall actively recruit and give hiring preference to any processing workers who have been displaced as a result of the City awarding this Contract, provided that such workers are fully qualified and meet the Contractor's standards for employment. This requirement applies to initial hiring, for the first year of services, of

relevant new employees needed to support this Contract. Upon the hiring of a displaced collection worker, the Contractor shall keep the displaced worker whole in regard to the worker tenure pay and benefit accruals earned as of the date of displacement.

F. AFFIRMATIVE EFFORTS AND NON-DISCRIMINATION

Section 500. Employment Actions

The Contractor shall not discriminate against any employee or applicant for employment because of race, religion, creed, age, color, sex, marital status, sexual orientation, gender identity, political ideology, ancestry, national origin, or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their creed, religion, race, age, color, sex, national origin, marital status, political ideology, ancestry, sexual orientation, gender identity, or the presence of any sensory, mental or physical handicap. Such action shall include, but not be limited to employment, upgrading, promotion, demotion, or transfer; recruitment or recruitment advertising, layoff or termination, rates of pay, or other forms of compensation and selection for training.

Section 510. Affirmative Effort Implementation

In accordance with Seattle Municipal Code Chapter 20.42, the Contractor shall actively solicit the employment and subcontracting of women and minority group members when there are commercially useful purposes for fulfilling the scope of work.

In the event Subcontracting is considered appropriate and feasible to contract performance, the Contractor shall develop a Subcontracting Plan, which also may be referred to as an Outreach Plan. The Subcontracting (Outreach) Plan shall specify the Contractor's affirmative efforts and an agreement to the City for subcontracting to women and minority businesses, and/or diverse employment. The Subcontracting (Outreach) Plan, as submitted and/or as agreed upon with the City thereafter, shall be incorporated as a material part of the Contract. In preparing the Subcontracting (Outreach) Plan, Contractors shall actively solicit qualified, available and capable women and minority-owned businesses to perform the subcontracting work for the contract. The Contractor shall submit the Subcontracting (Outreach) Plan to the City with the solicitation and/or prior to contract execution. At the request of the City, Contractor shall promptly furnish evidence of the Contractor's compliance with these requirements, which may include a list of all subcontractors and/or WMBE subcontractors, and may include a request for copies of the executed agreements between the Contractor and subcontractors, invoices and/or performance reports.

Section 520. Investigation of Employment and Affirmative Efforts

If upon investigation, the Director of Finance and Administrative Services finds probable cause to believe that the Contractor has failed to comply with the requirements of this Section, the Contractor shall be notified in writing. The Director of Finance and Administrative Services shall give Contractor an opportunity to be heard, after ten calendar days' notice. If, after the

Contractor's opportunity to be heard, the Director of Finance and Administrative Services still finds probable cause, s/he may suspend the Contract and/or withhold any funds due or to become due to the Contractor, pending compliance by the Contractor with the requirements of this Section.

Any violation of the mandatory requirements of this Section, or a violation of Seattle Municipal Code Chapter 14.04 (Fair Employment Practices), Chapter 14.10 (Fair Contracting Practices), Chapter 20.45 (City Contracts – Non-Discrimination in Benefits), or other local, state, or federal non-discrimination laws, shall be a material of contract for which the Contractor may be subject to damages and sanctions provided for by the Contractor Contract and by applicable law. In the event the Contractor is in violation of this Section shall be subject to debarment from City contracting activities in accordance with Seattle Municipal Code Section 20.70 (Debarment).

Section 540. Key Persons and Subcontractors

The Contractor shall not transfer, reassign or replace any individual or subcontractor that is determined to be essential or that has been agreed upon in the Contractor's Subcontracting (Outreach) Plan, without express written consent of Seattle. If during the term of this Contract, any such individual leaves the Contractor's employment or any named subcontract is terminated for any reason, the Contractor shall notify Seattle and seek approval for reassignment or replacement with an alternative individual or subcontractor, which approval such not unreasonably be withheld. Upon Seattle's request, the Contractor shall present to Seattle, one or more subcontractors or individual(s) with greater or equal qualifications as a replacement. Continued achievement of the Subcontracting (Outreach) Plan that was incorporated into this Contract by reference, if any, and the associated subcontract awards, aspirational goals and efforts, will be one of the considerations in approval of such changes. Seattle's approval or disapproval shall not be construed to release the Contractor from its obligations under this Contract.

Section 560. Equal Benefits

The Contractor shall comply with the requirements of Seattle Municipal Code Chapter 20.45 and Equal Benefits Program Rules implementing such requirements, under which the Contractor is obligated to provide the same or equivalent benefits ("equal benefits") to its employees with domestic partners as the Contractor provides to its employees with spouses. At Seattle's request, the Contractor shall provide complete information and verification of the Contractor's compliance with Seattle Municipal Code Chapter 20.45. Failure to cooperate with such a request shall constitute a material breach of this Contract.

Any violation of this section shall be a material breach of Contract for which the City may:

1. Require the Contractor to pay actual damages for each day that the Contractor is in violation of Seattle Municipal Code Chapter 20.45 during the term of the Contract; or
2. Terminate the Contract; or
3. Disqualify the Contractor from bidding on or being awarded a City contract for a period of up to five (5) years; or
4. Impose such other remedies as specifically provided for in Seattle Municipal Code Chapter 20.45 and the Equal Benefits Program Rules promulgated there under.

G. Federal Provisions

Section 600. Equal Employment Opportunity

The Contractor must comply with federal Executive Order 11246, "Equal Employment Opportunity," as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and as supplemented by regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.

Section 610. Civil Rights Act Title VI

The Contractor must comply with the provisions of the Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.). The law provides that no person in the United States shall, on the grounds of race, color or national origin, be denied the benefits of, be excluded from participation in, or be subjected to, discrimination under any program or activity receiving federal financial assistance.

Section 620. Americans with Disabilities Act

The Contractor must comply with all applicable provisions of the Americans with Disabilities Act of 1990 (ADA) in performing its obligations under this Contract. In particular, if the Contractor is providing services, programs, or activities to City employees or members of the public as part of this Contract, the Contractor shall not deny participation or the benefits of such services, programs, or activities to people with disabilities on the basis of such disability. Failure to comply with the provisions of the ADA shall be a material breach of, and grounds for the immediate termination of, this Contract.

Section 630. OSHA/WISHA

The Contractor must comply with conditions of the Federal Occupational Safety and Health Acts of 1970 (OSHA), as may be amended, and, if it has a workplace within the State of Washington, the Washington Industrial Safety and Health Act of 1973 (WISHA), as may be amended, and the standards and regulations issued thereunder.

Section 640. Contract Work Hours and Safety Standards

The Contractor and all subcontractors shall comply with Sections 102 and 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-333), as supplemented by Department of Labor regulations (29 CFR part 5). Under Section 102 of the Act, each contractor shall be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than 1 ½ times the basic rate of pay for all hours worked in excess of 40 hours in the work week. Section 107 of the Act is applicable to construction work and provides that no laborer or mechanic shall be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

Section 670. Clean Air Act and Federal Water Pollution Control Act

The Contractor must comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401 et seq.) and the Federal Water Pollution Control Act as

amended (33 U.S.C. 1251 et seq.). Violations shall be reported to the City immediately and to the Regional Office of the Environmental Protection Agency (EPA).

Section 680. Energy Efficiency

The Contractor must comply with laws and regulations applicable to the Processing Facility relating to energy efficiency which are promulgated for the purpose of implementing the Washington state energy conservation plan issued in compliance with 42 U.S.C. § 6322.

H. SECURITY; LIABILITY; DAMAGES

Section 700. Performance Bond

The Contractor shall provide and maintain at all times a valid Contractor's Performance and Payment Bond ("Bond") for one million two hundred fifty thousand dollars ($1,250,000). The Bond shall be issued for a period of not less than one year and the Contractor shall provide a new bond, or evidence satisfactory to the City of the renewability of the current bond at least 90 calendar days before it expires. The Contractor shall be named as Principal and The City of Seattle shall be named as Obligee.

The Bond must be in place prior to the beginning of processing under this Contract.

The Bond shall be conditioned upon full performance of all obligations imposed upon the Contractor in this Contract. The Bond shall be subject to approval by the City Attorney as to the company, form, and sufficiency of surety. If the instrument is found by the City Attorney to be flawed, the Contractor must correct the flaw promptly prior to contract execution or the award may be terminated.

The Bond must be executed by a company that is included in the U. S. Department of the Treasury's Listing of Approved Sureties (Circular 570), is included on the Washington State Insurance Commissioner's Authorized Insurance Company List, and is acceptable to the City.

The Bond shall be in full force effect and shall be the obligation of the surety unless the Contractor shall faithfully perform all of the provisions of this Contract and pay all laborers, mechanics, subcontractors, material men and all persons who shall supply such Contractor or subcontractors with provisions and supplies for the performance of this Contract. The Bond shall contain appropriate recitations that it is issued pursuant to this Section of this Contract, that it shall be construed to meet all requirements specified herein and that any condition or limitation in the Bond which is in conflict with the conditions and requirements of this Section is void.

Failure of the Contractor to furnish and maintain the Bond shall be considered a material breach of this Contract and grounds for its immediate termination at the option of the City.

Section 710. Default of Contractor

This Section is independent, notwithstanding any other provisions of this Contract. Except as provided in the last paragraph of this Section 710, the Contractor may be held in default of the Contract in the event that the Contractor:

1. Is unable to accept Recyclables, for more than a 48 hour period for processing at the primary or back-up Processing Facility or alternate facility approved by the City;

2. Fails to comply with the Employment and Discrimination terms per Chapter E & F (Sections 400 – Section 560);

3. Fails to furnish and maintain a Performance and Payment Bond per Section 700;

4. Fails to furnish and maintain the Insurance Requirements per Section 720; or

5. Repeatedly neglects, fails, or refuses to comply with any material term of the Contract, after having received written notice of its obligation to do so.

To initiate proceedings under this Section, the City shall give notice to the Contractor and its surety of the location, time, and date within the following seven calendar days of a meeting with the Director of Seattle Public Utilities at which the Contractor may show cause why it should not be declared in default or why it should be given the opportunity to cure said default. In the event the Contractor fails to show, to the reasonable satisfaction of the Director, why the Contractor should not be declared to be in default of this Contract, the Director may make a declaration of default. In evaluating whether to make such a declaration of default, the Director shall, in his/her discretion, consider the severity of the alleged violations, and the overall performance of the Contractor under the Contract.

In declaring the Contractor to have defaulted on the Contract, the Director also may order the Contractor to discontinue further performance of work under the Contract, transfer the obligation to perform such work from the Contractor to the surety on the Contractor's Performance and Payment Bond, and take any other action the Director deems advisable.

Upon receipt of a notice that the work has been transferred to the surety without termination of the Contract, the surety shall take possession of all materials and equipment thereof, for the purpose of completing the work under the Contract; employ, by contract or otherwise, any person and all persons needed to perform the work; and provide materials and equipment required thereof. Such employment shall not relieve the surety of its obligations under the Contract and the Bond. If there is a transfer to the surety, payments shall be made to the surety or its agent for all work performed under the Contract subsequent to such transfer, in amounts equal to those that would have been made to the Contractor had it performed in the manner and to the extent of the surety's performance, and the Contractor shall have no claim upon the same.

In the event the surety on the Contractor's Bond fails to assume or continue performances within 48 hours after its receipt of notice that the work has been transferred to such surety, the Contractor shall lease, sublease or otherwise license the City to use all, or whatever portion is desired by the City, the materials and equipment necessary for processing purposes for a period of up to six months following the date of the declaration of default by the City, without requiring the City to execute any other document whatsoever to accomplish such lease,

sublease, or license and without requiring the City to post any bond, pledge, deposit or other security for such equipment and materials, but upon the condition that the City pay for the equipment and materials actually used for such processing a market rental that is no greater than (i) the monthly lease, in the event such property is leased by the Contractor, (ii) the periodic installment, in the event such property is being acquired under a purchase contract, (iii) the periodic financing interest and principal, in the event such property is being acquired under a purchase contract, or (iv) the periodic interest and principal, in the event such property is being acquired under a financing arrangement; provided, that under no circumstances shall the City be liable during its use of such property for any arrearages, balloon payment, accrued interest, accelerated charges in the event of a default, or other extraordinary payment; nor shall the satisfaction thereof be a condition of the City's interim use of such property; provided, further, that such lease, sub-lease, or license shall be suspended the date the surety on the Contractor's bond or its agent accepts the transfer of work under the Contract.

In the event the City secures the performance of work under the Contract at a lesser cost than would have been payable to the Contractor had the Contractor performed the same, then the City shall retain such difference; but in the event such cost to the City is greater, the Contractor and its surety shall be liable for and pay the amount of such excess to the City.

All payments due the Contractor at the time of default, less amounts due the City from the Contractor, shall be applied by the City against damages suffered and expense incurred by the City by reason of such default, any excess shall be paid to the Contractor unless otherwise provided herein.

Notwithstanding the provisions of this Section, a delay or interruption in the performance of all or any part of the Contract resulting from causes beyond the Contractor's control shall not be deemed to be a default and the rights and remedies of the City provided for herein shall be inapplicable; provided that labor disputes involving Contractor's employees shall not be considered a cause beyond the Contractor's control.

Section 720. Insurance

At all times during the term of this Agreement, the Contractor shall maintain in force the following minimum levels of coverage for insurance or self-insurance ("Insurance"):

1. COVERAGES AND LIMITS
   The Insurance shall provide the minimum coverages and limits of liability set forth below.

   a) COMMERCIAL GENERAL LIABILITY (CGL) Insurance including coverage for:
      i. Premises/Operations
      ii. Products/Completed Operations
      iii. Personal/Advertising Injury
      iv. Contractual
      v. Independent Contractors
      vi. Stop Gap/Employers Liability

   Such Insurance must provide the following minimum limits of liability:

$5,000,000	each occurrence Combined Single Limit bodily injury and property damage (CSL)
$10,000,000	general aggregate
$1,000,000	each Offense Personal/Advertising Injury
$5,000,000	each accident/disease/policy limit

The limits of liability specified above may be satisfied with primary limits of liability or any combination of primary limits and excess/umbrella limits.

b) AUTOMOBILE LIABILITY INSURANCE for owned, non-owned, hired, and leased vehicles, as applicable, with MCS 90. Such insurance must provide a minimum limit of liability of $1,000,000 CSL.

c) WORKERS' COMPENSATION INSURANCE as required by the Industrial Insurance laws of the state of Washington.

2. GENERAL REQUIREMENTS

a) Each insurer must either be (1) authorized to do business in the state of Washington and maintain A.M. Best's ratings of A-: VII or higher, or (2) procured as surplus lines under the provisions of chapter 48.15 RCW ("Unauthorized Insurers"). The City reserves the right to reject insurance including based on the insurer, terms and coverage, the certification of insurance, and/or policy provisions.

b) The Contractor shall keep this Insurance in force during the term of the contract

c) The liability Insurance policies for which there is a requirement to include the City as an additional insured shall contain a "cross liability" provision.

d) The insurance for the Contractor and any subcontractor performing services under this Contract shall include general liability insurance coverage that includes the City as an additional insured shall be primary and non-contributory as respects the City's self-insurance and/or insurance.

e) All Insurance shall include a requirement providing for a minimum of thirty (30) days prior written notice to the Contracting Agency of any cancellation in any Insurance, except a minimum of ten (10) days as respects cancellation for non-payment.

f) In the event that the City tenders a claim to any Contractor insurer for defense and indemnity, and the insurer declines to accept the tender or accepts it under a reservation of rights, upon the City's request the Contractor shall forward to the City a true and certified copy of any relevant Insurance policy(ies).

g) The Contractor shall not begin work under the contract until the required Insurance has been obtained and approved by the City.

h) Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five (5) business days notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such Insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the Contracting Agency on demand, or at the sole discretion of the Contracting Agency, offset against funds due the Contractor from the Contracting Agency.

i) Any self-insured retention (S.I.R.) in excess of $50,000 must be disclosed and is subject to City's approval. The Contractor shall furnish financial information that the City shall reasonably require for performing a risk retention analysis and shall, in addition, provide a written statement that the Contractor will protect the City against any claim within the S.I.R. to the same extent that coverage would be afforded under the relevant excess of loss commercial insurance policy. The cost of any claims payments for defense and indemnity falling within the S.I.R. shall be the responsibility of the Contractor.

j) All costs for Insurance shall be incidental to and included in the unit or lump sum prices of the contract and no additional payment will be made.

3. NO LIMITATION OF LIABILITY; ADDITIONAL INSURED

The limits of liability specified herein are minimum limits only. Such minimum limits of liability requirements shall not be construed to limit the liability of the Contractor, any subcontractor of any tier or of any of their respective insurers. Any provision in any Contractor or subcontractor Insurance policy that limits available limits of liability to those specified in a written agreement or contract shall not apply and all Insurance policies, with the exception of Workers Compensation Insurance, shall include the City of Seattle as an additional insured for primary and non-contributory limits of general liability for the full valid and collectible limits of liability maintained by the Contractor, whether primary, excess, contingent or otherwise. This provision shall apply regardless of whether such limits maintained by the Contractor are greater than those required by this Contract, and regardless whether the certification of Insurance provided by a subcontractor of any tier pursuant to 4) below specifies lower minimum limits than those specified for or maintained by the Contractor.

4. SUBCONTRACTORS

Contractor shall contractually require that each subcontractor performing services under this contract, providing work or services in support of this Contract, of every tier maintain at a minimum the Insurance coverages specified in paragraph 1) a) and b). Upon request of the City, the Contractor shall cause evidence of such Insurance to be provided.

5. EVIDENCE OF INSURANCE (DOES NOT APPLY TO STATE OF WASHINGTON STATUTORY WORKERS' COMPENSATION)

The Contractor shall deliver to the City certification of Insurance meeting the requirements set forth herein when the Contractor delivers the signed Contract for the work. The certification of Insurance must include the following:

a) An ACORD certificate or equivalent form fully disclosing all coverages and limits of liability maintained.

b) A copy of the additional insured endorsement or blanket additional insured language to the Commercial General Liability Insurance documenting that the City of Seattle is an additional insured for primary and non-contributory limits off liability. A statement of additional insured status on an ACORD or other form of certificate of Insurance will not satisfy this requirement.

c) Any other amendatory endorsements to document compliance with the requirements herein.

Section 730. Indemnity

To the extent permitted by law, the Contractor shall protect, defend, indemnify and hold the City harmless from and against all claims, demands, damages, costs, actions and causes of actions, liabilities, fines, penalties, judgments, expenses and attorney fees, resulting from the injury or death of any person or the damage to or destruction of property, or the infringement of any patent, copyright, trademark or trade secret, arising out of the work performed or goods provided under this Contract, or the Contractor's violation of any law, ordinance or regulation, contract provision or term, or condition of regulatory authorization or permit, except for damages resulting from the sole negligence or willful misconduct of the City. As to the City of Seattle, the Contractor waives any immunity it may have under RCW Title 51 or any other Worker's Compensation statute. The parties acknowledge that this waiver has been negotiated by them, and that the contract price reflects this negotiation.

Section 740. Performance Adjustments

The Contractor shall pay the City $1.25 per minute for every individual truck trip at the processing or tip facility that exceeds a Cycle Time of 15 minutes as specified in Section 130.

The City will deduct $10,000 per quarterly occurrence that the Contractor exceeds overall facility residual target of 8% as Specified in Section 140. The deduction will increase to $20,000 per quarter if overall facility residual exceeds 10% for the quarter.

Section 750. Liquidated Damages

This Section is independent of Section 510. Liquidated Damages pursuant to this Section shall be deducted from the monthly payment to the Contractor.

The acts or omissions in the left hand column are a breach of this Contract; the amounts in the right hand column are set as Liquidated Damages.

1. Failure to meet processing standards as specified in Section 150.	$15,000 per quarterly occurrence

2. Failure to accept, for more than a 3-hour period during the hours described in Section 100, Recyclables for processing at the primary or back-up Processing Facility. These damages do not apply in the event that a major disaster or emergency causes a disruption in the facility operations.	$500 per inbound truck per hour

I. PROPRIETARY AND CONFIDENTIAL INFORMATION

Section 800. No disclosure unless required by law

The parties agree that they will not permit the duplication or disclosure of any information designated in advance by the other party as "Confidential and Proprietary" to any person (other than its own employee, agent, or representative who must have such information for the performance of that party's obligations hereunder) unless such duplication, use or disclosure is specifically authorized in writing by the other party or is required by law. "Confidential and Proprietary" information does not include ideas, concepts, know-how, or techniques related to information that, at the time of disclosure, is in the public domain unless the entry of that information into the public domain is a result of any breach of this Contract. Likewise, "Confidential and Proprietary" information does not apply to information that is independently developed, already possessed without obligation of confidentiality, or rightfully obtained from a third party without an obligation of confidentiality.

Section 810. Contractor's Understanding and Obligations

The Contractor understands that any records (including but not limited to bid or proposal submittals, the Agreement, and any other contract materials) it submits to the City, or that are used by the City even if the Contractor possesses the records, are public records under Washington State law, RCW Chapter 42.56. Public records must be promptly disclosed upon request unless a statute exempts them from disclosure. The Contractor also understands that even if part of a record is exempt from disclosure, the rest of that record generally must be disclosed.

If the City receives a public disclosure request made pursuant to RCW 42.56, the City will not assert an exemption from disclosure on behalf of the Contractor. For materials that the Contractor has properly marked, the City will notify the Contractor of the request and postpone disclosure for ten business days to allow the Contractor to file a lawsuit seeking an injunction preventing the release of documents pursuant to RCW 42.56.540. Any notification is provided as a courtesy and is not an obligation on behalf of the City. Unless the Contractor obtains and serves an injunction upon the City before the close of business on the tenth business day after the date of the notification, the City may release the documents. It is the Contractor's discretionary decision whether to file the lawsuit.

In order to request that material not be disclosed until receipt of notification of a public disclosure request, you must identify the specific materials and citations very clearly on the City Contractor Questionnaire that you believe are exempt from disclosure. The City will not

withhold material for notification if the Contractor simply marked confidential on the document header, footer, stamped on all pages, or offered a generic statement that the entire document is protected. Only material specifically listed and properly cited on the Contractor Questionnaire will be temporarily withheld until the City provides notification of a public disclosure request.

If the Contractor does not obtain and serve an injunction upon the City within 10 business days of the date of the City's notification of the request, the Contractor is deemed to have authorized releasing the record.

If the Contractor does not submit a request within the Contractor Questionnaire, the Contractor is deemed to have authorized releasing any and all information submitted to the City.

Notwithstanding the above, the Contractor must not take any action that would affect (a) the City's ability to use goods and services provided under this Agreement or (b) the Contractor's obligations under this Agreement.

The Contractor will fully cooperate with the City in identifying and assembling records in case of any public disclosure request.

Section 820. The City's Obligations

The City will disclose those parts of records the Contractor has marked as "proprietary information" only to authorized persons unless: (a) the City discloses the records in response to a public disclosure request or (b) the Contractor has given the City express advance written permission to disclose the records. "Authorized persons," means those City officers, employees, contractors and consultants for whom the proprietary information is necessary to perform their duties or obligations to the City. The term "proprietary information" does not include ideas, concepts, know-how, or techniques related to any information that, at the time of disclosure, is in the public domain, unless the entry of that information into the public domain is a result of a breach of this Contract.

If the City receives a public disclosure request for records that Contractor has marked as "proprietary information," the City may promptly notify the Contractor of the request. The City may postpone disclosing these records for ten business days after it has sent notification to the Contractor, in order to allow the Contractor to file a lawsuit under RCW 42.56.540 to enjoin disclosure. It is the Contractor's discretionary decision whether to file the lawsuit.

If the City has notified the Contractor of a public disclosure request, and the Contractor has not obtained an injunction and served the City with that injunction by the close of business on the tenth business day after the City sent notice, the City may disclose the record.

The City has no other obligations concerning records the Contractor has marked as "proprietary information" under this Contract. The City has no obligation to claim any exemption from disclosure. The City is not obligated or liable to the Contractor for any records that the City releases in compliance with this Section or in compliance with the order of a court of competent jurisdiction.

J. ANCILLARY PROVISIONS

Section 900. Assignment or Pledge of Moneys by the Contractor

The Contractor shall not assign or pledge any of the monies due under this Contract without securing the written approval of the surety on the performance bond and providing at least thirty (30) calendar days' prior notice to the City of such assignments or pledge together with a copy of the surety's approval thereof. Such assignment or pledge, however, shall not release the Contractor or its sureties from any obligations or liabilities arising under or because of this Contract.

Section 910. Assignment; Subcontracting; Delegation of Duties

The Contractor shall not assign or subcontract or transfer any of the work or delegate any of its duties under the Contract except as expressly permitted by this Contract without the prior written approval of the City, which approval may be granted or withheld in the City's sole discretion.

Any subcontract made by Contractor shall incorporate by reference all the terms of this Contract except for Equal Benefit provisions (Section 560). Contractor shall ensure that all subcontractors comply with the obligations and requirements of the subcontract, except for Equal Benefit provisions (Section 560).

The City's consent to any assignment or subcontract shall not release the Contractor from liability under this Contract, or from any obligation to be performed under this Contract, whether occurring before or after such consent, assignment, or subcontract. In the event of an assignment, subcontract, or delegation of duties, the Contractor shall remain responsible for the full and faithful performance of this Contract and the assignee, subcontractor, other obligor shall also become responsible to the City for the satisfactory performance of the work assumed. The City may condition its approval upon the delivery by the assignee, subcontractor or other obligor of its covenant to the City to fully and faithfully complete the work or responsibility undertaken.

Section 920. Audit

Upon request, the Contractor shall permit the City or it's designee to inspect and audit all pertinent books and records of Contractor, any subcontractor, or any other person or entity that performed work in connection with or related to the Contract, at any and all times deemed necessary by the City, including up to six years after the final payment or release of withheld amounts has been made under this Contract. Such inspection and audit shall occur in King County, Washington or other such reasonable location as the City selects. The Contractor shall supply the City with, or shall permit the City to make, a copy of any books and records and any portion thereof. The Contractor shall ensure that such inspection, audit and copying right of the City is a condition of any subcontract, agreement or other arrangement under which any other person or entity is permitted to perform work under this Contract.

Section 930. Compliance with Law

The Contractor, at its sole cost and expense, shall perform and comply with all applicable laws of the United States and the State of Washington; the Charter, Municipal Code, and ordinances of The City of Seattle; and rules, regulations, orders, and directives of their respective administrative agencies and officers.

Section 940. Licenses and Similar Authorizations

The Contractor, at no expense to the City, shall secure and maintain in full force and effect during the term of this Contract all required licenses, permits, and similar legal authorizations, and comply with all related requirements.

Section 950. Taxes

The Contractor shall pay, before delinquency, all taxes, import duties, levies, and assessments arising from its activities and undertakings under this Contract; taxes levied on its property, equipment and improvements; and taxes on the Contractor's interest in this Contract.

Section 960. Disputes

Seattle and Contractor shall maintain business continuity to the extent practical while pursuing disputes. Any dispute or misunderstanding that may arise under this Contract concerning Contractor's performance shall first be resolved, if mutually agreed to be appropriate, through negotiations between the parties' Contract representatives as listed in Section 985, or if mutually agreed, referred to the City's named representative and the Contractor's senior executive(s). Either party may decline or discontinue such discussions and may then pursue other means to resolve such disputes, or may by mutual agreement pursue other dispute alternatives such as alternate dispute resolution processes. Nothing in this dispute process shall in any way mitigate the rights, if any, of either party to terminate the contract in accordance with the termination provisions herein.

Notwithstanding above, if Seattle believes in good faith that some portion of work has not been completed satisfactorily, Seattle may require Contractor to correct such work prior to Seattle payment. In such event, Seattle must clearly and reasonably provide to Contractor an explanation of the concern and the remedy that Seattle expects. Seattle may withhold from any payment that is otherwise due, an amount that Seattle in good faith finds to be under dispute, or if the Contractor does not provide a sufficient remedy, Seattle may retain the amount equal to the cost to Seattle for otherwise correcting or remedying the work not properly completed.

Section 970. Contract Rights

The parties reserve the right to amend this Contract from time to time by mutual agreement in writing. Rights under this Contract are cumulative, and in addition to rights existing at common law. Payment by the City and performance by the Contractor do not waive their contract rights.

Failure by either party on any occasion to exercise a contract right shall not forfeit or waive the right to exercise the right on another occasion. The use of one remedy does not exclude or waive the right to use another.

Section 975. Interpretation

This Contract shall be interpreted as a whole and to carry out its purposes. This Contract is an integrated document and contains all the promises of the parties; no earlier oral understandings modify its provisions.

Captions are for convenient reference only. A caption does not limit the scope or add commentary to the text.

Section 980. Law; Venue

The laws of the State of Washington and Charter and Ordinances of the City shall govern the validity, construction, and effect of this Contract. The venue for any claims, litigation, or causes of action between the parties shall be in the Superior Court of the State of Washington for King County.

Section 985. Notices

All official notices or approvals shall be in writing.

To the City:
Hans Van Dusen
Seattle Public Utilities
PO Box 34018
Seattle, Washington 98124-4018
Or 700 Fifth Avenue, 59th floor
(206) 684-4657
hans.vandusen@seattle.gov

To the Contractor:
Matt Henry
Republic Services
54 South Dawson Street
Seattle, Washington 98134

(206) 332-7740
mhenry@republicservices.com

Either party may from time to time designate a new address for notices. Unless otherwise agreed, notices shall be sent by certified mail with return receipt requested.

Section 990. Severability

Should any term, provision, condition, or other portion of this Contract or its application be held to be inoperative, invalid, or unenforceable, the remainder of this Contract or its application in other circumstances shall not be affected thereby and shall continue in force and effect.

Section 995. Termination

Notwithstanding any other provisions of this Contract, the City may terminate this Contract upon a material default under or breach of this Contract by the Contractor. A termination for violation of an equal opportunity provision, or violation of any other provision shall take effect in fifteen (15) days after delivery of notice of termination.

IN WITNESS WHEREOF, the parties hereto have executed this Contract by having their representatives affix their signatures below.

RABANCO, LTD.	THE CITY OF SEATTLE
By_____	By _____
Mike Huyke	Ray Hoffman
Vice President	Director
Rabanoc Ltd. (Republic Services)	Seattle Public Utilities
_____	_____
Date	Date

Authorized by Ordinance Number _____

Attachment 1 – Recycling Composition & Market Indices

Recycling Composition

The Contractor's contamination disposal per Section 140 and the City's market credit per Section 320 will be based on the City composition sorts. The table below provides the results of the 2010 City composition sampling of Recyclables. This City will update this table and attachment by April 30, 2016 with new 2015 composition data.

Commodity	2010 Sort
Mixed paper	32.18%
Newspaper	19.50%
Cardboard	17.82%
Brown glass	5.10%
Clear glass	5.47%
Green glass	7.11%
PET and HDPE	3.12%
Aluminum cans	0.75%
Tin cans	1.22%
Other ferrous	0.43%
Other plastics	1.37%
Contaminants	5.93%
TOTAL	**100%**

Market Indices

The City's market credit per Section 320 will be based on the mid-point of listed price ranges for the following indices as published closest to the beginning of the month of service.

Mixed paper – Current month's listing in *PPI Pulp & Paper Week* for domestic price of Mixed (2) in LA region.

Newspaper – Current month's listing in *PPI Pulp & Paper Week*'s listing for domestic price of ONP (8) in LA region.

Cardboard – Current month's listing in *PPI Pulp & Paper Week*'s listing for domestic price of OCC (11) in LA region.

Glass – Current month's listing in *Mill Trade Journal's Recycling Markets for green, amber and clear glass in West region.*

PET and HPDE - Current month's listing in *Mill Trade Journal's Recycling Markets for Mixed HDPE in the West region.*

Aluminun cans - Current month's listing in *Mill Trade Journal's Recycling Markets for Aluminum UBCs in the West region.*

Tin cans - Current month's listing in *Mill Trade Journal's Recycling Markets for Steel Cans in the West region.*

There is no market credit for other ferrous or other plastic. This attachment will be updated to identify successor indices if any of the above indices discontinue.

Attachment 2 – Contract Wages

City of Seattle will update this attachment as needed to reflect changes to local prevailing wages and future Contract Wages as related to Section 400 Contract Wages.

Wages for Contract Sorters

1. **Hourly Wages -** Effective April 1, 2016, the Contractor shall pay line sorters performing work under this contract not less than the following hourly wages.

   a) Wages

Effective Date	New Employees	After 2080 Hours of Employment	After 4160 Hours of Employment
4/1/16	$13.93	$15.67	$17.40
4/1/17	$14.14	$15.90	$17.67
1/1/18	$15.00	$16.14	$17.93
1/1/19	$15.73	$16.38	$18.20
1/1/20	$16.11	$16.63	$18.47
1/1/21	$16.49	$16.88	$18.75
1/1/22	$16.89	$17.13	$19.03
1/1/23	$17.29	$17.39	$19.32
1/1/24	$17.70	$17.70	$19.61
1/1/25	$18.13	$18.13	$19.90
1/1/26	$18.56	$18.56	$20.20

   b) Overtime
   All time worked over forty (40) hours in any workweek shall be compensated at time and one-half. Saturday work following Thanksgiving Day, Christmas Day or New Year's Day shall be straight-time unless Christmas Day or New Year's Day falls on Saturday or Sunday.

2. **Health, Dental And Vision Benefits** – All employees shall be allowed to participate in the Contractor's default full medical, dental and vision plans. Employee contributions to premiums shall be no greater than 26%.

3. **Retirement** -- Employees are allowed to participate in Contractor's 401(k) plan with the Contractor providing a 50% match on employee contributions of the first 5% of wages;

4. **Vacation, Holiday and Sick Leave Benefit Days** – For each employee, the following shall be provided in actual benefit days:

   a) Vacation -- All regular employees shall receive the following vacation benefits:
   One (1) week in the first (1st) year of employment
   Two (2) weeks after one (1) year

Three (3) weeks after four (4) years
Four (4) weeks after eleven (11) years

b) Holidays -- The following eight (8) days are holidays (unless the employer selects another day(s)):
January 1st -- New Year's Day
Washington's Birthday (3rd Monday of February)
Memorial Day (last Monday of May)
Independence Day (July 4th)
Labor Day (1st Monday of September)
Thanksgiving Day
Christmas Day
Floating Holiday

Contractors will provide processing services on all holidays except New Year's Day, Thanksgiving, and Christmas.

c) Sick Leave -- The employees shall receive 48 paid sick leave hours per work year to a maximum accrual of 240 hours.

5. **Disability Coverage –** The Contractor shall provide paid short-term and long-term disability and accidental death and dismemberment coverage for employees at no cost to those employees. The Contractor shall have supplemental dependent disability coverage available to employees.

Wages for Operators and Lift Truck Drivers

1. **Hourly Wages -** Effective April 1, 2016, the Contractor shall pay equipment operators and lift truck drivers performing work under this contract not less than the following hourly wages.

Effective Date	First 2000 Hours of Employment	After 2000 Hours of Employment
4/1/16	$17.43	$19.37
1/1/17	$18.39	$20.43

All time worked over forty (40) hours in any workweek shall be compensated at time and one-half.

2. **Health and Retirement Benefits** – All employees shall be allowed to participate in the Contractor's default full medical, dental, vision and retirement plans or choose to receive contributions to either a trustee or to a third person pursuant to a third party benefit fund or plan.

If employees elect health benefit contributions to a third party fund or plan, then the Contractor shall contribute up to the following amounts for each employee with seniority who received compensation for eighty (80) hours or more in a previous month:

Effective Date	Max Contribution/Month
4/1/16	$1,408
1/1/17	$1,507

If employees elect retirement benefit contributions to a third party plan, then the Contractor shall contribute up to the following amount, not to exceed two thousand eighty (2080) straight-time hours annually.

Effective Date	Max Contribution/Month
4/1/16	$2.65
1/1/17	$2.90

3. **Vacation, Holiday and Sick Leave Benefit Days** – For each employee, the following shall be provided in actual benefit days:

   a) Vacation -- All regular employees shall receive the following vacation benefits:
   One (1) week after the one (1) year of employment
   Two (2) weeks after the two (1) years
   Three (3) weeks after six (6) years
   Four (4) weeks after twelve (12) years

   b) Holidays -- The following eight (8) days are holidays (unless the employer selects another day(s)):

   January 1st -- New Year's Day
   Washington's Birthday (3rd Monday of February)
   Memorial Day (last Monday of May)
   Independence Day (July 4th)
   Labor Day (1st Monday of September)
   Thanksgiving Day
   Christmas Day
   Two (2) floating holidays

   Contractors will provide processing services on all holidays except New Year's Day, Thanksgiving, and Christmas.

   c) Sick Leave -- The employees shall receive 48 paid sick leave hours per work year to a maximum accrual of 240 hours.

4. **Disability Coverage** – The Contractor shall provide paid short-term and long-term disability and accidental death and dismemberment coverage for employees at no cost to those

employees. The Contractor shall have supplemental dependent disability coverage available to employees.

STATE OF WASHINGTON -- KING COUNTY

--ss.

326100 No.

CITY OF SEATTLE,CLERKS OFFICE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:124787-789 TITLE ONLY

was published on

07/07/15

The amount of the fee charged for the foregoing publication is the sum of $54.25 which amount has been paid in full.

Subscribed and sworn to before me on

07/07/2015

Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication

State of Washington, King County

City of Seattle

The full text of the following legislation, passed by the City Council on June 8, 2015, and published below by title only, will be mailed upon request, or can be accessed at http://clerk.seattle.gov. For information on upcoming meetings of the Seattle City Council, please visit http://www.seattle.gov/council/calendar. Contact: Office of the City Clerk at (206) 684-8344.

ORDINANCE NO. 124789

AN ORDINANCE authorizing the Director of Seattle Public Utilities to enter into a contract with Rabanco, Ltd. to provide recycling processing services for the City of Seattle; and ratifying and confirming certain prior acts.

ORDINANCE NO. 124787

AN ORDINANCE appropriating money to pay certain audited claims and ordering the payment thereof.

ORDINANCE NO. 124788

AN ORDINANCE approving the extension of a contract rezone and a Property Use and Development Agreement approved by Ordinance 121164 and amended by Ordinance 124194 for the Seattle Housing Authority"s High Point Garden Community housing development located at 6550 32nd Avenue SW.

Date of publication in the Seattle Daily Journal of Commerce, July 7, 2015.

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