



Next Ord: 1779-13
Next Res: 888-13

VISION STATEMENT

SEDRO-WOOLLEY IS A FRIENDLY CITY THAT IS CHARACTERIZED BY CITY GOVERNMENT AND CITIZENS WORKING TOGETHER TO ACHIEVE A PROSPEROUS, VIBRANT AND SAFE COMMUNITY

MISSION STATEMENT

TO PROVIDE SERVICES AND OPPORTUNITIES WHICH CREATE A COMMUNITY WHERE PEOPLE CHOOSE TO LIVE, WORK AND PLAY

CITY COUNCIL AGENDA

September 25, 2013

7:00 PM

Sedro-Woolley Municipal Building

Council Chambers

325 Metcalf Street

- 1. Call to Order
- 2. Pledge of Allegiance
- 3. Consent Calendar1 - 42

NOTE: Agenda items on the Consent Calendar are considered routine in nature and may be adopted by the council by a single motion, unless any Councilmember wishes an item to be removed. The Council on the regular agenda will consider any item so removed after the Consent Calendar.

- a. Approval of Agenda
 - b. Minutes from Previous Meeting
 - c. Finance
 - Claim Checks #77641 to #77736 in the amount of \$1,045,346.27
 - Payroll Checks #56527 to #56636 in the amount of \$191,201.07
 - d. Possible Contract Amendment No. 2 - Contract 2013-PW-06 - Generator Services NW LLC
 - e. Supplemental Agreement No. 6 to Professional Services Agreement No. 2012-PS-14 for Design Phase Services for the SR20/Cook Road Realignment and Extension Project - David Evans and Associates, Inc.
 - f. Ordinance 1778-13 - Revisions to Arts Commission (name change)
- 4. Special Presentation – Swearing-in of Reserve Police Officer David Adams
 - 5. Public Comment.....43

NEW BUSINESS

- 6. Resolution - Adopting an Interlocal Agreement creating the Health Care Program with AWC Trust...
.....45 - 67
- 7. Municipal Integrated Financial Management Software - BIAS Software.....69-140

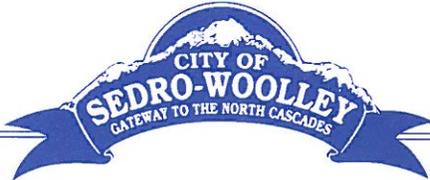
COMMITTEE REPORTS AND REPORTS FROM OFFICERS

EXECUTIVE SESSION

There may be an Executive Session immediately preceding, during or following the meeting.

SEP 25 2013

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 1-3



DATE: September 25, 2013
TO: Mayor Anderson and City Council
FROM: Patsy Nelson, Finance Director
SUBJECT: 1) CALL TO ORDER; 2) PLEDGE OF ALLEGIANCE; 3) CONSENT
CALENDAR

1. CALL TO ORDER - The Mayor will call the September 25, 2013 Regular Meeting to Order. The Finance Director will note those in attendance and those absent.

___ Ward 1 Councilmember Kevin Loy
___ Ward 2 Councilmember Tony Splane
___ Ward 3 Councilmember Thomas Storrs
___ Ward 4 Councilmember Keith Wagoner
___ Ward 5 Councilmember Hugh Galbraith
___ Ward 6 Councilmember Rick Lemley
___ At-Large Councilmember Brett Sandström

2. PLEDGE OF ALLEGIANCE - The Mayor will lead the City Council and citizens in the Pledge of Allegiance to the United States of America.
3. CONSENT CALENDAR - Mayor will ask for Council approval of Consent Calendar items.

SEP 25 2013

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 36

CITY OF SEDRO-WOOLLEY

Regular Meeting of the City Council
September 11, 2013 – 7:00 P.M. – Council Chambers

ROLL CALL: Present: Mayor Mike Anderson, Councilmembers: Kevin Loy, Tony Splane, Tom Storrs, Hugh Galbraith, Rick Lemley and Brett Sandström. Staff: Recorder Brue, Finance Director Nelson, City Supervisor/Attorney Berg, Public Works Director Freiburger, Asst. Fire Chief Olson and Police Chief Wood.

The Meeting was called to order at 7:00 P.M. by Mayor Anderson.

Pledge of Allegiance

Mayor Anderson gave a remembrance of the 12th anniversary of 9/11 and the 1st anniversary of the attack at Bengazi.

Councilmember Storrs moved to excuse Councilmember Wagoner from the meeting. Seconded by Councilmember Sandström. Motion carried (6-0).

Consent Calendar

- Approval of Agenda
- Minutes from Previous Meeting
- Finance
 - Claim Checks #77553 to #77640 in the amount of \$215,090.31
 - Payroll Checks #56415 to #56526 in the amount of \$267,918.01
- Interlocal Cooperative Agreement with Skagit County for Library Services – 2013
- Skagit County District Court Probation Contract – 2014-2016
- Request for Approval of Grant Agreement – FY 2013 – 2015 Biennial Municipal Stormwater Capacity Grant Funding Agreement

Councilmember Storrs moved to approve the consent calendar Items A through F. Seconded by Councilmember Lemley Councilmember Lemley abstained from Check #77591 payable to JJ's Cruisers, due to his involvement with the organization. Motion carried (6-0).

Public Comment

No comment received.

UNFINISHED BUSINESS

Interlocal Agreement for the Emergency Management Council

City Supervisor/Attorney Berg reviewed the proposed Interlocal agreement for the Emergency Management Council. He noted changes are underlined in red and include an increase in the number of meetings, references to state law, designation of a non-elected representative in place of the absence of a regular member, the addition of the Sauk-Suiattle Tribal Police representative to the Law Enforcement Technical Committee, inventory, and indemnification.

Mayor Anderson commented on the importance of meeting more frequently.

Discussion ensued regarding rate structure, potential increase in the next budget year, control of funding, quorum, history of dispatch and the fire districts role as customers.

Councilmember Storrs moved to approve the proposed amended interlocal agreement regarding the Emergency Management Council. Seconded by Councilmember Lemley. Motion carried (5-1, Councilmember Splane opposed).

NEW BUSINESS

Sedro-Woolley Police Department Office Hours

Police Chief Wood addressed a previous discussion at the last worksession regarding the number of calls, types of calls and additional work as a result of the calls. Chief Wood also addressed the loss of several key positions over the last few years and requested a modification in the office hours for the Police Department as a method to try to alleviate work on the records and evidence clerks. He noted the change in office house would enable the clerks to be able to be more productive without interruptions. The recommended business hours would be from 10 A.M. to 5 P.M.

City Supervisor/Attorney Berg requested Council consideration as a trial basis through the end of the year.

Council discussion ensued regarding work productivity being interrupted, no change for emergencies via access of a phone, process being an administrative change, reevaluation at the end of the year and possible impacts to the Finance and Planning Departments.

COMMITTEE REPORTS AND REPORTS FROM OFFICERS

Fire Chief Klinger – reported the annual pump tests are beginning Monday at Station 2. He also reported he has been contacted by the Washington Survey and Rating Bureau for a re-evaluation. Chief Klinger noted the department has received the packet and has started to fill it out. A date will be scheduled for the inspection. He also noted the current city rating is a Class 5 with the last rating completed in 1996 and discussed the

changes in the rating schedule which include the water system consisting of 40%. Other areas considered are training, certifications and equipment. He noted that Fire Insurance rates are based off of the fire rating and the inspection will take approximately 3 to 4 weeks.

Public Works Director Freiburger – presented an update on the Cook road project, noting the contractor is on schedule. He noted modifications to signage to help the businesses in that area. Freiburger also reported that PSE has completed the last of the night time closures. He reminded Council of the change order authority which is summarized on his written report. Freiburger updated Council on the SR 9 project, noting the project is getting back on schedule. He addressed change order #2 for the project which granted additional work days. He also reported that the on call fence contractor has completed the work at Hammer Heritage Square and the 2013 Sanitary Sewer project pre construction conference is scheduled for tomorrow. Freiburger reported that city crews have been busy working on the Bingham Park modifications.

Councilmember Sandström brought to Freiburger's attention an unusually long delay in the railroad crossing arm at State and Trail. Mayor Anderson concurred with the length of time. Public Works Director Freiburger noted he will check into the situation.

City Supervisor/Attorney Berg – reported that Councilmember Wagoner expects to be back for the next meeting. He also announced a number of Personnel changes with the promotion of Nathan Salsiena to Public Works Supervisor and Cliff Hodgins promoted to a Public Works III as a lead in the Solid Waste Department. Berg also reviewed current openings for a Public Works II position at the Waste Water Treatment Plant. A Public Works II Temporary position has been filled by Travis Wood who will be the lead construction worker at Bingham Park. Bids will be sent out soon for a new police patrol car, noting this will be the first police car purchased with the voter approved sales tax. Berg announced effective January 1st AWC Benefit Trust will no longer be purchasing insurance through Regence. They will become a self-insured operation. More information will follow as it becomes available. He also pointed out a memo from John Coleman regarding marijuana. The memo questions whether the Planning Department should consider changes to zoning code. Some discussion ensued with the consensus to have it as a worksession topic in near future.

Finance Director Nelson – announced the 2014 budget call has been sent to the departments and are due September 23rd. She also noted the audit team will be arriving on September 23rd. They will be conducting a financial audit only and anticipate it to take 1-2 weeks. Nelson also stated staff is in the final stages of referenced checking and evaluation of the accounting software proposals.

Councilmember Loy – announced the upcoming Skate Board Challenge to be held Saturday, September 14th. The event is sponsored by the Sedro-Woolley Parks and Recreation Department, Sedro-Woolley Rotary, Hidden Wave Board Shop and Lib Tech.

Councilmember Storrs – commented that he noticed while on a family vacation that Leavenworth has the same issues with diagonal parking. It appears to be a universal problem.

Councilmember Galbraith – commented that with the restart of school and the road projects traffic seems to be running smoothly. He gave credit to the contractors and city with the way things are set up.

Councilmember Lemley – commented on the number of skate boarders and bikes riding on the sidewalks. He requested signage be reviewed. He also announced the upcoming Founders Day activities including the Bank Robbery reenactment on Saturday and Car Show and BBQ at Riverfront Park on Sunday.

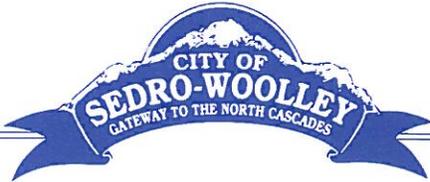
Councilmember Sandström – made note that it is the 99th anniversary of the shootout.

Councilmember Galbraith moved to adjourn. Seconded by Councilmember Lemley. Motion carried (6-0).

The meeting adjourned at 7:57 P.M.

SEP 25 2013

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 3C



DATE: September 25, 2013
TO: Mayor Anderson and City Council
FROM: Patsy Nelson, Finance Director
SUBJECT: FINANCE - CLAIMS

Attached you will find the Claim Checks register proposed for payment for the period ending September 25, 2013.

Motion to approve Claim Checks #77641 to #77736 in the amount of \$1,045,346.27.

Motion to approve Payroll Checks #56527 to #56636 in the amount of \$191,201.07.

If you have any comments, questions or concerns, please contact me for information during the working day at 855-1661. This will allow me to look up the invoices that are stored in our office.

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
77641	SKAGIT COUNTY AUDITOR	MISC-FILING FEES/LIEN EXP	SWR	256.00
		MISC-FILING FEES/LIEN EXP	SAN	256.00
		WARRANT TOTAL		512.00
77642	ACE INDUSTRIAL SUPPLY, INC.	OPERATING SUPPLIES	SWR	207.87
		WARRANT TOTAL		207.87
77643	ALL-PHASE ELECTRIC	OPERATING SUPPLIES	ST	64.66
		WARRANT TOTAL		64.66
77644	A. ALEXANDER	SUMMER READING PROGRAM	LIB	110.00
		WARRANT TOTAL		110.00
77645	ARAMARK UNIFORM SERVICES	MISC-LAUNDRY	ST	4.60
		MISC-LAUNDRY	ST	4.60
		LAUNDRY	SWR	8.17
		LAUNDRY	SWR	8.17
		WARRANT TOTAL		25.54
77646	ASSOCIATION OF WA CITIES	RETIRED MEDICAL	PD	3,738.63
		WARRANT TOTAL		3,738.63
77647	ASSOC PETROLEUM PRODUCTS	AUTO FUEL	CS	276.86
		AUTO FUEL	CS	131.46
		AUTO FUEL	PD	126.86
		AUTO FUEL/DIESEL	FD	790.03
		AUTO FUEL/DIESEL	PK	145.67
		AUTO FUEL/DIESEL	PK	564.07
		AUTO FUEL/DIESEL	CEM	157.46
		AUTO FUEL/DIESEL	ST	71.99
		AUTO FUEL/DIESEL	ST	234.17
		AUTO FUEL/DIESEL	SWR	78.23
		AUTO FUEL/DIESEL	SWR	167.60
		AUTO FUEL/DIESEL	SAN	2,700.19
		AUTO FUEL/DIESEL	SAN	122.96
		VEHICLE FUEL	SWTR	202.03
		WARRANT TOTAL		5,769.58
77648	BAY CITY SUPPLY	OPERATING SUP - LIBRARY	PK	79.35
		WARRANT TOTAL		79.35
77649	BIOSCIENCE, INC.	MAINTENANCE OF LINES	SWR	1,150.00
		WARRANT TOTAL		1,150.00
77650	BRABER EQUIPMENT LTD.	REPAIR/MAINTENANCE-EQUIP	ST	10.36
		WARRANT TOTAL		10.36
77651	BROWN & COLE STORES	OPERATING SUPPLIES	SWR	12.99
		WARRANT TOTAL		12.99
77652	CABLING DYNAMIX	PROFESSIONAL SERVICES	IT	1,215.67
		WARRANT TOTAL		1,215.67

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
77653	CASCADE NATURAL GAS CORP.	PUBLIC UTILITIES	PD	10.60
		PUBLIC UTILITIES	FD	35.50
		UTILITIES-COMMUNITY CTR	PK	10.60
		UTILITIES - SHOP	PK	16.04
		PUBLIC UTILITIES-CITY HALL	PK	75.64
		PUBLIC UTILITIES	LIB	12.15
		PUBLIC UTILITIES	SWR	29.75
		PUBLIC UTILITIES	SAN	12.15
		WARRANT TOTAL		202.43
77654	CENTRAL WELDING SUPPLY	OPERATING SUPPLIES	SAN	22.72
		WARRANT TOTAL		22.72
77655	CITIES INSURANCE ASSOC.	INSURANCE & BONDS	JUD	2,409.32
		INSURANCE & BONDS	FIN	5,240.06
		INSURANCE	LGL	776.11
		INSURANCE	PLN	3,130.66
		INSURANCE	ENG	3,875.36
		INSURANCE	PD	37,836.89
		INSURANCE	FD	23,628.23
		INSURANCE	INSP	2,275.40
		INSURANCE	PK	15,521.70
		INSURANCE	CEM	2,750.97
		INSURANCE	ST	13,337.58
		INSURANCE	LIB	9,264.47
		INSURANCE	SWR	33,645.03
		INSURANCE	SAN	14,053.02
		INSURANCE	SWTR	4,096.52
		WARRANT TOTAL		171,841.32
77656	COLLINS OFFICE SUPPLY, INC	SUPPLIES	FIN	11.98
		SUPPLIES	FIN	47.92
		SUPPLIES/BOOKS	PLN	7.46
		SUPPLIES	ENG	15.65
		SUPPLIES	ENG	7.46
		OFF/OPER SUPPS & BOOKS	INSP	14.61
		OFF/OPER SUPPS & BOOKS	INSP	27.45
		WARRANT TOTAL		132.53
77657	CONCRETE NOR'WEST, INC.	REPAIR/MAINT-STREETS	ST	199.52
		CONTRACTED OVERLAY	ST	870.75
		WARRANT TOTAL		1,070.27
77658	CRYSTAL SPRINGS	OPERATING SUPPLIES	SWR	46.25
		WARRANT TOTAL		46.25
77659	DAVID EVANS & ASSOC INC	ENG SR20 COOK RD REALLIGN	ART	9,413.08
		CONST-SR20/COOK REALIGN	ART	66,609.73
		WARRANT TOTAL		76,022.81
77660	DUWAYNE LANE'S NORTH CASCADE FORD	MAINTENANCE OF VEHICLES	SWR	110.03
		WARRANT TOTAL		110.03

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT	
77661	E & E LUMBER	OFFICE/OPERATING SUPPLIES	CWP	11.70	
		REPAIRS/MT-RIVERFRONT	PK	17.83	
		REPAIRS/MT-RIVERFRONT	PK	97.46	
		REPAIR/MAINT-CITY HALL	PK	5.08	
		REPAIR/MAINT-CITY HALL	PK	11.26	
		REPAIR/MAINT-CITY HALL	PK	5.44	
		REPAIR/MAINTENANCE EQUIP	PK	7.12	
		OPERATING SUPPLIES	ST	7.42	
		OPERATING SUPPLIES	ST	14.84	
		CONTRACTED OVERLAY	ST	117.83	
		MAINTENANCE OF LINES	SWR	343.33	
		MAINTENANCE OF LINES	SWR	14.61-	
		OPERATING SUPPLIES	SWR	38.15	
		OPERATING SUPPLIES	SWTR	314.11	
		OPERATING SUPPLIES	SWTR	14.61-	
			WARRANT TOTAL		962.35
		77662	EDGE ANALYTICAL, INC.	PROFESSIONAL SERVICES	SWR
	WARRANT TOTAL			45.00	
77663	ENTERPRISE OFFICE SYSTEMS	SUPPLIES	FIN	239.07	
		SUPPLIES	FIN	51.43	
			WARRANT TOTAL	290.50	
77664	EMERGENCY MEDICAL PRODUCTS INC	OPERATING SUPPLIES	FD	367.06	
			WARRANT TOTAL	367.06	
77665	FAB-TECH	OFFICE/OPERATING SUPPLIES	CWP	4,910.99	
			WARRANT TOTAL	4,910.99	
77666	FABER CONSTRUCTION CORP	CONST SR9 LUCAS/PK COTTAGE	AST	97,499.15	
		CONST SR9 LUCAS/PK COT PUD	ART	31,865.67	
		CONST-SR9 MCGARG/SUMR MEAD	AST	69,868.59	
			WARRANT TOTAL	199,233.41	
77667	GLEASON, JOHN M.	PROSECUTING ATTORNEY	LGL	2,500.00	
			WARRANT TOTAL	2,500.00	
77668	FIRST INSURANCE AGENCY INC.	INSURANCE & BONDS	JUD	27.83	
		INSURANCE & BONDS	FIN	59.90	
		INSURANCE	LGL	10.89	
		INSURANCE	PLN	70.80	
		INSURANCE	ENG	59.30	
		INSURANCE	PD	1,040.82	
		INSURANCE	FD	435.08	
		INSURANCE	INSP	18.76	
		INSURANCE	PK	182.75	
		INSURANCE	CEM	38.12	
		INSURANCE	ST	106.50	
		INSURANCE	LIB	256.57	
		INSURANCE	SWR	645.66	
INSURANCE	SAN	367.91			

CITY OF SEDRO-WOLLEY
 SORTED TRANSACTION WARRANT REGISTER
 09/25/2013 (Printed 09/20/2013 08:49)

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
		INSURANCE	SWTR	179.11
		WARRANT TOTAL		3,500.00
77669	FRONTIER	TELEPHONE	JUD	36.30
		TELEPHONE	EXE	54.45
		TELEPHONE	FIN	54.45
		TELEPHONE	LGL	24.20
		TELEPHONE	IT	18.15
		TELEPHONE	PLN	18.15
		TELEPHONE	ENG	42.35
		TELEPHONE	PD	181.77
		TELEPHONE	FD	66.55
		TELEPHONE	FD	134.98
		TELEPHONE	INSP	18.15
		TELEPHONE	PK	12.10
		UTILITIES-COMMUNITY CTR	PK	64.90
		TELEPHONE	ST	6.05
		TELEPHONE	LIB	30.25
		TELEPHONE	SWR	48.40
		TELEPHONE	SAN	24.20
		WARRANT TOTAL		855.40
77670	GENERATOR SERVICES NW	REPAIRS/MAINT-EQUIP	FD	854.74
		MAINTENANCE CONTRACTS	SWR	4,273.72
		MAINT OF GENERAL EQUIP	SWR	1,109.40
		REPAIRS/MAINTENANCE	SWTR	427.37
		WARRANT TOTAL		6,665.23
77671	GARDNER, GLENN	REPAIRS/MAINT-EQUIP	FD	173.28
		WARRANT TOTAL		173.28
77672	GUARDIAN SECURITY	REPAIR/MT-SENIOR CENTER	PK	357.39
		REPAIR/MAINT-LIBRARY	PK	165.00
		WARRANT TOTAL		522.39
77673	H.B. JAEGER CO. LLC	CONTRACTED OVERLAY	ST	627.78
		WARRANT TOTAL		627.78
77674	INFRASTRUCTURE TECHNOLOGIES LLC	MAINTENANCE CONTRACTS	SWR	1,500.00
		WARRANT TOTAL		1,500.00
77675	JET CITY EQUIPMENT RENTAL	EQUIPMENT RENTAL	SAN	3,682.20
		WARRANT TOTAL		3,682.20
77676	JOB SHOP INC. (THE)	CONTAINERS	SAN	81.37
		WARRANT TOTAL		81.37
77677	LEGEND DATA SYSTEMS INC.	OPERATING SUPPLIES	FD	26.62
		WARRANT TOTAL		26.62
77678	LIBRARY CORPORATION (THE)	CATALOGUE SUBSCRIPTIONS	LIB	7,608.62
		WARRANT TOTAL		7,608.62

CITY OF SEDRO-WOLLEY
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WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
77679	LOGGERS AND CONTRACTORS	SMALL TOOLS/MINOR EQUIP	ST	86.35
		REPAIR/MAINTENANCE-EQUIP	ST	266.85
		WARRANT TOTAL		353.20
77680	MATERIALS TESTING &	CONST SR9 LUCAS/PK COTTAGE AST		2,164.75
		CONST-SR9 MCGARG/SUMR MEAD AST		2,164.75
		WARRANT TOTAL		4,329.50
77681	MCCANN, WILLIAM R.	INDIGENT DEFENDER	LGL	3,000.00
		WARRANT TOTAL		3,000.00
77682	MARTIN MARIETTA MATERIALS	REPAIR/MAINT-STREETS	ST	512.63
		WARRANT TOTAL		512.63
77683	MONEY MAGAZINE	BOOKS & MATERIALS	LIB	59.85
		WARRANT TOTAL		59.85
77684	NORTH CASCADE FORD	REPAIR/MAINTENANCE EQUIP	PK	121.17
		WARRANT TOTAL		121.17
77685	NORTH HILL RESOURCES, INC.	RECYCLING - YARD WASTE	SAN	360.00
		WARRANT TOTAL		360.00
77686	NORTHWEST PLAYGROUND EQUIP. INC.	OPERATING SUP - RIVERFRONT	PK	218.22
		OPERATING SUP - MEMORIAL	PK	218.23
		WARRANT TOTAL		436.45
77687	OSBORNE, ROBERT	PROFESSIONAL SERVICES	INSP	125.00
		WARRANT TOTAL		125.00
77688	HYATT, GINGER L.	REPAIR/MAINTENANCE-LAND	CEM	120.00
		WARRANT TOTAL		120.00
77689	PAT RIMMER TIRE CTR, INC	REPAIRS/MAINT-EQUIP	SAN	140.79
		REPAIRS/MAINT-EQUIP	SAN	1,743.94
		REPAIRS/MAINT-EQUIP	SAN	117.94
		WARRANT TOTAL		2,002.67
77690	PEOPLES BANK	CONST SR9 LUCAS/PK COTTAGE AST		5,131.53
		CONST SR9 LUCAS/PK COT PUD ART		1,542.39
		CONST-SR9 MCGARG/SUMR MEAD AST		3,677.29
		WARRANT TOTAL		10,351.21
77691	PETTY CASH-DEBRA PETERSON	SUPPLIES	LIB	59.20
		PROFESSIONAL SERVICES	LIB	14.00
		POSTAGE	LIB	2.72
		WARRANT TOTAL		75.92
77692	PUBLIC UTILITY DIS. NO.1	PUBLIC UTILITIES	FD	185.20
		UTILITIES-COMMUNITY CTR	PK	280.48
		UTILITIES-SENIOR CENTER	PK	311.20
		WARRANT TOTAL		776.88

CITY OF SEDRO-WOOLLEY
 SORTED TRANSACTION WARRANT REGISTER
 09/25/2013 (Printed 09/20/2013 08:49)

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
77693	PUGET SOUND ENERGY	PUBLIC UTILITIES	ST	16,357.09
		WARRANT TOTAL		16,357.09
77694	PURCHASE POWER	POSTAGE	JUD	174.52
		POSTAGE	JUD	23.57
		POSTAGE	FIN	56.65
		POSTAGE	FIN	50.91
		POSTAGE	PLN	1.48
		POSTAGE	PLN	.45
		POSTAGE	ENG	4.45
		POSTAGE	ENG	58.74
		POSTAGE	PD	68.65
		POSTAGE	PD	33.82
		POSTAGE	FD	13.03
		POSTAGE	INSP	3.61
		POSTAGE	INSP	5.84
		POSTAGE	CEM	8.90
		POSTAGE	SWR	118.13
		POSTAGE	SWR	8.87
		POSTAGE	SAN	54.52
		POSTAGE	SAN	4.09
		OPERATING SUPPLIES	SWTR	9.09
		OPERATING SUPPLIES	SWTR	.68
		WARRANT TOTAL		700.00
77695	REICHHARDT & EBE ENG, INC	CONST SR9 LUCAS/PK COTTAGE AST		1,734.12
		WARRANT TOTAL		1,734.12
77696	RICK'S REFRIGERATION INC.	SOLID WASTE DISPOSAL	SAN	303.24
		WARRANT TOTAL		303.24
77697	RICOH USA, INC.	REPAIRS & MAINTENANCE	PD	36.05
		REPAIRS & MAINTENANCE	PD	55.78
		REPAIRS/MAINT-EQUIP	FD	36.04
		REPAIRS/MAINT-EQUIP	FD	55.78
		WARRANT TOTAL		183.65
77698	SALSEINA, CHRISTINE	SUPPLIES	FIN	21.65
		WARRANT TOTAL		21.65
77699	SCADA & CONTROLS ENGINEERING INC	PROFESSIONAL SERVICES	SWR	1,215.00
		WARRANT TOTAL		1,215.00
77700	SEDRO-WOOLLEY AUTO PARTS	OFFICE/OPERATING SUPPLIES	CWP	29.90
		OPERATING SUPPLIES	CEM	6.37
		MAINTENANCE OF VEHICLES	SWR	101.01
		OPERATING SUPPLIES	SAN	19.49
		OPERATING SUPPLIES	SAN	19.49
		OPERATING SUPPLIES	SAN	9.75
		OPERATING SUPPLIES	SAN	487.35
		WARRANT TOTAL		673.36

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
77701	SEDRO-WOLLEY VOLUNTEER	SALARIES-VOLUNTEERS	FD	10,147.50
		WARRANT TOTAL		10,147.50
77702	SEVEN SISTERS, INC.	CONST-SR20/COOK REALIGN	ART	540.31
		MAINT OF GENERAL EQUIP	SWR	94.99
		WARRANT TOTAL		635.30
77703	SJOSTROM LAW OFFICE	MISC-FILING FEES/LIEN EXP	SWR	3,243.31
		MISC-FILING FEES/LIEN EXP	SAN	1,546.81
		OPERATING SUPPLIES	SWTR	199.59
		WARRANT TOTAL		4,989.71
77704	SKAGIT CD	CONTRACTED SERVICES	SWTR	1,064.16
		WARRANT TOTAL		1,064.16
77705	SKAGIT COUNTY EMS	TUITION/REGISTRATION	FD	225.00
		WARRANT TOTAL		225.00
77706	SKAGIT COUNTY GOVERNMENT	PROFESSIONAL SERVICES	IT	800.26
		WARRANT TOTAL		800.26
77707	SKAGIT CO. PUBLIC WORKS	SOLID WASTE DISPOSAL	SAN	45,956.24
		WARRANT TOTAL		45,956.24
77708	SKAGIT COUNTY SHERIFF	PRISONERS	PD	2,206.85
		WARRANT TOTAL		2,206.85
77709	SKAGIT FARMERS SUPPLY	OPERATING SUPPLIES	ST	75.80
		OPERATING SUPPLIES	SAN	211.14
		OPERATING SUPPLIES	SWTR	173.26
		WARRANT TOTAL		460.20
77710	SKAGIT PUBLISHING	ADVERTISING	PLN	60.00
		WARRANT TOTAL		60.00
77711	SKATEBOARDING	BOOKS & MATERIALS	LIB	26.97
		WARRANT TOTAL		26.97
77712	SMS	STREET TREE MAINTENANCE	ST	7,619.45
		WARRANT TOTAL		7,619.45
77713	STILES & STILES	MUNICIPAL COURT JUDGE	JUD	2,728.00
		WARRANT TOTAL		2,728.00
77714	STRIDER CONST. CO INC.	CONTRACTED OVERLAY	ST	2,089.12
		CONST-SR20/COOK REALIGN	ART	366,019.53
		WARRANT TOTAL		368,108.65
77715	SUMMIT LAW GROUP	NEGOTIATIONS	EXE	743.00
		WARRANT TOTAL		743.00
77716	SWISSPHONE LLC	REPAIRS/MAINT-EQUIP	FD	61.30

WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
		WARRANT TOTAL		61.30
77717	TKE CORP	REPAIR/MAINT-CITY HALL	PK	763.41
		WARRANT TOTAL		763.41
77718	TIGERDIRECT INC.	NETWORK HARDWARE	IT	2,947.49
		WARRANT TOTAL		2,947.49
77719	TRAFFIC SAFETY SUPPLY CO.	OPERATING SUPPLIES	ST	92.28
		WARRANT TOTAL		92.28
77720	TREATMENT EQUIPMENT CO.	MAINT OF GENERAL EQUIP	SWR	805.40
		WARRANT TOTAL		805.40
77721	TRUE VALUE	OFFICE/OPERATING SUPPLIES	CWP	6.49
		OFFICE/OPERATING SUPPLIES	CWP	15.01
		OFFICE/OPERATING SUPPLIES	CWP	8.65
		OFFICE/OPERATING SUPPLIES	CWP	25.97
		OPERATING SUPPLIES	FD	79.56
		OPERATING SUPPLIES	FD	28.16
		OPERATING SUPPLIES	FD	17.32
		REPAIRS/MAINT-DORM	FD	112.63
		OPERATING SUP - RIVERFRONT	PK	4.32
		OPERATING SUP - RIVERFRONT	PK	24.89
		WARRANT TOTAL		323.00
77722	US BANK -- PURCHASE CARDS	EMPLOYEE WELLNESS (EDUC)	EXE	24.00
		TUITION/REGISTRATION	LGL	40.58
		OFFICE/OPERATING SUPPLIES	CWP	222.95
		NETWORK HARDWARE	IT	346.19
		AUTO FUEL	CS	29.87
		TUITION/REGISTRATION	PLN	295.00
		PRINTING/PUBLICATIONS	PD	33.98
		SPECIAL INVESTIGATIONS	PD	40.87
		OFFICE SUPPLIES	FD	128.26
		COMMUNITY GRANT PROGRAM	LIB	449.34
		COMMUNITY GRANT PROGRAM	LIB	428.25
		COMMUNITY GRANT PROGRAM	LIB	511.66
		POSTAGE	LIB	86.48
		TRAVEL	LIB	53.00
		TRAVEL	LIB	25.00
		TUITION/REGISTRATION	LIB	100.00
		BOOKS & MATERIALS	LIB	33.89
		BOOKS & MATERIALS	LIB	356.84
		BOOKS & MATERIALS	LIB	62.61
		REPAIR & MAINT - AUTO		220.97
		MAINT OF PUMPING EQUIP	SWR	164.72
		MAINT OF GENERAL EQUIP	SWR	643.83
		MAINTENANCE OF BUILDINGS	SWR	61.99
		OPERATING SUPPLIES	SAN	144.39
		OFFICE SUPPLIES	SAN	79.60
		UNAPPLIED CASH - SUSPENSE		46.06-

WARRANT	VENDOR NAME	DESCRIPTION	AMOUNT
		WARRANT TOTAL	4,538.21
77723	UPS	POSTAGE FD	18.77
		WARRANT TOTAL	18.77
77724	UNIVAR USA INC	OP SUPPLIES-CHEMICALS SWR	1,481.01
		WARRANT TOTAL	1,481.01
77725	VALLEY AUTO SUPPLY	REPAIRS/MAINT-EQUIP SAN	84.41
		WARRANT TOTAL	84.41
77726	VISION FORMS, LLC	POSTAGE SWR	1,603.83
		POSTAGE SAN	764.90
		POSTAGE SWTR	98.70
		WARRANT TOTAL	2,467.43
77727	WA STATE DEPT OF REVENUE	OFFICE/OPERATING SUPPLIES CWP	2.18
		SMALL TOOLS/MINOR EQUIP IT	2.49
		OFFICE/OPERATING SUPPLIES PD	6.52
		PRINTING/PUBLICATIONS PD	2.60
		OPERATING SUPPLIES FD	30.96
		TAXES AND ASSESSMENTS PK	86.54
		TAXES AND ASSESSMENTS CEM	39.08
		REPAIR/MAINTENANCE-EQUIP ST	38.80
		EQUIPMENT ST	27.30
		CONST-SR20/COOK REALIGN ART	6.23
		SUMMER READING PROGRAM LIB	6.50
		COMMUNITY GRANT PROGRAM LIB	82.32
		TAXES & ASSESSMENTS LIB	8.25
		BOOKS & MATERIALS LIB	21.79
		OPERATING SUPPLIES SWR	9.71
		TAXES & ASSESSMENTS SWR	4,839.06
		OPERATING SUPPLIES SAN	42.36
		SMALL TOOLS & MINOR EQUIP SAN	6.46
		TAXES & ASSESSMENTS SAN	5,528.45
		WARRANT TOTAL	10,787.60
77728	WA ST DEPT OF TRANSPORT	CONST SR9 LUCAS/PK COTTAGE AST	270.33
		CONST-SR9 MCGARG/SUMR MEAD AST	270.34
		WARRANT TOTAL	540.67
77729	WA STATE PATROL	MISC-PERMITS & LICENSES PK	10.00
		WARRANT TOTAL	10.00
77730	WASHINGTON FEDERAL	CONTRACTED OVERLAY ST	109.95
		CONST-SR20/COOK REALIGN ART	19,264.19
		WARRANT TOTAL	19,374.14
77731	WASTE MANAGEMENT OF SKGT	RECYCLING - HOUSEHOLD SAN	7,985.97
		WARRANT TOTAL	7,985.97
77732	WEST PAYMENT CTR	WESTLAW SERVICES LGL	241.88

CITY OF SEDRO-WOLLEY
SORTED TRANSACTION WARRANT REGISTER
09/25/2013 (Printed 09/20/2013 08:49)

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WARRANT	VENDOR NAME	DESCRIPTION		AMOUNT
		WARRANT TOTAL		241.88
77733	WESTERN ELECTRICAL SERVICES, INC.	MAINTENANCE CONTRACTS	SWR	7,022.17
		WARRANT TOTAL		7,022.17
77734	WOOD'S LOGGING SUPPLY INC	SAFETY EQUIPMENT	CEM	35.04
		WARRANT TOTAL		35.04
77735	WOMER & ASSOCIATES, INC.	PROFESSIONAL SERVICES	FD	250.00
		WARRANT TOTAL		250.00
77736	KULSHAN FARMS	GENERAL BUSINESS LICENSES		35.00
		WARRANT TOTAL		35.00
		RUN TOTAL		1,045,346.27

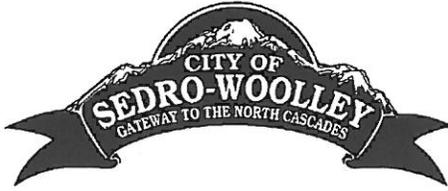
CITY OF SEDRO-WOLLEY
SORTED TRANSACTION WARRANT REGISTER
09/25/2013 (Printed 09/20/2013 08:49)

FUND	TITLE	AMOUNT
001	CURRENT EXPENSE FUND	123,144.35
101	PARK FUND	19,397.86
102	CEMETERY FUND	3,155.94
103	STREET FUND	42,954.27
104	ARTERIAL STREET FUND	678,041.98
105	LIBRARY FUND	19,670.73
109	SPECIAL INVESTIGATION FUND	220.97
401	SEWER FUND	65,122.17
412	SOLID WASTE FUND	86,934.05
425	STORMWATER	6,750.01
621	SUSPENSE FUND	46.06-
TOTAL		1,045,346.27

CITY OF SEDRO-WOLLEY
SORTED TRANSACTION WARRANT REGISTER
09/25/2013 (Printed 09/20/2013 08:49)

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DEPARTMENT	AMOUNT
001 000 000	35.00
001 000 012	5,399.54
001 000 013	821.45
001 000 014	5,834.02
001 000 015	11,827.50
001 000 017	5,330.25
001 000 018	438.19
001 000 019	3,584.00
001 000 020	4,063.31
001 000 021	45,420.69
001 000 022	37,901.58
001 000 024	2,488.82
FUND CURRENT EXPENSE FUND	123,144.35
101 000 076	19,397.86
FUND PARK FUND	19,397.86
102 000 036	3,155.94
FUND CEMETERY FUND	3,155.94
103 000 042	42,954.27
FUND STREET FUND	42,954.27
104 000 042	678,041.98
FUND ARTERIAL STREET FUND	678,041.98
105 000 072	19,670.73
FUND LIBRARY FUND	19,670.73
109 000 021	220.97
FUND SPECIAL INVESTIGATION FUND	220.97
401 000 035	65,122.17
FUND SEWER FUND	65,122.17
412 000 037	86,934.05
FUND SOLID WASTE FUND	86,934.05
425 000 031	6,750.01
FUND STORMWATER	6,750.01
621 000 000	46.06-
FUND SUSPENSE FUND	46.06-
TOTAL	1,045,346.27



CITY COUNCIL AGENDA
REGULAR MEETING

SEP 25 2013

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 3d

CITY OF SEDRO-WOOLLEY
Sedro-Woolley Municipal Building
325 Metcalf Street
Sedro-Woolley, WA 98284
Phone (360) 855-1661
Fax (360) 855-0707

Mark A. Freiberger, PE
Director of Public Works

MEMO TO: City Council and Mayor Anderson
FROM: Mark A. Freiberger, PE
RE: **Possible Contract Amendment No. 2
Contract 2013-PW-06
Generator Services NW LLC**
DATE: September 18, 2013 (for Council action September 25, 2013)

ISSUE:

Shall council move to authorize Mayor Anderson to execute Contract Amendment No. 2 to Contract 2013-PW-06 with Generator Services NW LLC of Lynnwood, WA for additional backup generator maintenance and repairs?

BACKGROUND/ DISCUSSION:

Public Works issued Contract 2013-PW-06 to Generator Services NW LLC of Lynnwood, WA on March 7, 2013 to provide annual preventative and quarterly maintenance for thirteen (13) backup generator sets as specified for the 2013 calendar year. During the first quarterly maintenance inspection for 2013 it was brought to our attention that additional repairs were needed to some of our generators. Amendment 1 provided a budget of \$5,000 for these additional repairs, but assumed that certain recommendations would be performed by the City mechanic. With family illness issues, our mechanic has not been able to complete the work. As a result, Amendment 2 is recommended to allow this work to be completed by Generator Services. Amendment 2 increases the contract by \$8,286.80 for a new total of \$25,000.

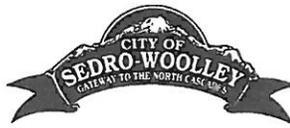
FINANCIAL:

Original Agreement dated 3/7/2013 (Lump Sum work)	\$11,713.20
Amendment 1 (Time & Material Not to Exceed work)	\$ 5,000.00
Amendment 2 (Time & Material Not to Exceed work)	\$ 8,286.80
Revised Contract Total	\$25,000.00

Funds for this project are available from the Account 401 Maintenance Contracts line item.

MOTION:

Move to authorize Mayor Anderson to execute Contract Amendment No. 2 to Agreement No. 2013-PW-06 with Generator Services NW LLC of Lynnwood, WA amending the contract total to \$25,000.00.



AMENDMENT NO. 2

To the PUBLIC WORKS AGREEMENT No. 2013-PW-06
Dated March 7, 2013
Between The City of Sedro-Woolley, Washington
And Generator Services NW LLC

This Amendment revises the above contract as follows:

Section III. PAYMENT is revised as follows:

A. The maximum payable hereunder is **\$ 25,000.00**

Section IV. SCOPE OF PROJECT, TECHNICAL SPECIFICATIONS AND CONDITIONS OF WORK is revised as follows:

C. Scope of project: In addition to "Provide Annual and Quarterly Preventative Maintenance for thirteen (13) Backup Generator Sets as specified in - **ATTACHMENT A**. Amended to provide additional repairs, replacement parts, labor as amended by **ATTACHMENT B**, and as otherwise directed by the city's designated project manager.

All other terms and conditions remain as per the original agreement.

DATED this _____ day of September, 2013.

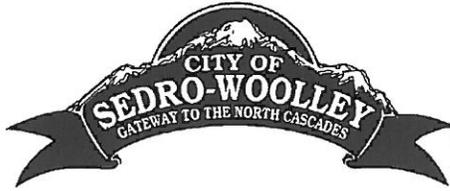
CITY OF SEDRO-WOOLLEY
A Washington municipal corporation

By: _____
Mayor

CONTRACTOR:

Generator Services NW LLC

By: _____



CITY COUNCIL AGENDA
REGULAR MEETING

SEP 25 2013

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 30

CITY OF SEDRO-WOOLLEY
Sedro-Woolley Municipal Building
325 Metcalf Street
Sedro-Woolley, WA 98284
Phone (360) 855-0771
Fax (360) 855-0733

Mark A. Freiberger, PE
Director of Public Works

MEMO TO: City Council and Mayor Mike Anderson

FROM: Mark A. Freiberger, PE

RE: **Supplemental Agreement Number 6 to
Professional Services Agreement No. 2012-PS-14 for
Design Phase Services for the SR20/Cook Road Realignment and
Extension Project**
David Evans & Associates, Inc.

DATE: September 18, 2013 (for Council action September 25, 2013)

ISSUE

Should Mayor Anderson execute the attached Supplemental Agreement Number 6 to Professional Services Agreement No. 2012-PS-14 with David Evans & Associates, Inc. of Bellevue, WA to provide construction phase engineering and inspection services for the SR20/Cook Road Realignment and Extension Project in the amount not to exceed \$29,225?

BACKGROUND/DISCUSSION

Supplemental Agreement Number 5 to the David Evans & Associates Standard Consultant Agreement provides a full time construction manager for the duration of the project, and a full time construction inspector for the 2013 construction season (we anticipate utilizing Justin Bicknell as the construction inspector for the 2014 construction season). SA5 also included budget for engineering support for change orders and office survey calculations.

During the early phase of the construction work, it was discovered that the plans required extensive revision to incorporate the changes due to award of the base bid plus Schedules A and B only. In total, 72 plan sheets were revised to clarify the boundaries between the awarded work and the Schedule C work on F&S Grade Road and the Schedule D for the sidewalks on SR20 from SR9 to Harrison work not awarded. Other revisions of a more minor nature were also made to clarify some portions of the work. This additional design work was issued as Field Change #4. The cost for this additional work was \$14,310.

Also included in this supplement is additional budget to revise the plans to incorporate certain revisions at the southwest corner of the SR20/Cook Road Roundabout to reflect a boundary line adjustment at that corner. The BLA allows us to construct the 10' shared use in this vicinity. Without the BLA, the sidewalk was originally designed to narrow in this vicinity and without the hardscape strip that was used to provide 5' separation from traffic to the sidewalk. This work is estimated at \$6,469.

Finally, this supplement includes budget to complete the Bingham Park revision design. This work took the Bingham Park plans from 70% completion to final design for construction by city forces. The total for this work is \$6,365.

With these additions, we will retain some design support budget to complete the construction phase.

We can expect at least one more supplement to deal with the contractor's decision to work six ten hour days during the Stage 1 and Stage 3 detour phases. We had allowed five nine hour days for the construction support staff in the DEA agreement. This will be the subject of a later memorandum once the final schedule is known.

ANALYSIS

ESTIMATED COST

Construction Contract, Base Bid, Sch A and B	\$3,336,811	
DEA Supplemental Agreement No. 6- CM Services	\$ 364,821	10.1% of CN
City CM	\$ 97,700	2.7% of CN
WSDOT CM	\$ 20,000	
PSE Street Lights installation cost	\$ 187,342	
CNG Gas Regulator relocation cost	\$ 94,324	
Subtotal Estimated Construction Cost		\$4,100,998
DEA Design Phase Services through SA 4	\$ 813,469	
DEA On-Call Agr 2012-PW-10 TO 2 Topo Survey	\$ 43,346	
Total DEA Design	\$ 856,815	22.4% of all CN
Estimated City Administration Design Phase	\$ 32,654	
Misc PE & ROW Costs	\$ 5,424	
Estimated WSDOT PE & Special Study	\$ 60,000	
Subtotal Design Phase Budget		\$ 954,893 24.9% of CN
Subtotal ROW Donations	\$ 792,310	
TOTAL PROJECT COST ESTIMATE		\$5,848,201

ESTIMATED REVENUE

Transportation Improvement Board UAP Grant - CN	\$3,930,000	
Local funds (GMA Impact Fee Fund or other) – CN	\$ 44,493	
Skagit Transit – CN	\$ 10,372	
PUD No. 1 – Schedule A Waterline Work CN	\$ 109,768	
Account 103 for Bingham Park	\$ 6,365	
Subtotal Construction Phase		\$4,100,998
STP(R) federal funds through SCOG - PE	\$ 625,000	
GMA Impact Fee Fund – PE	\$ 165,000	
WSDOT Special Study - PE	\$ 40,000	
Skagit Transit - PE	\$ 11,782	
PUD No. 1 of Skagit County - PE	\$ 15,864	
PSE reimbursement for Topo Survey - PE	\$ 2,700	
Account 020 and 311 for Bingham Park MP - PE	\$ 9,673	
Subtotal Design Phase funds available		\$ 869,839
Additional Funds from GMA Impact Fee Fund	\$ 85,054	
Subtotal Design Phase Revenue		\$ 954,893
City ROW Donation	\$ 109,468	Final
WSDOT ROW Donation	\$ 540,000	Preliminary
SeaLand ROW Donation	\$ 142,842	Final
Subtotal ROW Donations	\$ 792,310	
TOTAL ANTICIPATED REVENUE		\$5,848,201

The Staff Memorandum to Council for the July 10, 2013 council meeting noted that an additional \$129,232 would be required from the GMA Impact Fee fund to cover the anticipated design phase completion cost and the match for the construction phase through Supplement 5. As of 9/18/2013, these funds have a combined balance of \$145,989. Sufficient funds are available for this purpose. A budget amendment will be required to allocate the additional funds to the project.

Supplement 6 adds an additional \$22,860 to the TIB funded base contract, of which TIB should cover \$22,545, leaving an additional local match of \$315. The balance of SA6 totaling \$6,365 is for the Bingham Park final design, which will be covered from Account 103 REET funds for this part of the project. This does not include any contingency, which TIB does not allow in their agreements. Instead, TIB reserves approval authority for contract close-out, with the Director having 15% administrative authority.

Change orders to date have been minor, totaling \$30,325 to date. Additional changes may be expected.

MOTION:

Move to authorize Mayor Anderson to execute the attached Supplemental Agreement Number 6 to Professional Services Agreement No. 2012-PS-14 with David Evans & Associates, Inc. of Bellevue, WA to provide additional construction phase engineering and inspection services for the SR20/Cook Road Realignment and Extension Project in the amount not to exceed \$29,225.



Supplemental Agreement Number <u>6</u>		Organization and Address David Evans and Associates, Inc 415 118th Avenue SE Bellevue, WA 98005	
Original Agreement Number DEA Project # SDRO0000-0016		Phone: 425-519-6500	
Project Number Federal Aid # STPUS-0020(172)		Execution Date 6/12/2013	Completion Date 9/30/2014
Project Title SR 20, Cook Road Realignment and Extension Project		New Maximum Amount Payable \$ 1,178,290.00	
Description of Work Supplement No. 6 adds the following work element: Additional design support during construction and final design of Bingham Park.			

The Local Agency of City of Sedro-Woolley
desires to supplement the agreement entered into with David Evans and Associates, Inc.
and executed on 6/8/2012 and identified as Agreement No. STPUS-0020(172)
All provisions in the basic agreement remain in effect except as expressly modified by this supplement.

The changes to the agreement are described as follows:

I

Section 1, SCOPE OF WORK, is hereby changed to read:

See the attached "Exhibit A-1" for the Scope of Work.

II

Section IV, TIME FOR BEGINNING AND COMPLETION, is amended to change the number of calendar days for completion of the work to read: No change.

III

Section V, PAYMENT, shall be amended as follows:

See the attached "Exhibit E-1" for the fee estimate.

as set forth in the attached Exhibit A, and by this reference made a part of this supplement.

If you concur with this supplement and agree to the changes as stated above, please sign in the appropriate spaces below and return to this office for final action.

By: David Evans and Associates, Inc. By: City of Sedro-Woolley By: Washington State Department of Transportation

Consultant Signature

Approving Authority Signature

Certifying Authority Signature

Date

Date

Date

Exhibit "A"
Summary of Payments

	Basic Agreement	Supplement #1	Supplement #2	Supplement #3	Supplement #4	Supplement #5	Supplement #6	Total
Direct Salary Cost	\$169,642.00	\$12,073.00	\$32,700.00	\$203.00	\$902.00	\$77,733.00	\$9,578.00	\$302,831.00
Overhead (including Payroll Additives)	\$297,095.00	\$21,144.00	\$57,266.00	\$356.00	\$1,580.00	\$136,134.00	\$16,774.00	\$530,349.00
Direct Non-Salary Cost	\$152,259.00	(\$22,338.00)	\$0.00	\$19,920.00	\$6,010.00	\$98,409.00	\$0.00	\$254,260.00
Fixed Fee	\$50,893.00	\$3,622.00	\$9,810.00	\$61.00	\$271.00	\$23,320.00	\$2,873.00	\$90,850.00
Total	\$669,889.00	\$14,501.00	\$99,776.00	\$20,540.00	\$8,763.00	\$335,596.00	\$29,225.00	\$1,178,290.00

**Exhibit A-1
Scope of Services**

**SR 20/Cook Road Extension and Realignment
Roadway Improvement Project**

TIB Project Number 8-2-126(009)-1
Sedro-Woolley Project Number 2013-PW-01

**Supplement No. 6
Construction Management**

Prepared for:
City of Sedro-Woolley

Prepared by:
David Evans and Associates, Inc.

September 5, 2013

5.0 Design Support

The CONSULTANT shall provide the following specific design support assistance and additional design support on an as-needed basis over the course of the project.

- **Field Change 4** – Revise all contract plan sheets to eliminate the work elements in Schedules C and D that were not awarded with the project. Deliverable will be an electronic pdf of Field Change 4 plan sheets.
- **Conformed Plan Set** – Prepare and submit an electronic pdf copy of a conformed plan set to include the following revisions:
 - Addendums 1 and 2 plan sheet revisions included in the bid set of documents. Revisions to the Skagit PUD water plans will not be included.
 - Field Changes 1, 2, 3, and 4.
- **Bingham Park** – Revise final plans based on City’s comments. Revisions include:
 - Revise horizontal and vertical roadway alignments through park.
 - Develop and incorporate all sidewalk horizontal alignments shown in the Bingham Park Masterplan.
 - Revise sanitary sewer plan and profile.
 - Revise drainage plan and profile based on new roadway cross slope profiles and RV layout area.
 - Revise erosion control, channelization, and signing plans accordingly.
- **Cook Road/SR 20 Sidewalk/Wall Revisions** – Revise the southwest corner of Cook Road/SR 20 to include a 10-foot-wide sidewalk and 5-foot buffer around the southwest curb return.
- **Other Design Support on As-Needed Basis**

Exhibit E-1
Consultant Fee Determination - Fixed Fee
SR 20, Cook Road Realignment and Extension Project
Construction Management
City of Sedro-Woolley

David Evans and Associates, Inc.

Classification	Direct Rate	Hours	Cost
1 Project Manager (PMGR)	\$ 60.50	44	\$2,662
2 Managing Professional Engr/QC (MGPE)	\$ 65.00	16	\$1,040
3 Professional Engineer (PFEN)	\$ 44.00	124	\$5,456
4 CADD Manager (CADM)	\$ 40.00	10.5	\$420
5 Construction Manager (CONM)	\$ 42.00	0	\$0
6 Construction Inspector (CINS)	\$ 20.50	0	\$0
7 Administrative Assistant (ADMA)	\$ 28.00	0	\$0
8 Exec. Administrator (EXAD)	\$ 32.30	0	\$0
		Total Hours	194.5

Salary Cost **\$9,578**

Overhead Cost @ 175.13% of Direct Labor **\$16,774**

Fixed Fee @ 30.00% of Direct Labor **\$2,873**

Total Overhead & Net Fee Cost **\$19,647**

DEA Subtotal **\$29,225**

Direct Expenses

Mail/Deliveries/Fed Ex	each @	\$20	0	\$0
Mileage	miles @	\$0.585 /mile	0	\$0
Per Diem (Construction Manager)	days @	\$25 /day	0	\$0
Per Diem (Construction Inspector)	days @	\$25 /day	0	\$0
			Subtotal	\$0

David Evans and Associates Total **\$29,225**

Subconsultants

Skagit Surveyors & Engineers (Construction Surveying)*	\$0
Materials Testing & Consulting (Material Testing/ Sampling)	\$0
Associated Earth Sciences Inc. (Geotechnical Support)	\$0
Subconsultant Total	\$0

Direct Expenses Sub-Total (including Subconsultants) **\$0**

Construction Management Total **\$29,225**

*Skagit fees are based on non-prevailing wage rates.

Exhibit E-1
Consultant Fee Determination - Summary Sheet
SR 20, Cook Road Realignment and Extension Project
Construction Management
City of Sedro-Woolley

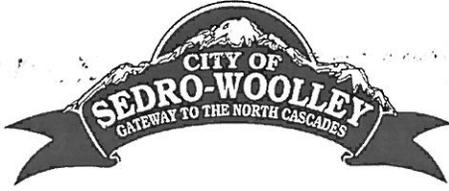
David Evans and Associates, Inc.

1 2 3 4 5 6 7 8

Work Element #	Work Element	Project Manager (PMGR)	Managing Professional Engr/QC (MGPE)	Professional Engineer (PFEN)	CADD Manager (CADM)	Construction Manager (CONM)	Construction Inspector (CINS)	Administrative Assistant (ADMA)	Exec. Administrator (EXAD)	DEA Total	DEA Dollars
	direct rates:	\$60.50	\$65.00	\$44.00	\$40.00	\$42.00	\$20.50	\$28.00	\$32.30		
		Total	Total	Total	Total	Total	Total	Total	Total	Total	Total \$
1.0	Contract Management										
1.1	Project Management	16								16	\$2,954
1.2	Monthly Invoices and Progress Reports (12 total)										
1.3	Quality Control/Quality Assurance Review	4	6	4						14	\$2,465
	Work Element 2.0 Total	20	6	4						30	\$5,419
5.0	Design Support										
5.1	Field Change #4	6	2	50						58	\$8,217
5.2	Conformed Plan Set	2			2.5					4.5	\$674
5.3	SW Corner Cook/SR 20 Sidewalk/Wall Redesign	4		10						14	\$2,081
5.4	Other Additional Design Support - As Needed	8	4	24	8					44	\$6,469
	Work Element 6.0 Total	20	6	84	10.5					120.5	\$17,441
8.0	Plans, Specifications and Estimate (PS&E)										
8.7c	Revised 100% Final PS&E (Bingham Park)	4	4	36						44	\$6,365
	Work Element 8.7 Subtotal	4	4	36						44	\$6,365
	Direct Expenses										
PROJECT TOTAL		44	16	124	10.5					195	\$29,225.35

CITY COUNCIL AGENDA
REGULAR MEETING

SEP 25 2013



7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 3F

CITY OF SEDRO-WOOLLEY
Sedro-Woolley Municipal Building
325 Metcalf Street
Sedro-Woolley, WA 98284
Phone (360) 855-9922
Fax (360) 855-9923

Eron M. Berg
City Supervisor & Attorney

MEMO TO: City Council
FROM: Eron Berg
RE: Revisions to Arts Commission
DATE: September 25, 2013

ISSUE: Should the Council approve the proposed ordinance amending SWMC 2.44 as requested by the commission?

BACKGROUND: The proposed ordinance makes one modification: Changes the name back to the Sedro-Woolley Arts Commission from the revised Arts Council of Sedro-Woolley.

This request is made to clearly differentiate between the city sponsored group and a separate non-profit, foundation-style group that formed to fundraise and spend money on art and arts programs.

RECOMMENDATION: MOTION to adopt Ordinance _____-13, an ordinance amending SWMC 2.44 regarding the Sedro-Woolley Arts Commission.

ORDINANCE NO. ____-13

AN ORDINANCE AMENDING SWMC 2.44 REGARDING THE SEDRO-WOOLLEY'S ARTS COMMISSION

Whereas, the Council created the Sedro-Woolley Arts Commission to foster the excellence, vitality, diversity, and accessibility of the arts as a fundamental resource for the quality of life in our region; and

Whereas, a separate non-profit entity formed using a similar name and the parties desire to clearly differentiate between the city's arts commission and the non-profit arts council; and

Whereas, the Council wishes to amend SWMC 2.44 as requested by those prospective members; now therefore,

THE CITY COUNCIL OF THE CITY OF SEDRO-WOOLLEY DO HEREBY ORDAIN AS FOLLOWS:

Section 1. Sedro-Woolley Municipal Code 2.44 is amended as follows:

All references to "Arts Council of Sedro-Woolley" are hereby changed to "Sedro-Woolley Arts Commission" and references to "council" or "council member" in relation to the Arts Council are changed to "commission" or "commission member".

Section 2. This ordinance shall be effective five (5) days after passage and publication as provided by law.

PASSED by majority vote of the members of the Sedro-Woolley City Council this ____ day of September, 2013, and signed in authentication of its passage this ____ day of September, 2013.

Mike Anderson, Mayor

Attest:

Patsy Nelson, Finance Director

Approved as to form:

Eron Berg, City Attorney

First Reading by City Council: September 25, 2013

Second Reading by City Council:

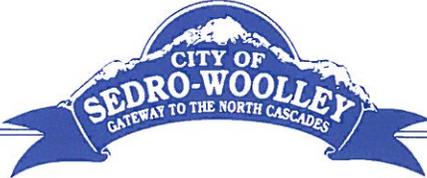
Approval by City Council:

Signed by the Mayor:

Date of Publication:

SEP 25 2013

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 5

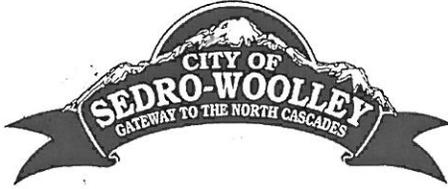


SUBJECT: PUBLIC COMMENT

Name :
Address :
Narrative :

CITY COUNCIL AGENDA
REGULAR MEETING

SEP 25 2013



7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 6

CITY OF SEDRO-WOOLLEY

Sedro-Woolley Municipal Building
325 Metcalf Street
Sedro-Woolley, WA 98284
Phone (360) 855-9922
Fax (360) 855-9923

Eron M. Berg
City Supervisor & Attorney

MEMO TO: City Council
FROM: Eron Berg
RE: AWC Trust
DATE: September 25, 2013

ISSUE: Should the Council approve the attached resolution authorizing the mayor to sign the attached interlocal agreement which joins the City of Sedro-Woolley into a new self-insurance pool managed by the AWC (Association of Washington Cities) Trust?

BACKGROUND: Attached are the following documents for your review:

1. Letter from AWC to the city dated September 3, 2013;
2. AWC Benefit Trust "Self-funded health care program" fact sheet;
3. Draft Resolution ____-13 approving the interlocal agreement that creates the new health care program;
4. Draft interlocal agreement.

The city's current health benefits provider has decided to move away from Regence as its insurance carrier and instead self-insure the program. Under state law, the resolution and the interlocal are necessary for Sedro-Woolley's participation in this program. The information provided by AWC seems to indicate that coverage will remain comparable and that the provider networks and claims processes as well as the internal administrative processes will remain the same. The proposed cost for next year includes a 0% increase for all groups other than LEOFF 1 retirees.

The AWC benefit trust is managed and governed by elected representatives of the member cities and has been a solid program. Sedro-Woolley has been a trust member for many years. The interlocal and resolution must be returned to AWC by November 15th to continue coverage in 2014.

RECOMMENDATION: MOTION to adopt Resolution ____-13, a resolution approving the interlocal agreement and creating the health care program with AWC.



September 3, 2013

Dear AWC Employee Benefit Trust Member:

On July 25, 2013, after months of research and consideration, the AWC Employee Benefit Trust Board of Trustees voted to move from a fully insured benefit program to a self-insured model. Among a variety of advantages and opportunities that goes along with self-funding, is our projection of a **0% increase for those covered by the Trust's Regence/Asuris Medical, Group Health Medical, WDS Dental, and VSP Vision self-insured plans for 2014.**

In order to conduct business as a self-insured program, we are now required to comply with RCW 48.62 and WAC 200-110. This involves following the state law and rules administered by the Washington State Risk Manager. One of those requirements is that each member must approve, by resolution, an Interlocal Agreement authorizing you to participate in the self-insured program.

Enclosed with this letter is the Interlocal Agreement and a sample council/board resolution, and fact sheet. **We ask that you please calendar these items on your next governing-body agenda for adoption, and return signed copies of the Interlocal Agreement and the resolution to the AWC Employee Benefit Trust no later than November 15, 2013.**

Documents can be mailed, scanned and emailed, or faxed to Luann Hopkins, AWC Chief Operating Officer, as follows:

Mail: Luann Hopkins, COO
Association of Washington Cities
1076 Franklin Street SE
Olympia, WA 98501

Email: Luannh@awcnet.org
Fax: Luann Hopkins, COO at 360-753-0149

Members who do not return the signed Interlocal Agreement and Resolution will not be eligible to purchase medical, dental, and vision benefits from the Trust as of January 1, 2014, and will not be able to take advantage of the projected favorable rates.

If you have questions, or wish to request a representative from the AWC to attend your council/board meetings to help explain these changes, please contact Luann Hopkins or Carol Wilmes at 360-753-4137.

Sincerely,

Craig George
Chair, AWC Employee Benefit Trust
Board of Trustees

Mike McCarty
Chief Executive Officer
Association of Washington Cities

AWC Employee Benefit Trust

Self-Funded Health Care Program

Fact Sheet

On August 26, 2013, the State Risk Manager approved the AWC Trust's application to self-insure the medical plans through Group Health and Regence Blue Shield, the Vision Service Plan, and Washington Dental Service plan effective January 1, 2014. The remaining insurance products will continue to be fully-insured. This fact sheet is intended to provide background of the Trust and insight into the Board of Trustee conversation ultimately leading to the decision to self-insure.

Trust history

The AWC Employee Benefit Trust is a Voluntary Employees' Beneficiary Association (VEBA), as defined in IRC 501 (c) (9). The Trust was formed in 1970 by the Association of Washington Cities to offer affordable coverage for its cities and towns with participants in Law Enforcement Officers and Fire Fighters Pension Plan 1 (LEOFF 1). Since that time, the Trust has broadened its insured membership to include all walks of municipal government and their families. Today, the Trust serves 275 participating entities and insures approximately 36,000 employees and family members.

The Trust currently offers medical, dental, vision, employee assistance program, life insurance, long-term disability insurance, and long-term care insurance. In 1984, the Board of Trustees proved to be true visionaries in the health care industry and adopted an innovative health promotion project (wellness) as a cost containment tool. Today, the award-winning Total Health Management services of the Trust (available to Regence and Group Health medical subscribers) continues to reduce health care costs and improve quality of life for our insured members.

The AWC Trust, one of the first of its kind as a municipal league pool, is nationally recognized for excellence and innovation. Industry respect and long-term, stable relationships with insurance carriers, vendors, and consultants have benefited the pool members with quality health care programs, trust-worthy technical assistance and financial predictability. Customer advocacy and member-driven decisions continue to be the cornerstone of the Trust mission, vision and goals.

Planning retreat priority – self-insurance

As one of the highest priorities emerging from the 2011 Long Range Strategic Planning Retreat, the Trustees dedicated its 2013 meetings to learning about the world of self-insurance; hearing in-depth analysis from benefit, legal and actuarial consultants; and weighing the pros and cons of self-insuring the health care plans.

Self-Insurance means a formal program of advance funding and management of entity financial exposure to a risk of loss that is not transferred through the purchase of an insurance policy or contract.

On July 25, Trustees instructed staff and consultants to proceed with a self-insurance application to the State Risk Manager. Approval was granted on August 26, and the Trust will transition its **Regence/Asuris, Group Health, WDS and VSP** plans to self-insurance effective January 1, 2014.

Cost savings

One of the overriding factors in the decision is the potential for cost savings to members. Self-insurance allows the Trust to eliminate several taxes mandatory for fully insured plans including a 2% state tax and a 2% – 3% new 2014 federal insurer tax. While our retention and stop loss fees were extremely competitive as a fully insured plan, these fees were also lowered with the aid of a competitive self-insurance marketplace. Along with all these cost savings, we'll be able to focus on our own trend line, which has been lower than carriers' trends for many years. This bodes well for not only this year's rate projections, but future year's as well.

The transition to self-insurance will not change the manner in which plans are rated (i.e., the Trust will continue to pool all member claims rather than develop rates based upon individual employer loss experience). However, the discussion of large city claims rating is slated to be discussed by the Board of Trustees in 2014, and being self-insured certainly enables a broader scope of analysis.

With all these factors considered, the Trust's 2014 rate **projections** are very favorable with 0% increase projected for most plans.

Self-insurance plans

Fully-insured plans

Regence/Asuris Medical	0%	LEOFF I Medicare Advantage Plan	8%
Group Health Medical	0%	Willamette Dental	0%
WDS Dental	0%	Life & LTD	0%
VSP Vision	0%	EAP	0%

Final rates will be adopted by the Board of Trustees on September 26. Look to our website by end of day on Friday, September 27, for an updated posting.

WellCity rate impact

The WellCity discount is 2% less than the base rate. Ongoing WellCity Award recipients – your current rate will be 2% less than the base rate – which means your rate stays the same. For cities earning the 2013 WellCity Award for the first time, you'll get a 2% discount on the 2014 base rate, meaning your rate this year is actually a 2% savings from your 2013 rate.

Employee impacts

For now, know that the impact to employees and their family members is minimal to none:

- Benefit plan designs remain the same, including the mandated benefit changes under the ACA for 2014
- Employees have access to the same provider networks.
- Claims will be processed by the same carriers.
- It is possible that a new ID card will be generated.

Member Employer impacts

Impact to employers is equally minimal:

- Members will still be part of the Trust's large pool, which will now be self-insured.
- The monthly bill will still be generated by NWA and due at the same time as current (by the 10th of the month).
- The most notable change for employers will be the council-adoption by resolution of an Interlocal Agreement between the jurisdiction and the AWC Trust.

Interlocal Agreement

RCW 48.62 authorizes local government entities to self-insure for health care benefits, and delegates rule-making authority and oversight to the Washington State Risk Manager. Chapter 200-110 Washington Administrative Code sets forth that members of the health care program (pool) must be a signatory to the health care program's Interlocal Agreement, and the Interlocal Agreement must be adopted by the local governing body by resolution.

In order for the Trust to meet the state deadlines, member jurisdictions must provide the adopted resolution and Interlocal Agreement no later than **November 15, 2013.**

AWC Employee Benefit Trust Health Care Program Reserve Funding

Self-insured health care programs must establish reserves necessary to fund the termination costs of the program and to insulate the program against unusual severity or frequency of claims. The Board of Trustees have pledged reserve funds pursuant to actuarially established amounts to satisfy this requirement.

Health Care Program 2014 Financials *at a glance*

Beginning Program Deposits/Assets ¹	\$15,420,000
Projected Employer Contributions	\$174,672,167
Projected Employee Contributions	\$19,408,091
Other Projected Revenues	\$308,400
Total Projected Revenues	\$194,388,586
Projected Claims Payments	\$179,155,972
Projected Operational Expenses ²	\$12,334,777
Projected Stop Loss Insurance Policy	\$813,875
Projected Wellness Program Expenses	\$1,775,561
Total Projected Annual Expenses	\$194,080,186
Projected Year-End Program Assets/Reserves	\$15,728,400

¹ Projected reserves as of December 31, 2013 are \$75,471,971 of which \$15,420,000 are pledged as beginning health care program assets.

²Includes claims adjudication, broker fee-for-service, actuary, legal, consultants, and operations.

Questions

As always, the Trust is committed to communicating with members. You can expect ongoing communications in upcoming **For Your Health** e-newsletters. If you have any questions regarding the Trust's decision to self-insure, the new rate projections, or the Interlocal Agreement feel free to contact an AWC Trust staff member at 1-800-562-8981 or benefitinfo@awcnet.org.

RESOLUTION NO. ____-13

A RESOLUTION OF THE CITY OF SEDRO-WOOLLEY ADOPTING AN INTERLOCAL AGREEMENT CREATING THE HEALTH CARE PROGRAM

WHEREAS, the Association of Washington Cities Employee Benefit Trust (the “Trust”) is an entity to which contributions by cities and towns and non-city entities organized and existing under the Constitution or laws of the State of Washington and who are members of the Trust (“Participating Cities and Towns,” and “Participating Non-City Entities”) and their employees can be paid and through which the Board of Trustees of the Trust (“Trustees”) provides one or more insured health and welfare benefit plans or programs to Participating Cities and Towns’ and Non-City Entities’ employees, their dependents and other beneficiaries (“Beneficiaries”), on whose behalf the contributions were paid; and

WHEREAS, the Trust qualifies as a voluntary employee beneficiary association within the meaning of Section 501(c)(9) of the Internal Revenue Code, providing for the payment of life, sick, accident or other benefits to Beneficiaries; and

WHEREAS, the Trust and Participating Cities and Towns and Non-City Entities have determined that it is in the best interest of Participating Cities and Towns and Non-City Entities to jointly self-insure certain health benefit plans and programs for Beneficiaries through a designated account within the Trust, while at the same time having the Trust continue as the entity to which other insured health and welfare benefit program contributions are paid and through which insured health and welfare benefit plans and programs are provided to Beneficiaries; and

WHEREAS, it appears economically feasible and practical for the parties to do so; and

WHEREAS, Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under chapter 39.34 RCW, jointly self-insure health benefit plans and programs, and/or jointly hire risk management services for such plans or programs by any one or more of certain specified methods; and

WHEREAS, the Association of Washington Cities Employee Benefit Trust Interlocal Agreement (the “Interlocal Agreement”) attached hereto creates a joint self-insured health and welfare benefit program (the “Health Care Program”) to be administered by the Trustees for the purposes of providing self-insured health benefits to Beneficiaries; and

WHEREAS, WAC 200-110-030 requires every local government entity participating in a joint self-insurance health and welfare benefit program to adopt such program by resolution; and

WHEREAS, Chapter 48.62 requires Health Care Program assets to be managed consistent with existing authority over use of municipal funds in RCW 35.39.030. The Trust will manage Health Care Program reserves in compliance with Chapter 48.62 RCW; RCW 35.39.030, and the Health Care Program Investment Policy; and

WHEREAS, all premium contributions for use in the Health Care Program are deposited into a designated account within the Trust, the Health Care Program Account (the “HCP Account”), and the HCP Account represents a pool of funds that is independent of all other Trust or AWC funds; and

WHEREAS, the Trust intends to manage the HCP Account assets in compliance with federal and state laws and the Interlocal Agreement; and

WHEREAS, the Sedro-Woolley City Council believes it is in the best interest of the Health Care Program to allow the Trust to manage the HCP Account;

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SEDRO-WOOLLEY AS FOLLOWS:

The Interlocal Agreement attached hereto creating the Health Care Program is hereby adopted.

And further that the City of Sedro-Woolley acknowledges that it shall be subject to assessments as required by the Health Care Program.

PASSED by majority vote of the members of the Sedro-Woolley City Council this _____ day of _____, 2013.

Mike Anderson, Mayor

Attest:

Patsy Nelson, Finance Director

Approved as to form:

Eron Berg, City Attorney

**ASSOCIATION OF WASHINGTON CITIES EMPLOYEE BENEFIT TRUST
HEALTH CARE PROGRAM
INTERLOCAL AGREEMENT**

This Agreement is made and entered into in the State of Washington by and among the Association of Washington Cities Employee Benefit Trust (the "Trust") and cities and towns, and non-city entities organized and existing under the Constitution or laws of the State of Washington and who are members of the Trust ("Participating Cities and Towns," or "Participating Non-City Entities"), all of whom are signatories to this Agreement.

RECITALS

WHEREAS, the Trust is an entity to which contributions by Participating Cities and Towns and Non-City Entities (defined below) and Participating Employees (defined below) are paid and through which the Board of Trustees provides one or more insured health and welfare benefit plans or programs to Participating Employees, their covered dependents and other beneficiaries ("Beneficiaries"), on whose behalf the contributions were paid; and

WHEREAS, the Trust qualifies as a voluntary employee beneficiary association within the meaning of Section 501(c)(9) of the Internal Revenue Code ("VEBA"), providing for the payment of life, sick, accident or other benefits to Beneficiaries; and

WHEREAS, the Trust and the Participating Cities and Towns have determined that it is in the best interest of Participating Cities and Towns to jointly self-insure certain health benefit plans and programs for Beneficiaries through a designated account within the Trust, while at the same time having the Trust continue as the entity to which health and welfare benefit plan or program contributions are paid and through which insured health and welfare benefit plans and programs are provided to Beneficiaries; and

WHEREAS, it appears economically feasible and practical for the parties to this Agreement (defined below) to do so; and

WHEREAS, Chapter 48.62 RCW provides that two or more local government entities may, by Interlocal agreement under Chapter 39.34 RCW, jointly self-insure health benefit plans and programs, and/or jointly hire risk management services for such plans or programs by any one or more of certain specified methods; and

WHEREAS, each local government entity that is a signatory hereto, as required by WAC 200-110-030, acts upon the authority of a resolution adopting this Agreement and the Health Care Program (defined below) created herein;

NOW, THEREFORE, for and in consideration of all of the mutual benefits, covenants and agreements contained herein, the parties hereto agree as follows:

ARTICLE 1

DEFINITIONS

The following are definitions of terms used in the Agreement. Unless indicated otherwise, other terms are defined where they are first used. Defined terms are capitalized when used in the defined context.

- 1.1 **Agreement** means this Interlocal Agreement entered into under the authority of Chapter 39.34 RCW and as required by RCW 48.62.031(2) between the Trust and Participating Employers.
- 1.2 **Association of Washington Cities** or **AWC** means the Association of Washington Cities, a not-for-profit membership association established pursuant to the laws of the state of Washington for the purpose of providing various services to and on behalf of its member cities.
- 1.3 **Association of Washington Cities Employee Benefit Trust** or the **Trust** means the trust and all property and money held by such entity, including all contract rights and records, established for the sole purpose of providing life, sick accident or other health and welfare benefits to Participating Employees, their covered dependents and other beneficiaries, and which is approved by the Internal Revenue Service as a VEBA.
- 1.4 **Employee Benefits Advisory Committee** or **EBAC** means the committee defined in Article V of the Trust Agreement that may be delegated responsibility by the Board of Trustees, including but not limited to: overseeing the operations of the Health Care Program, analyzing and developing annual premium levels and benefit coverage changes for recommendation to the Board of Trustees and performing other duties necessary to ensure that the needs of Participating Employers are met and the long-term financial health of the Health Care Program is maintained.
- 1.5 **Health Care Program** means the joint self-insurance program offering self-insured health benefit options through the HCP Account.
- 1.6 **HCP Account** means a designated account within the Trust and created by this Agreement, the Trust Agreement and Trust Health Care Program policies all under the authority of Chapter 48.62 RCW to provide self-insured health benefits to Participating Employees, their covered dependents and other beneficiaries and further described in Article 6.
- 1.7 **Non-City Entity** means any public agency, public corporation, intergovernmental agency or political subdivision, within the state of Washington that meets the requirements of Article IX, Section 1(c)(ii) and (iii) of the Trust Agreement for participation in the Health Care Program.
- 1.8 **Participating City** means any city or town within the state of Washington that meets the requirements of Article IX, Section 1(a) or Section 1(b) of the Trust Agreement.

- 1.9 **Participating Employee** means any individual employed by a Participating Employer and for whom the Participating Employer makes contributions to the Trust, and any individual who may have been so employed but is subsequently laid off, terminated, or retired.
- 1.10 **Participating Employer** means a Participating City or Non-City Entity that is also a party to this Agreement.
- 1.11 **Resolution** means the resolution adopted by each Participating City or Non-City Entity that authorizes the Health Care Program.
- 1.12 **State Risk Manager** or **Risk Manager** means the risk manager of the Risk Management Division within the Department of Enterprise Services.
- 1.13 **Stop Loss Insurance** or **Reinsurance** means a promise by an insurance company that it will cover losses of the Health Care Program over and above an agreed-upon individual or aggregated amount, which definition shall be modified by any changes to the definition of stop loss insurance in WAC 200-110-020.
- 1.14 **Third-Party Administrator** means the independent association, agency, entity or enterprise which, through a contractual agreement, provides one or more of the following ongoing services to the Health Care Program: pool management or administration services, claims administration services, risk management services, or services for the design, implementation, or termination of an individual or joint self-insurance program.
- 1.15 **Trust Agreement** means the Trust Agreement Governing the Trust amended and restated July 1, 2013, and any subsequent amendments thereto.
- 1.16 **Trustees** or **Board of Trustees** means the following individuals and their successors, who together, govern the Trust and the Health Care Program:
- 1.16.1 the AWC President and the AWC Vice President;
- 1.16.2 the EBAC Chair and the EBAC Vice Chair; and
- 1.16.3 an individual elected pursuant to the procedures in Article III, Section 5 of the Trust Agreement to serve as the trustee from one of the following regions:
- (a) North East Region (known as the “North East Region Trustee”);
 - (b) North West Region (known as the “North West Region Trustee”);
 - (c) South East Region (known as the “South East Region Trustee”); and
 - (d) South West Region (known as the “South West Region Trustee”).

Individuals from Non-City Entities are not eligible to serve as Trustees.

ARTICLE 2

PURPOSE

This Agreement is entered into for the purpose of authorizing the Health Care Program created by the Trust to provide self-insured health benefits to Participating Employees, their covered dependents and other beneficiaries. The Health Care Program shall comply with the statutory provisions found in Chapters 48.62 and 39.34 RCW and the regulatory requirements contained in WAC 200-110 applicable to joint self-insurance programs.

ARTICLE 3

PARTIES

Each party to this Agreement certifies that it intends to participate in the Health Care Program. Participating Employers are signatories of this Agreement to become effective on a date to be mutually determined (the "Effective Date") and with such other Participating Cities and Non-City Entities as may later be added to and become signatories to this Agreement.

ARTICLE 4

DURATION OF AGREEMENT

- 4.1 This Agreement shall become effective on the Effective Date.
- 4.2 This Agreement shall have perpetual duration unless terminated as hereinafter provided.

ARTICLE 5

MEMBERSHIP COMPOSITION

The Health Care Program shall be open to Participating Cities and Non-City Entities. Participation in the Health Care Program is voluntary and not a requirement of AWC membership. The Board of Trustees shall provide for the reasonable admission of new Participating Cities and Non-City Entities.

ARTICLE 6

HCP ACCOUNT

- 6.1 All premium contributions by Participating Employers, Non-City Entities and Participating Employees for use in the Health Care Program are deposited into the HCP Account.
- 6.2 The HCP Account represents a pool of funds that is independent of all other Trust or AWC funds and independent of all other Participating Employer and Non-City Entity funds. The funds deposited into the HCP Account are held, managed and expended only for the Health Care Program and reasonable expenses, consistent with applicable state

and federal statutes and rules governing joint self-insurance programs and self-insurance programs generally.

- 6.3 The HCP Account is subject to audit by the State Auditor's Office.

ARTICLE 7

TRUSTEE POWERS RELATED TO HEALTH CARE PROGRAM

The Board of Trustees is provided with the powers and functions established under RCW 48.62.031 to accomplish the following:

- 7.1 Promote the economical and efficient means by which health benefits coverage is made available to Participating Employers and Non-City Entities and provided to Participating Employees, their covered dependents and other beneficiaries;
- 7.2 Protect the financial integrity of the Health Care Program through purchase of Stop Loss Insurance or Reinsurance in such form and amount as needed;
- 7.3 Contract for or otherwise provide risk management and loss control services;
- 7.4 Contract for or otherwise provide legal counsel for the defense of claims and other legal services;
- 7.5 Consult with the state insurance commissioner and the State Risk Manager;
- 7.6 Obligate the Participating Employers and Non-City Entities to pledge revenues or contribute money to secure the obligations or pay the expenses of the Health Care Program, including the establishment of a reserve or fund for coverage; and
- 7.7 Exercise all other powers and perform all other functions reasonably necessary to carry out the purposes of the Health Care Program, Chapter 48.62 RCW and Chapter 200-110 WAC.

ARTICLE 8

ORGANIZATION OF HEALTH CARE PROGRAM

- 8.1 The operations of the Health Care Program are managed by the Board of Trustees or its delegates. The Trustees or any delegates review and analyze Health Care Program-related matters and make operational decisions regarding premium contributions, reserves, plan options and benefits in compliance with Chapter 48.62 RCW.
- 8.2 The Board of Trustees has decision authority consistent with the Trust Agreement, Health Care Program policies, Chapter 48.62 RCW and Chapter 200-110 WAC.

ARTICLE 9

RESPONSIBILITIES OF THE TRUSTEES

- 9.1 The Board of Trustees shall discharge its responsibilities under this Agreement as follows:
 - 9.1.1 Provide for the efficient management and operation of the Health Care Program;
 - 9.1.2 Provide for health benefit coverage options for Participating Employees, their covered dependents and other beneficiaries;
 - 9.1.3 Determine the level of Stop Loss Insurance or Reinsurance coverage for claims expenses above the amounts deemed appropriate for self-insurance;
 - 9.1.4 Ensure that the Health Care Program meets required state and federal statutes and rules;
 - 9.1.5 Contract with vendors required to meet the responsibilities established by the Trust Agreement, Health Care Program policies, and applicable state and federal statutes and rules;
 - 9.1.6 Maintain the balance between meeting the Health Care Program needs of Participating Employers and the long-term financial integrity of the Health Care Program;
 - 9.1.7 Prepare an annual financial report on the operations of the Health Care Program; and
 - 9.1.8 Provide for other services deemed appropriate by the Board of Trustees to meet the purposes of this Agreement.
- 9.2 The Board of Trustees may delegate the responsibilities described in this Article 9 to the EBAC or other delegates at its complete discretion.

ARTICLE 10

RESPONSIBILITIES OF THE PARTICIPATING EMPLOYERS

In order to participate in the Health Care Program, Participating Employers shall:

- 10.1 Be a Participating City or Non-City Entity in good standing and comply with the requirements of admission or qualification as established by the Board of Trustees;
- 10.2 Adopt this Agreement by Resolution, agreeing to its terms and provisions;
- 10.3 Submit the Resolution and Agreement to the Trust;

- 10.4 Read the terms, conditions and representations set forth in the application agreement related to participation in the Health Care Program;
- 10.5 Designate an employee of the Participating Employer to be a contact person for all matters relating to the Participating Employer's participation in the Health Care Program;
- 10.6 Pay premiums for the Health Care Program to the Third-Party Administrator no later than the tenth day of the month in which the premium is due;
- 10.7 By formal action of the legislative body of the Participating Employer, approve policies and procedures necessary to secure protected health information ("PHI") in accordance with Chapter 70.02 RCW and the Health Insurance Portability and Accountability Act ("HIPAA") privacy and security rules, codified at 45 C.F.R. Parts 160-164;
- 10.8 Provide the Health Care Program with such information or assistance as is necessary for the Health Care Program to meet its responsibilities under this Agreement; and
- 10.9 Cooperate with and assist the Health Care Program and any insurer of Stop Loss Insurance or Reinsurance, in all matters relating to the administration and operation of the Health Care Program and all matters relating to this Agreement.
- 10.10 Comply with all bylaws, rules, regulations and policies adopted by the Board of Trustees relating to the Health Care Program.

ARTICLE 11

RESERVE FUND INVESTMENT

All reserve fund investments from the HCP Account shall be made in a manner that is consistent with RCW 48.62.111, Chapter 39.59 RCW, WAC 200-110-090 and the Health Care Program Investment Policy.

ARTICLE 12

FINANCIAL RECORDS

- 12.1 The Board of Trustees shall develop estimated revenue and expenditures to establish a budget for each fiscal year covering January 1 through December 31 annually. Actual Health Care Program revenues and expenditures shall be monitored monthly by the Board of Trustees and reported at its quarterly meetings.
- 12.2 The accounting records of the Health Care Program are maintained in accordance with methods prescribed by the State Auditor's office under the authority of Chapter 43.09 RCW. The Health Care Program also follows applicable accounting standards established by the Governmental Accounting Standards Board ("GASB"). Year-end financial reporting is done on an accrual basis and submitted to the Office of the State Auditor as required by Chapter 200-110 WAC. Once reviewed and approved by the

Office of the State Auditor the year-end financial report is transmitted to the Office of the State Risk Manager.

- 12.3 Financial records of the Health Care Program shall be subject to audit by the Office of the State Auditor. Year-end financial reports and audit results shall be made available to interested parties. The Health Care Program shall provide financial information as required by state statute and rule to the Office of the State Risk Manager.

ARTICLE 13

PARTICIPATING EMPLOYER TERMINATION AND WITHDRAWAL

- 13.1 A Participating Employer must remain in good standing with the Trust and adhere to the requirements of this Agreement. In the event that a Participating Employer fails to be a Participating City or Non-City Entity in good standing, participation in the Health Care Program shall automatically terminate without notice as shall all health and welfare benefits provided through the Health Care Program.
- 13.2 The Board of Trustees may take action to terminate membership or deny membership in the Health Care Program where it determines that such termination or denial is in the best interest of the Health Care Program
- 13.3 When a Participating Employer's eligibility in the Health Care Program is affected due to merger or annexation, the affected Participating Employer may petition the Board of Trustees to remain in the Health Care Program.
- 13.4 A Participating Employer may only withdraw its participation in the Health Care Program at the end of the calendar year and must provide written notice to the Trust at least thirty-one (31) days in advance of the end of the calendar year (December 31st).
- 13.5 In the event of withdrawal or non-renewal, the Health Care Program will cover any of the Participating Employer's remaining outstanding Health Care Program claims expenses incurred prior to the Participating Employer's withdrawal from or non-renewal in the Health Care Program.
- 13.6 No Participating Employer, because of withdrawal or any other reason, has any right or interest in the HCP Account because of its nature as a rate stabilization fund. In the event any Participating Employer withdraws from the Health Care Program, its Participating Employees, their covered dependents and other beneficiaries and any Consolidated Omnibus Budget Reconciliation Act of 1985 as amended (COBRA) participants and contract personnel and dependents approved by the Board of Trustees, shall forfeit all right and interest to the HCP Account.

ARTICLE 14

TERMINATION OF HEALTH CARE PROGRAM

- 14.1 In the event the Health Care Program is terminated, the Board of Trustees shall distribute the remaining funds in the HCP Account to the Trust or any successor association authorized by Chapter 39.34 RCW for like purposes for use in any program with similar purposes.
- 14.2 Upon termination, this Agreement and the HCP Account shall continue for the purpose of paying remaining outstanding claims and expenses and fulfilling all other functions necessary to complete the business of the Health Care Program.

ARTICLE 15

MEETINGS, NOTICES AND COMMUNICATIONS

- 15.1 The Board of Trustees and the EBAC, if any responsibilities for Trust management have been delegated thereto, shall provide notice of their regular and special meetings and hold their meetings in accordance with Chapter 42.30, RCW Open Public Meetings Act.
- 15.2 Communications with Participating Employers may occur using mail, email or posting on the Health Care Program website. The website shall be partitioned to provide information for the general public and information specific to Participating Employers and their employees.
- 15.3 Communications may come directly from the Health Care Program, through the Third-Party Administrator or through another vendor on behalf of the Health Care Program.

ARTICLE 16

AMENDMENTS TO INTERLOCAL AGREEMENT

- 16.1 The Board of Trustees shall review and analyze any proposed amendment to this Agreement. An amendment may be proposed for review by any party to this Agreement.
- 16.2 The Board of Trustees upon its discretion may take action by resolution on any amendment at any regular meeting of the Board of Trustees.

ARTICLE 17

PROHIBITION ON ASSIGNMENT

- 17.1 No Participating Employer may assign any right or claim of interest it may have under this Agreement.

- 17.2 No creditor, assignee or third-party beneficiary of any employer shall have the right, claim or title to any party, share, interest, premium or asset of the Trust, HCP Account or the Health Care Program.

ARTICLE 18

HEALTH CLAIM DISPUTES AND APPEALS

In the event that a dispute arises over a health claim, the procedures, adjudication requirements and administrative remedies shall be found in the Health Care Program's plan document applicable to the Health Care Program covering the claimant.

ARTICLE 19

PLAN ADMINISTRATION DISPUTES AND APPEALS

- 19.1 In the event that a dispute arises between a Participating Employer and the Health Care Program, the Participating Employer shall document the circumstances causing the dispute and submit a written request for review of the disputed circumstances to the Board of Trustees. Upon review of such information, the Board of Trustees shall attempt to resolve the dispute.
- 19.2 If the Board of Trustees' resolution to the dispute is deemed unsatisfactory, then alternative dispute resolution through mediation or binding arbitration may be necessary.

ARTICLE 20

ENFORCEMENT OF TERMS OF AGREEMENT

- 20.1 The Board of Trustees may enforce the terms of this Agreement.
- 20.2 In the event legal action is initiated to enforce any term or provision of this Agreement against any present or previous Participating Employer, the prevailing party shall receive such reimbursement of costs as the court deems reasonable for attorneys' fees and costs related to the relevant legal action.

ARTICLE 21

DEFAULT

- 21.1 If any Participating Employer fails to perform any term or condition of this Agreement and such failure continues for a period of sixty (60) days after the Board of Trustees has given the Participating Employer written notice describing such failure, the Participating Employer shall be considered in default.
- 21.2 Upon default, the Board of Trustees may immediately cancel the Participating Employer's participation in the Health Care Program without additional notice or exercise some other remedy otherwise provided by law.

- 21.3 The rights and remedies of the Board of Trustees are cumulative in nature and pursuit of any particular remedy shall not be deemed an election of remedies or a waiver of any other remedies available hereunder or otherwise available by law.

ARTICLE 22

NO WAIVERS

No waiver or forbearance of a breach of any covenant, term, or condition of this Agreement shall be construed to be a waiver or forbearance of any other or subsequent breach of the same or of any other covenant, term or condition, and the acceptance of any performance hereunder, or the payment of any sum of money after the same has become due or at a time when any other default exists hereunder, shall not constitute a waiver or right to demand payment of all sums owing or a waiver of any other default then or thereafter existing.

ARTICLE 23

CONTRACT MANAGEMENT

The Health Care Program shall designate a person to whom the State Risk Manager shall forward legal process served upon the Risk Manager; **The AWC Chief Executive Officer** (designee or successor). **The Health Care Program Director** shall be responsible for and shall be the contact person for all communications regarding the performance of this Agreement.

ARTICLE 24

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.

ARTICLE 25

COUNTERPART COPIES

This Agreement may be signed in counterpart or duplicate copies and any signed counterpart or duplicate copy shall be equivalent to a signed original for all purposes.

ARTICLE 26

HEADINGS

The Article and Section headings in this Agreement are inserted for convenience only and are not intended to be used in the interpretation of the contents of the Articles and Sections they introduce.

ARTICLE 27

AGREEMENT COMPLETE

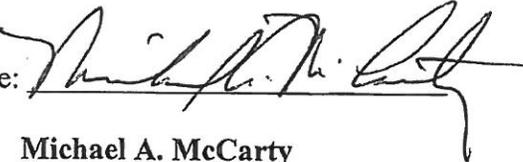
This Agreement and the documents referenced herein contains all the terms and conditions agreed to by the parties. No other understandings, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind the parties hereto.

[Signature page follows]

IN WITNESS WHEREOF, the undersigned parties have executed this Agreement.

Association of Washington Cities
Employee Benefit Trust

Participating Employer

Signature: 

Name: Michael A. McCarty

Title: Chief Executive Officer

Date: August 30, 2013

Signature: _____

Name (print): _____

Title: _____

Date: _____

Effective Date: January 1, 2014

SEP 25 2013

7:00 P.M. COUNCIL CHAMBERS
AGENDA NO. 7

Memorandum

To: City Council & Mayor Anderson
From: Patsy Nelson *Patsy*
Date: 9/13/2013
Re: Municipal Integrated Financial Management Software

Background ASP, the City of Sedro-Woolley's current financial software system, decided several years ago to discontinue support and enhancements of its software. We have watched other ASP users go through the RFP process, and have learned from their mistakes. Some cities discarded their first software and have moved on to another software during this time period.

The City's RFP was issued June 21, 2013; receiving four responses. The top two vendors were invited to demonstrate their software. The Finance Department Staff visited other cities/towns which use these as well as conducting numerous reference checks on the top two software companies.

Recommendation We recommend Bias Software as the Integrated Financial Management Software which best meets the City's needs. The software itself, the software support and the conversion process received excellent marks from current users—both large and small cities and utility districts.

Our tentative timeline is to begin conversion, implementation, test setup and training the first part of October and go live on or before January 1, 2014. Information on Bias Software and their proposal is attached for your review.

We are looking forward to the efficiencies which this new accounting software will bring us (after the learning curve) and well as the enhancements which will eliminate many manual processes.

Motion

Move to approve the selection of Bias Software and authorize Mayor Anderson to sign all associated documents.

BENEFIT

- Enter Transaction only once with real-time posting
- E-mail reports with a click of mouse
- Create WA State Annual Reports in less than 5 minutes Including (11,12,& 16)
- Easy one step export of data to Microsoft Office
- Create reports on the fly without using complicated report writers
- Fix data entry errors without doing an adjusting entry
- An easy bank reconciliation process to match your books with the bank

HOW IT WORKS FOR YOU

BARSFund is the anchor point for all BIAS Modules. The foundation for the BARSFund is the BARS Integrated Chart of Accounts. BARSFund makes annual and management reporting simple. Want to know how much your employees are costing you? Use the 10 through 20 OB filter and get your results fast.

Fund	Program	Dept	BAS	EL	OB	LA	Account Title	Fund Name	Department	Sub	Source
001	000	310	311	10	00	01	Beginning Balance	Current Expense	Beginning Balanc	000	000
001	000	310	311	10	00	00	Property Tax Revenue	Current Expense	Taxes	000	000
001	000	310	313	10	00	00	Sales & Use Tax Ce	Current Expense	Taxes	000	000
001	000	310	313	71	00	00	Local Criminal Justice Fund	Current Expense	Taxes	000	000
001	000	310	316	47	00	00	Telephone Tax	Current Expense	Taxes	000	000
001	000	310	316	51	00	00	Electricity Taxes	Current Expense	Taxes	000	000
001	000	310	316	51	01	00	Muni Crt Support	Current Expense	Taxes	000	000
001	000	310	316	53	00	00	Natural Gas Tax	Current Expense	Taxes	000	000
001	000	310	316	55	00	00	Solid Waste Tax	Current Expense	Taxes	000	000
001	000	320	321	30	00	00	Burn Permits	Current Expense	Licenses & Perm:	000	000

YTD	Budget	Open PO's	Remaining Budget	BARS Description	Print List
Year	Budget	YTD			
2008	130,748.46	207,744.38		January	
2007	130,748.46	130,748.46		February	
2006	55,126.00	115,527.24		March	

Totals	Budget	YTD	Remaining
	130,748.46	207,744.38	-76,995.92

All transactions are done in real-time instead of batch processing. Accessibility to this information can be seen instantly with powerful drill down capabilities and thorough comprehensive reporting.

Data integrity is a must within your organization. BARSFund enables the user to have complete control of user access rights with the security of comprehensive audit trails.

HOW IT'S PUT TOGETHER

BARSFund is tightly integrated with all other modules BIAS offers. Communication is done seamlessly in the background for the highest of data integrity.

FEATURES

- Chart of Accounts integrates 18 character BARS system descriptions for online viewing
- Budget Preparation w/user defined transaction codes
- Supports biennial budgets
- Accommodates 13th month closing
- The Cash Ledger allows user to work in multiple time periods
- Allows for work in both current and past periods
- 5-Year Budget comparisons with extensive customization capabilities
- 1099 tracking
- Multiple Checking Accounts allowed

- Investment Tracking
- Bank Reconciliation Program w/ real-time clearing of checks/deposits
- Included bank reconciliation reports showing total debits/credits
- Maintains exhaustive data for auditing purposes.
- Completely integrated with all BIAS components: Payroll, BIAS^{Billing}®, Cash Receipting, etc.

REPORTS

BARS^{Fund}® has versatile reporting features defined by user-driven input screens. This greatly reduces the necessity for additional custom-written reports.

Common Reports

- 5 year Budget Comparison
- Warrant/Check Register (Approved by Council)
- Treasurer's Report w/Investment Activity
- Income Statement/Budget Position.
- Cash Flow Statement.

WA Annual Reports

- Schedule 16
- C-4 and C-5
- Schedule 4/5
- Schedule 7
- Schedule 11
- Schedule 12

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SCHEDULE OF CASH ACTIVITY											
For Year Ending December 31, 2010											
SCHEDULE 11											
Fund	Beg Balance	Receipts	Inv Sales	Trans In	Ttl Available	Inv Purch	Claims & Pay	Trans Out	Expenditures	Ttl Used	Ending Bal
001 Current Expense	531,590.99	1,919,709.35	0.00	9,600.00	2,460,900.34	7,547.32	1,741,872.59	0.00	9,132.95	1,758,552.86	702,347.48
002 Drug Fund	112.50	2,634.63	0.00	0.00	2,747.13	0.00	0.00	0.00	0.00	0.00	2,747.13
101 Street Fund	42,788.65	231,023.58	0.00	0.00	273,812.23	1,978.43	191,364.45	0.00	0.00	193,342.88	80,469.35
103 Grant Fund	163,500.00	48,276.25	0.00	0.00	211,776.25	0.00	45,032.65	0.00	0.00	45,032.65	166,743.60
105 Contingency Fund	957.08	338.44	0.00	0.00	1,295.52	338.44	0.00	0.00	0.00	338.44	957.08
106 Capital Improvement Fund	10,630.53	30,234.56	0.00	0.00	40,865.09	3,257.84	10,762.86	0.00	0.00	14,320.70	26,544.39
110 Park Impact Fund	43,100.00	76.78	0.00	0.00	43,176.78	76.78	799.35	0.00	0.00	876.13	42,300.65
203 Lid 1-91 Guarantee Fund	21,309.70		0.00	0.00	21,309.70	0.00	0.00	0.00	0.00	0.00	21,309.70
204 Lid 1-91 Fund	1,169.24	56.36	0.00	0.00	1,225.60	56.36	0.00	0.00	0.00	56.36	1,169.24
401 Stormwater Mgmt Fund	262,909.97	232,793.68	0.00	0.00	495,703.65	848.54	123,878.12	1,200.00	210.24	126,146.90	369,556.75
402 Water sewer Maintenance Fund	200,590.32	1,145,731.81	0.00	0.00	1,346,322.13	3,981.92	1,089,006.10	8,400.00	3,024.59	1,104.41	
404 Water Captl Improve Fund	19,890.58	1,221.10	0.00	0.00	21,111.68	1,221.10	17,487.25	0.00	0.00	16,701	
405 Sewer Captl Improve Fund	12,158.03	1,894.37	0.00	0.00	14,052.40	944.37	10,777.12	0.00	0.00	11,721	
406 Stormwater Captl Improve Fund	26,758.99	460.98	0.00	0.00	27,219.97	460.98	0.00	0.00	0.00	460	
621 Unemployment Trust Fund		109.06	0.00	0.00	109.06	109.06	1,000.00	0.00	0.00	1,109.06	
TOTALS:	1,537,466.38	5,614,560.93	0.00	9,600.00	4,961,627.53	21,121.14	3,231,980.49	9,600.00	12,367.78	3,275,069.47	

Schedule 11

WHAT'S INCLUDED

- BARS General Ledger
- Accounts Payable
- Budgeting
- Bank Reconciliation
- Treasury Management
- Microsoft Office Integration
- Investment Tracking System
- Grant Management
- WA Annual Reports

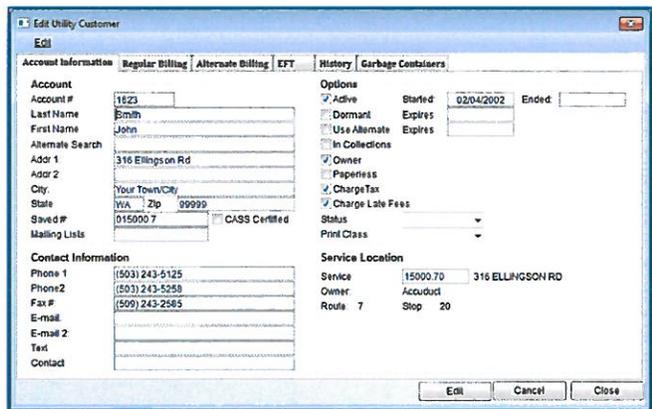
BENEFIT

- Automatic link to BARS^{Fund} for online financial reporting
- UB payments post to customer accounts instantly through cash receipting
- Easy management of all customer information on one screen
- Visual alerts for quick account reviews
- Simple one step adjustment reversals such as bounced check
- Bill owner and renter in the same bill run
- Auto-billing with little operator involvement

HOW IT WORKS FOR YOU

BIAS^{Billing}© is a fully integrated BARS^{Fund}© component. Every pre-defined category's revenue is independently tracked for accurate payment distribution.

When customers call with questions, you can track and print their billing and payment history from one screen. Need to make an adjustment to a customer account? BIAS^{Billing} makes it easy to do. And you have direct access to meter information too.



BIAS^{Billing} is truly a comprehensive utility management system. It offers tremendous reporting capability and flexibility to help you manage accounts and analyze usage. Whether you are doing a rate study or looking at past-due accounts, BIAS^{Billing} offers an array of customizable standard reports to get the job done.

HOW IT'S PUT TOGETHER

BIAS^{Billing} is tightly integrated with the GL accounts within the BARS^{Fund} and the Cash Receipting to provide one streamlined data entry process.

FEATURES

- Manage four different utility classes and up to 16 sub-classes
- Final and Prorated Billing System
- User-defined sub-categories
- Multiple bill types
- Customer information on one screen
- Generates "late" and "shut-off" notices
- Stop and route sequence reports
- Utility usage report
- One-step credit process
- Memo-line on all adjustment screens
- Unlimited customer notes
- Mailing list

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ADDITIONAL SERVICES

- Interface with hand meters, touch read, and radio reads
- CASS certification
- Laser post card printing
- Automatic direct pay

REPORTS

- Aging Report (30, 60, 90)
- Manual Meter Read Report
- Utility Usage
- Fund Revenue & Expense
- Non-Billed Customers
- Read Variance
- Refuse Billed
- Utility Read History

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PAST DUE ACCOUNTS

		Time: 16:33:43	Date: 03/16/2011				
		Page: 1					
	Service Address	Balance	Current	30 Days	60 Days	90+ Days	
2743	Aharon, Carlos	0130 MAIN ST	159.33	7.32	78.79	73.22	0.00
1621	Accu Duct Mfg	301 1ST AVE E	33.76		33.76	0.00	0.00
797	Anasta, Steve	216 JUNCTION BLVD	120.97		120.97	0.00	0.00
1067	Adams, Georgia	35503 WEST VALLEY HWY	224.22	17.81	28.27	104.92	73.22
2350	Aganus, Jenalyn	312 3RD PL S	189.03	8.81	92.11	88.11	0.00
865	Aguilar, Carmen	443 WASHINGTON BLVD	94.33		94.33	0.00	0.00
1448	Aguinaldo, Anthony & Yolanda	133 4TH AVE N	106.46	6.86	99.60	0.00	0.00
2339	Aheam, Robert & Rebecca	736 ALCONA BLVD N	236.72	10.32	143.13	103.22	0.00
2756	Aldredge, Debora	140 TACOMA BLVD	89.89		89.89	0.00	0.00
2573	Allen, Jocelyn	326 11TH AVEN	112.66		89.89	22.77	0.00
1050	Allen, Larry & Vivian	35 1ST AVE N	89.77		89.77	0.00	0.00
2289	Allen & Blair	214 WASHINGTON BLVD	205.80	7.31	125.42	73.07	0.00

Aging Report

WHAT'S INCLUDED

- NSF Reversal System
- Budget Billing
- Utility Deposit Tracking
- Meter Work Orders
- Winter Averaging
- Service In | Service Out Wizard
- Laser Postcard format

CASH RECEIPTING



BENEFITS

- All receipts are accepted in one data entry screen.
- Review or change payment allocation during the receipt transaction.
- Calculates change due back to customers.
- Print single or multiple receipts easily as transactions are completed. Re-prints receipts too!
- Combine multiple drawer reconciliations for one bank deposit
- Maintains all transaction for easy day-end review
- Full cash management system that includes the ability to manage difficult items like taxes, interest, penalties, voids, and other kinds of adjustments
- Create your own payment types for money collections specific to you
- Integrated with BARS^{Fund}® for instant updating of BARS accounts.
- Each transaction has a unique identifier for excellent audit tracking.

HOW IT WORKS FOR YOU

BIAS Cash Receipting is a full accounts receivables and general billing solution, that is integrated with the BARS^{Fund}® and BIAS^{Billing}® modules.

Cash Receipting permits single input for all monetary transactions and accepts check, cash, EFT and credit card payments. The optional Cash Drawer and Receipt Printer

work in unison with the Cash Receipting software.

Included with BIAS Cash Receipting is the ability to track and issue animal licenses, business licenses, and provide general invoicing.

HOW IT WORKS FOR YOU

BIAS Cash Receipting automatically updates the Customer Accounts, Revenue Accounts, and Cash Ledger for easy reporting and reconciling.

The screenshot displays the 'Add Cash Receipts' window. At the top, there are fields for 'User' (Password: ***** BIAS, Drawer), 'Type' (Treasurer's Receipts), and 'For'. Below this is the 'Date' field (03/16/2011) and 'Rec #' field. The 'Customer' field is set to '2 Tek LLC'. A 'Voided' checkbox is present. The main section is a 'Distribution' table with columns: Select, Description, BAS, EL, OS, LA, Fund, Amount, Quantity, Total, and Taxed. Three items are listed: Building Permit Fee (200.00, 2.000, 400.00), Cable TV Franchise Fees (100.00, 1.000, 100.00), and Cellular Phone Utility Tax (100.00, 1.000, 100.00). At the bottom, there are 'Options' (Change User, Change Transaction), 'Bank Acct' (5 - Checking Ac), 'Payments' (Check 1235, Amount 400.00, Cash 200.00), and 'Charges' (Non Taxed 600.00, Taxed 0.00, Total 600.00). Buttons for 'Save', 'Cancel', 'Save & Next', and 'Save & Close' are at the bottom right.

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CASH RECEIPTING



FEATURES

- Detailed receipts
- Customized receipt with logo
- Unlimited users with defined rights
- Calculates change
- Animal and Business Licensing
- Cash reconciliation for multiple users
- Batch UP processing
- Invoice system
- Utility loan tracking

REPORTS

- Receipt Register
- Accounts Receivables Total
- Animal License Renewal Notice
- Business License Renewal Notice
- Cash Totals

AR Cross Reference Report

City Of Your Town 1
MCAG #: 0111

02/18/2011 To: 02/18/2011

Time: 16:13:38 Date: 03/16/2011
Page: :

Date	AR #	Year	Trans #	Customer	CC Amt	Chk #	Chk Amt	Cash	Total	Memor	User
02/18/2011	47962	2011	538	1074 Keller, Scott		1020	150.00	0.00	150.00		Cash Receipts
02/18/2011	47963	2011	538	814 Madsen, Eric		6042	80.34	0.00	80.34		Cash Receipts
02/18/2011	47964	2011	538	836 Roll, Allen R		9156	78.79	0.00	78.79		Cash Receipts
02/18/2011	47965	2011	538	2839 Culley, Tracy			0.00	97.86	97.86		Cash Receipts
02/18/2011	47966	2011	538	766 Hudspeth, Jon & Jane		1440	96.00	0.00	96.00		Cash Receipts
02/18/2011	47967	2011	538	806 Molina, Sherwin		5005	80.54	0.00	80.54		Cash Receipts
02/18/2011	47968	2011	538	2941 Ajudaza, Jose			0.00	75.22	75.22		Cash Receipts
02/18/2011	47969	2011	538	1135 Wiley, Stacy		6346	92.11	0.00	92.11		Cash Receipts
02/18/2011	47970	2011	538	2779 Chase Bank		1150	78.79	0.00	78.79		Cash Receipts
02/18/2011	47971	2011	538	1289 Kupsh, Fedor & Laris		3713	112.09	0.00	112.09		Cash Receipts
02/18/2011	47972	2011	538	2605 Gorban, Nikolay & O		1761	78.79	0.00	78.79		Cash Receipts
02/18/2011	47973	2011	538	1439 O'neill, Erin		4999	78.79	0.00	78.79		Cash Receipts
02/18/2011	47974	2011	538	1235 Brown, Garland		3862	170.22	0.00	170.22		Cash Receipts

Daily Cash Receipting Total Report

EQUIPMENT

- Star TSP 143 Laser Printer
- Cash Drawer

WHAT'S INCLUDED

- Animal licenses
- Basic Business licenses
- General invoicing
- Loan Tracking with payment allocation and coupons
- Cash Management (Drawer reconciliation)

www.biasaccounting.com

BENEFITS

- Payroll cost automatically distribute
- Run payroll checks together in one print job
- Send paystubs by E-mail to employees
- Detailed pay information on stub for better communication
- Change benefit rates in one place instead of each employee (e.g. PERS Rate Change)
- Inserts vacation, sick, and compensation automatically on each pay check.
- WA Unemployment report in 5 minutes with the UI export file
- Payroll liabilities are created and reports built when you want them
- Pay employees seamlessly with the EFT file transfer

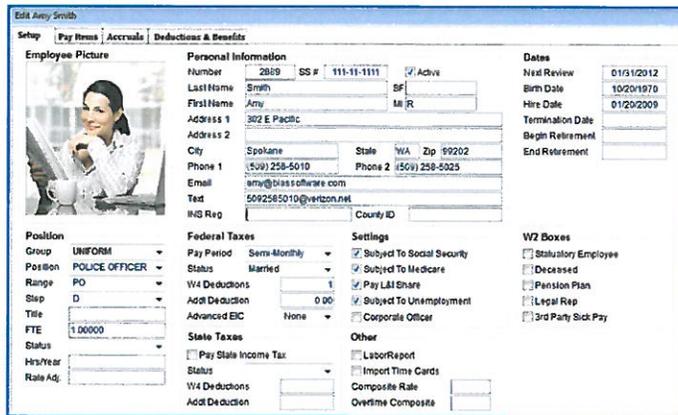
HOW IT WORKS FOR YOU

BIAS Payroll system, like all our modules, is integrated BARS^{Fund} for accurate reporting and budgeting.

It operates on an "enter and calculate" principle that permits the user to see the results before finalizing the time card. This allows a second look to ensure paycheck accuracy.

Checks can be printed on the fly or in a batch process and the EFT transmittal for direct deposit is easy to produce.

Generating tax and benefit checks also couldn't be easier, as BARS information is automatically generated and posted to claims for processing.



The screenshot shows the 'Edit Amy Smith' window in the BIAS Payroll system. It is divided into several sections: 'Employee Picture' (with a photo of a woman), 'Personal Information' (including Number 2809, SS # 111-11-1111, and Address 1 302 E Pacific), 'Dates' (Need Review 01/31/2012, Birth Date 10/20/1970, Hire Date 01/20/2009), 'Federal Taxes' (Pay Period Semi-Monthly, Status Married, W4 Deductions 1, Add'l Deduction 0.00, Advanced EIC None), 'Settings' (Subj To Social Security, Subj To Medicare, Pay L&I Share, Subj To Unemployment, Corporate Officer), 'Other' (Pay State Income Tax, Labor Report, Import Time Cards, Composite Rate, Overtime Composite), and 'W2 Boxes' (Stalutory Employee, Deceased, Pension Plan, Legal Rep, 3rd Party Sick Pay).

HOW IT'S PUT TOGETHER

BIAS Payroll is tightly integrated with the BARS^{Fund} to provide fast online reporting. User rights are built to provide access to approved personnel.

FEATURES

- Automatic generation of WA State unemployment
- Provides W2 printouts and electronics submission
- Costs distribute by percentage or hourly automatically
- Multiple payment cycles
- Multiple types of leaves and accruals
- Next pay raise tracking
- Direct Deposit
- Audit trails for all journal entries
- Manages Salaries, Hourly, or mix
- Global updates of benefits rate changes

PAYROLL

- Tracks unlimited employee deductions.
- An unlimited banked hour categories per employee.
- Multiple Employee Records.

REPORTS

- 941 Quarterly Report
- WA Unemployment Report
- PERS Retirement Report
- Washington State L&I
- Electronic W2
- Payroll Benefit
- Payroll Cost
- Employee Paystub

City Of Your Town 1

Employee													
Amy R Smith 302 E Pacific, Spokane, WA 99202						***-**-9660 Pay Period: 02/01/2011 - 02/15/2011 Pay Date: 02/15/2011							
Wage Summary			Current	YTD	Accruals			Beginning	Used	Earned	Ending		
Wages			2,599.15	7,983.20	Comp Time		61.75	3.00			58.75		
Benefits & Deductions			-254.83	-816.96	Hol Float		8.00				8.00		
L&I Deduction			-16.18	-40.44	Sick Leave		88.00			4.00	92.00		
Social Security			1109.16	-335.29	Vacation		56.33			4.33	60.66		
Medicare			-37.69	-115.76									
Income Tax			-282.00	-874.00									
Advanced EIC													
Net Wages			1,899.29	5,800.75									
Non Wage Items													
Net Pay			1,899.29	5,800.75									

Earnings	Quantity	YTD	Rate	Shift	Current	YTD	Quantity	YTD	Rate	Shift	Pay	YTD
Wage	102.00	247.00			2,586.65	7,338.58	Comp Taken	3.00	13.00			
Overtime		4.00	42.95			168.48	Comp Adj					
Cleaning Allow					12.50	37.50	Vac Earned	4.33	12.66			
Hol Worked			42.95				Vac Taken		5.00			
Hol Paid		16.00	28.63			438.64	Vac Adj					
Call Back			28.63				Sl. Earned	4.00	12.00			
Report Pay			28.63				Sl. Taken		20.00			
Comp Earned		4.00					Sl. Adj					

Ded & Benefits	Current	YTD	City	Current	YTD	Current	YTD
LEOFF 2	218.83	672.21		135.54	416.35		
AWC-Medical				325.98	1,037.38		
AWC-Dental				82.14	246.42		
AWC-Life Insur.				3.15	9.45		
AWC-Vision				7.84	23.52		

www.biasaccounting.com

WHAT'S INCLUDED

- Basic HR Tracking
- WA Unemployment Interface
- Benefit Tracking
- Payroll Reports
- Electronic W2's

City of Sedro-Woolley

July 29th, 2013

Mark Felchlin
Senior Vice President
1.888.534.2427
mark@biassoftware.com

Executive Summary



BIAS Accounting brings a unique and highly informed perspective to the Washington State BARS System: total BARS compliancy. BIAS Accounting's viability is demonstrated by its dedication to providing Washington State entities with a practical solution to a complicated set of accounting principles.

Presently, many entities generate and report BARS data with a patchwork of programs. BIAS Accounting can simplify this process by offering one Municipal Management System with all BARS requirements built in: ^{BARS}Smart[®]. BIAS Accounting will increase your efficiency; reduce excessive data entry and human error while maximizing your Management's ability to make well informed financial decisions.

BIAS Accounting focuses 100% of its attention to its ^{BARS}Smart[®] System. The ^{BARS}Smart[®] reporting screen allows quick and easy data query using the BARS numbering system. You can print Washington State Annual Report schedules automatically, without resorting to Word™ or Excel™ worksheets. BIAS Software is second to none with these innovative features. We take BARS integration to a whole new level.

The BIAS Accounting Core Suite offers you a unified ^{BARS}Smart[®] System with a seamless, one entry Municipal Application. Each additional BIAS Software module is fully integrated with the core suite and is ^{BARS}Smart[®].

BIAS core suite has been in existence for over 20 years with more than 200 active users. BARSFund, Cash Receipting, and Payroll were put into production in 1994. All 200 users are using the BARS^{Fund}, and Payroll. 100 clients are using the Cash Receipting and Utility Billing

BIAS Software has 11 Employees at its Spokane Headquarters. They have 50 years of combined experience in WA State governmental accounting. BIAS key employees are Mark Felchlin, Account Executive, David Calechman CPA, Implementation Specialist, and Wes Hein, Program Developer.

REQUIREMENTS OF ALL MODULES

Description	Rating	How is requirement accomplished?
General System Requirements		
1. Complete on-line help function.	4	
2. Integrated online help with errors and corrections display.	4	
3. Multiple-users can work in the same module simultaneously.	4	
4. Drill down from reports, queries, or screens from summary to transactional detail.	4	
5. Capable of receiving credit card payments and meets PCI (Payment Card Industry) requirements.	4	
6. Interfacing efficiency with the City's existing server and workstation platforms.	4	
7. Support services to all City personnel PST 8/5/365.	4	
Data Structure		
1. Interface with similar data in other modules (see table on page 5).	4	
2. Import and export data for user controlled manipulation in ASCII and also in formats compatible with Microsoft Office and ArcGIS.	4	
3. For locally hosted systems, preference for MS SQL; or ODBC compliant database; no proprietary databases.	4	Pervasive SQL
4. Unlimited user defined fields that can be accessed through queries and reports.	4	Ad Hoc Reporting
5. Directly link to external documents such as spreadsheets, word processing documents, and ArcGIS.	4	Yes, Can set documents for pre-fill
6. Encrypt database both in transit and at rest.	4	Fully Secured
Accounting Principles		
7. Multiple year history to be maintained online.	4	Can view as much history as you choose.
8. Real time, no batch processing in every module.	4	Automatic Posting
9. Calculate interest and late fees for billing.	4	User defined in set-up
Auditing Capabilities		
10. View history of who has accessed, created, or modified each data entry item.	4	Audit Trails track all activity.
Access Controls		
11. Use network logon credentials and MS Active Directory to assign permissions.	4	User Chose
12. Role based security where users can be assigned to multiple roles. Modify, view, or restrict access controls.	4	Defined in system setup

Description	Rating	How is requirement accomplished?
13. Report on unauthorized access to data classified as sensitive (i.e. containing Social Security, bank account, or driver license numbers).	4	Can run reports on access.
Query capabilities		
14. Conduct searches, post transactions, and generate reports at all levels of the account structure by fiscal year, month, calendar years, or any user defined date.	4	Reporting is available from all control screens.
15. Perform keyword, wild card, and multiple field queries.	4	Fully capable
16. Save queries and make saved query available to other users.	4	Memorized Function
Reports		
17. Report writer (propriety or licenses for a program such as Crystal Reports)	4	Can have access to all data for reporting
18. Generate and save custom reports from queries or system-generated data.	4	Memorized Reporting
19. Customizable templates for common reports.	4	Memorized Function
20. Create mailing labels.	4	Type Function
21. Report criteria selection via drop downs, queries, or pick lists.	4	Yes
22. View reports online.	4	Reporting Screen
23. Export reports to an ASCII file, spreadsheet, word processing application, or ArcGIS.	4	Custom Export
24. Directly e-mail a report as PDF.	4	Yes
25. Historical reporting for up to five years of prior financial data.	4	5 Yr Budget Report
26. Automatically generate reports per pre-established schedules.	4	Yes
Printing		
27. Display reports to the screen.	4	Print Preview
28. Direct printing of customer bills or the creation of an ASCII file of billing information to be sent to an outside bill printer.	4	Yes
29. Printing to non-proprietary forms and labels.	4	Prints all fields on blank paper
30. Accommodate bar code printing and scanning of customer bills and fixed asset tags.	4	Yes
31. Save report directly to PDF.	4	Print to PDF function

REQUIRED MODULES

1. General Ledger

The General Ledger is considered to be the core or foundation upon which all other modules are built.

Description	Rating	How is requirement accomplished?
Structure and Accounting Principles		
1. Account structures must comply with the Washington State Budgeting Accounting Reporting system (BARS). In the BARS structure an eighteen (18) digit code accommodates the various transactions. The chart of accounts should allow the user complete control over structure.	4	BARSSmart
2. The system should be consistent with General Accounting Standards Board (GASB)	4	Yes
3. Affords various views of the General Ledger (fund, department, project, account, etc.)	4	Through the COA Control Panel
4. Ability to move from a GL account to specific transactions affecting the account (drill- down capabilities).	4	Fully Window's which allows for you to view data in multiple views at once.
5. Ability to conduct searches, post transactions, and generate reports at all levels of the account structure by fiscal year, month, calendar years, or any user defined date.	4	Done through the COA
6. Supports cash basis, accrual basis, year-end accrual basis, or any combination thereof.	4	True Cash and can get financial info for accrual reporting.
7. Supports unlimited number of funds.	4	999
8. Allow at least 13 periods per year with open periods.	4	
9. Ability to lock the previous year after year end closure to avoid inadvertent changes.	4	Locks by Month
10. Ability to lock the previous month after month end closure to avoid inadvertent changes.	4	Yes
11. View history of who has accessed, created, or modified each data entry item.	4	Through Audit Trails
12. Automatic Journal Entry reversals.	4	True Real Time System
13. Automatic year-end closing without loss of detail.	4	Unlimited data history

2. Budget Preparation/Integration

The City currently prepares an annual budget. The City desires a budget module that is integrated to core financial modules. This should include multi-year budgeting. The module should include: the ability to generate baseline budgets based on prior year budget less one-time expenditures and adjusted for inflation, ability to track changes, generate overhead calculations, what-if scenarios, and other forecasting methods.

As with most Washington municipalities, the budget preparation is the focal point of financial planning and authorization for the delivery of municipal services. The City prepares the budget at a detail (object) level, with presentation to City Council and public at different levels of detail.

Description	Rating	How is requirement accomplished?
1. Ability to generate an annual budget.	4	
2. Ability to create global changes under a variety of methods such as percentages, fixed amounts, and by a user defined formula.	4	Done through New Year set-up
3. Support multiple budget versions (i.e. original, amended, adopted, etc.)	4	Budget proposal process with approvals
4. Ability to directly link to spreadsheet and/or word processing documents.	4	Through our Excel export function
5. Multiple departments can update their budget information simultaneously.	4	Ability to restrict department to their particular area.
6. Integration to Payroll and Human Resource modules to support salary and benefit budgeting.	4	We currently have basic HR functions
7. Online view of reports.	4	Done through rights and internal net

3. Accounts Payable

Primarily, the City uses a de-centralized purchasing system. Requests for goods and services are generated in the various departments. The City does not use purchase orders. Checks are issued for payment.

Description	Rating	How is requirement accomplished?
1. Track aging items and other exceptions.	4	Date logic built into the AP Process
2. Support one-time vendor override payments. Allow for simplified temporary vendors directly from transaction input process.	3	Marks vendor as temporary for maintenance.
3. Recurring payables processing.	4	AP Memorization Function
4. Vendor discount management.	3	
5. Access vendor history by vendor name, vendor number, invoice number, invoice date, check date, and BARS Codes.	4	Vendor Control Screen
6. Support vendor retainage.	3	
7. Block duplicate invoice processing, with ability to override.	4	Warns you during the AP process
8. Multiple invoices per check.	4	Done in AP entry
9. Laser check/voucher printing.	4	
10. Supports 1099 reporting requirements. 1099 management to the invoice line item level; not just the vendor or the invoice.	4	Can tag individual lines.
11. Integrates with other systems such as: General Ledger Fixed Assets Cash receipting (refunds)	4	Real Time
12. Check reconciliation system.	4	Online Rec's
13. Payment approval list generated for City Council approval.	4	Custom Report
14. Electronic payment to vendors (ACH, wire, debit).	4	Through the manage eft screen
15. Sales and use tax tracking and reporting.	4	Can track and report nonpayment and under payments.
16. Bank reconciliation for multiple accounts.	4	Unlimited
17. Check 21 capable/compatibility.	4	Can accept electronic files.
18. Capable of issuing checks/warrants up to \$99,999,999.99.	4	Yes

4. Accounts Receivable

The City of Sedro-Woolley currently operates a de-centralized accounts receivable system. General accounts receivable billings are collected by the Finance Department. Upon receipt of payment, City invoices are entered into the cash receipting system and posted to the general ledger.

Description	Rating	How is requirement accomplished?
1. Provide for decentralized input of accounts receivable data and either centralized or decentralized printing of receipts.	4	Done through printer setup
2. Provide for an interface with Cash Receipting to allow cashiers to query and/or post invoices.	4	Printing codes for drawers
3. Single centralized AR Master record for all receivables.	4	Accounts Total report consolidates drawers for one deposit
4. Full integration with: General Ledger, Cash Receipting and Accounts Payable modules.	4	Real Time
5. Distributes appropriate information to: General Ledger Utility Billing Permitting	4	Real Time
6. Integration with an electronic cash drawer system. The receipt system should be an integral part of the management system.	4	Yes
7. Provides for acceptance of on-line payments.	4	Through Xpress Billpay
8. Allows for credit card payments.	4	Through Xpress
9. Provides daily activity print out showing BARS account codes and system users name.	4	Accounts Totals Report
10. Provides for invoice generation by Finance and various departments.	4	General Invoicing Function
11. Calculates late fees and penalties based on user defined rates.	4	Done through setup

5. Cash Receipting

The City currently has one primary cash receipting site. City revenues are received as currency, coins, checks or credit cards. The majority of payments are generated from building permits and utility payments. The proposed software should support:

Description	Rating	How is requirement accomplished?
1. Post transactions without predefined account codes.	4	Based upon system setup
2. Provide single transaction or receive multiple payments for an invoice.	4	Batch UB processing
3. Provide the ability to define payment mode.	4	During transaction
4. Provide a daily deposit cash/checks/electronic/credit card composition.	4	Deposit Report
5. Provide options to accept cash, check or credit card for one transaction.	4	Setup Option
6. Support multiple electronic cash drawers.	4	Printer Setup to Allow
7. Provide security and reporting for each defined cashier.	4	Audit Trails
8. Generate a customer receipt for each transaction batch listing of transactions and showing BARS codes used.	4	System Setup
9. Allow more than one user in utility billing, cash receipts and general ledger at one time.	4	Multi User
10. Complete integration with: General ledger, Cemetery, Local Improvement District (LID), Accounts Receivable, Payable, Utility Billing modules.	4	One Database
11. Ability to view reports online.	4	Anyone that is given access
12. Provides the ability to include hot keys, shorter account number coding for re-occurring revenue line items.	4	Memorized Function
13. Interface with web based, customer generated payments.	4	Through Xpress Integration
14. Provide the ability to scan bar codes on utility stubs.	4	Bill Setup
15. Interface with ACH bank generated customer payments.	4	Import File Function
16. Ability to reprint receipts.	4	Shows as copy

6. Payroll

The City currently pays wages through a centralized payroll office. Payroll time keeping is decentralized with varied methods of overtime calculations, pay types, leave types, and benefit options.

Description	Rating	How is requirement accomplished?
1. Decentralized timekeeping and hour's entry on a user defined time sheet with approval queues.	4	Time Cards
2. Web or network based times sheets that compile information into main payroll module.	4	Novatime
3. Integrated electronic timekeeping system; or ability to integrate an electronic timekeeping system.	4	Timesheet Integration Option
4. Direct deposit to multiple bank accounts per employee.	4	Done in setup
5. Generate an electronic ACH file for employees. Allow electronic submission of related payroll benefits and deductions.	4	ACH Deposit Management
6. Calculate multiple rules-based leave accruals based on length of service, employee group, or other factor.	4	Done in Setup
7. Process pay by hourly, salary, and other user defined special pay types.	4	Setup Screen
8. Calculate overtime rates using built-in rates	4	Setup Screen
9. Allocate costs through multiple account codes by either a fixed amount or percentage.	4	Setup Screen
10. Unlimited user defined payroll deduction fields.	4	Setup Table
11. Full integration with: General Ledger, Project Accounting, Accounts Payable, Human Resources, and Work Order modules.	4	Real Time – One Database
12. Automatic labor distribution to General Ledger and Project Ledger.	4	Real Time
13. Support multiple payroll run dates (weekly, bi-weekly, monthly)	4	Setup and Processing
14. Support multiple versions of user defined salary and rate tables.	4	
15. Support mid-period hiring/termination payroll process. Automatic calculation of final pay out amounts related to accruals and benefits.	4	Special Check
16. Reporting requirements for federal tax,	4	

Description	Rating	How is requirement accomplished?
Washington State Department of Retirement systems (PERS/LEOFF Plans), Deferred Compensation, and retirement plan in lieu of social security.	4	Creates the reports in the standard formats for each agency
17. Track volunteer hours for State Labor & Industries reports.	4	L&I Reports
18. Automatic generation of W-2's and linkage of required fields with required IRS coding.	4	Can do the EFTPS file for Social Security Filing
19. Automatic calculation of retroactive pay related to delayed union contract settlements or delayed merit pay adjustments relative to employee anniversary dates.	3	Need to review your workflow
20. Tickler file to notify user of employee anniversary dates.	4	Employee Setup
21. Automatic generation of annual comp time and sick leave liability for the City.	4	Accrual Report
22. Automatically increases accruals based on anniversary date.	4	Step Setup Function
23. Automatic update for holidays and other user defined fields.	4	Annual Function
24. Automatic up-date of comp time, sick leave and vacation hours monthly with reporting on employee pay slip and time sheet.	4	Payroll Reports
25. Ability to reprint pay stub(s) and W-2(s).	4	Real Time
26. Ability to easily access prior years' W-2 wage information.	4	Employee Activity Screen
27. Ability to generate payroll stubs and W-2s for electronic distribution via email or City intranet.	4	Payroll Process Setup

7. Utility Billing

The City currently provides sewer, solid waste and stormwater utility services.

Description	Rating	How is requirement accomplished?
1. Recurring billing for sewer, solid waste and stormwater that supports monthly billing cycle.	4	Batch processing
2. Allow billing by usage, fixed rates, tables, average consumption, or a combination of these methods. Ability to import consumption file generated by external water utility system.	4	Can define in the setup tables
3. Accommodate bar code printing and scanning of utility bills.	4	Bill Selection Type
4. Provide both owner and tenant information for billing purposes. Ability to generate copy of tenant bill for owner.	4	Customer Setup
5. Track and provide consumption reports.	4	Monthly Utility Totals Report
6. Graphical presentation of consumption reports	4	Chart Bill
7. Prioritization of payment allocation.	4	Customer Defined
8. Calculate and automatically apply late fees using either a fixed amount or percentage of balance.	4	Late Fee Setup
9. Generate field service requests and standard customer letters such as: Delinquency Notices Lien Notices Mailing labels	4	UB Work Order
10. Generate final or between billing period bills keyed on change of occupancy.	4	Final Bill Function
11. Electronic or direct printing of utility bills or the creation of an ASCII file of billing information to be sent to an outside bill printer. Internet billing & payment capabilities.	4	Standard File Created
12. Unlimited comment lines on customer master record.	4	No Limit
13. Inquiry with date, payment and credit.	4	Account Activity
14. Aging report to provide 60, 120, 180 days past due rather than report by billing date.	4	Account Balance
15. Online query of payment received from last billing.	4	Account Activity
16. Set customer classes.	4	User Defined in setup
17. Flag accounts for action.	4	Within the notes
18. Integration with Permitting, LID and Accounts Payable (deposit refund) modules.	4	One Database

Description	Rating	How is requirement accomplished?
19. Flag and track accounts for refunds.	4	Filtering
20. Flag and track accounts with liens & collections.	4	Filtering and Tagging
21. Generation of monthly "autopay" ACH payments.	4	Customer Account Screen
22. Ability to deliver monthly bills via email or allow customers to download their monthly billing.	4	Xpress Bill Pay
22. Ability to track customer deposits separate from normal account balances.	4	Account Deposit Function

8. Cemetery

The City acquired the Union Cemetery in 1968. Union Cemetery previously operated as two cemeteries, one by Charles Wicker and the other by the I.O.O.F.

Description	Rating	How is requirement accomplished?
1. Provide for input of accounts receivable data and monthly billing.	2	Legacy Mark Software
2. Unlimited comment lines on master record.	2	Legacy Mark Software
3. Full integration with general ledger and cash receipting modules.	2	Legacy Mark Software
4. Cross referencing by name and plot location.	2	Legacy Mark Software
5. Generate map showing plot location within cemetery.	2	Legacy Mark Software
6. Online burial search.	2	Legacy Mark Software

9. Local Improvement District (LIDs)

The City currently bills for Local Improvement District assessments. The City uses a centralized LID billing system. Needs should include:

Description	Rating	How is requirement accomplished?
1. Centralized LID system integrated to the General Ledger, Receipting, Utility Billing, and Permit modules.	4	Available

2. Pull down menu for customer name, account number, parcel # and address information, tracking address, parcel and customer name changes.	4	Customer Control
3. Generate billing and delinquency billing.	4	Late Fee Function
4. Ability to calculate interest and late fees, as well as mid-year payoff interest sums.	4	LID Setup
5. Provide detailed transaction history and audit trail.	4	LID Report

POSSIBLE MODULES

10. Fixed Assets

Description	Rating	How is requirement accomplished?
1. Alpha-Numeric number assignment for each asset.	3	User Defined
2. Integrated with Accounts Payable system to facilitate additions to the fixed assets inventory.	3	Attach Expense Codes Option
3. Assign fixed assets to one or more funds, users, and/or locations.	3	
4. Define classes and categories of fixed assets.	3	Asset Setup
5. Acquisition method is tracked. Grant funding source and restrictions are tracked.	3	Asset Creation
6. Bar coding assets for physical inventory.	3	Soon

11. Human Resources

The City's Human Resources modules primary function is to provide information regarding benefit administration, applicant tracking, regulatory compliance, training, labor relations, etc.

Description	Rating	How is requirement accomplished?
1. Perform employee profiling and history.	0	
2. Maintain a "tickler" file for performance review, training, salary increases and mandatory certification requirements.	0	

3. Maintain bargaining unit contract (3 groups) and non-represented employee (2 groups) terms and integrate them into the payroll module.	0	
4. Maintain EEO statistics regarding applicant hiring activity and employees. Ability to generate EEO-4 report.	0	
5. Integrate Payroll module with Human Resources to provide payroll information with the ability to run payroll history 3-5 years.	0	
6. Expanded date fields.	0	
7. Employee self service tools (web based): tax forms; direct deposit; check stub; leave balances; address change; dependent change; other City forms related to personnel.	0	
8. Ability to "track" Disabilities FMLA FLSA Grievances City issued assets Health and Safety Benefit elections Education and training	0	
9. Emergency contact fields.	0	
10. Family and dependent data.	0	
11. Integrate with electronic application for open positions.	0	
12. Ability to attach electronic files including employee photo to employee file.	0	
13. Easy "toggle" between Human Resources and Payroll.	0	

12. Project Accounting

The City has the need to track and separate revenues and expenditures for a variety of municipal projects including grant and construction project accounting. Projects may be construction, program grants, cost centers or other related tasks.

Description	Rating	How is requirement accomplished?
1. Ability to maintain independent hierarchies to support reporting across funds, cost centers, object code, project, grant, or task.	4	Job Costing
2. Integration with payroll supporting both direct and indirect cost allocation by employee.	3	
3. Integration with general ledger and accounts payable module.	4	Options in AP Process
4. Integration with the GL at the transaction level such that accounts in both systems remain in balance at all times.	4	
5. Historical reporting for up to five years of prior financial data.	4	Can report on all data
6. Allows the user to define project numbers and integrate part of the account number structure.	4	

13. Purchase Orders

Description	Rating	How is requirement accomplished?
1. Ability to create custom purchase orders templates, custom fields/elements in a database	4	Purchase Orders Module
2. When a custom template is used, allow all data from template to be modified	4	Merging
3. Assign a unique number to each PO	4	Customer Chose
4. Create PO letters, with ability to email PO's from the form	4	Mail Merge
5. Attach digital signature files	3	Setup Function
6. Track and modify vendors contact info	4	Vendor Control Screen
7. Track purchases against BAR codes and show remaining budget balance	3	PO Report
8. Track invoice numbers separate from order numbers	4	Vendor Control Screen
9. Track quantity purchased and quantity received on different order numbers	3	In Development
10. Ability to add scanned invoices to PO record	3	Attach Function
11. Ability to adjust sales tax rates	4	Modify Right
12. Ability to quickly select vendors from a pull down box	4	Drill Down Screen

13. Ability to quickly search previous purchases based on the item, vendor, date searches and PO numbers	4	Prior transaction button
14. Support multiple departments each with their own views and ranges of numbers.	3	Very Close to finishing
15. Ability to track purchased items as assets with a user defined asset number.	3	Future
16. Routing and approval queues.	3	Very close to finishing

14. Work Order / Service Tracking

Description	Rating	How is requirement accomplished?
1. Creates work orders that track labor, materials, and services.	3	Tracks the activity
2. Follow-up notification for work order processing.	4	Tagging
3. Work order priority setting.	4	You Choose
4. User defined index for customizing work order search ability.	3	Not sure
5. Recurring work orders can be set-up to expedite entry.	3	Not sure
6. Equipment reading for tracking mileage and hours of use.	3	Not yet
7. Integration with purchase orders, payroll and fixed assets modules.	3	Working on it
8. Integration with the PO module to automate re-ordering of supplies based on inventory levels.	3	Working on it

15. Equipment Rental & Replacement (ER&R)

Description	Rating	How is requirement accomplished?
1. Integrates with Fixed Asset Module.	F	
2. Track usage of individual assets by fund/dept and bill accordingly based on pre-established rates.	F	
3. Track repair and service history of individual assets.	F	
4. Schedule future asset services based on pre-established schedule.	F	

16. Land Use and Building Permit Issuance and Tracking

Description	Rating	How is requirement accomplished?
1. Integrates with Utility Billing, Accounts Receivable and Receipting	4	Parcel Management
2. Create custom permit templates for common permit types	4	Merging Function
3. Unique permit number assigned each permit	4	Automatic
4. Edit and calculate fees by different variables for different permit types (fixed fee, square footage, etc.)	4	Permit Setup
5. Support future date effective fee structures	3	Not Yet
6. Tracks plan review steps and department comments	3	Not Yet
7. Electronically route permit application for approval and inspection management	4	User Defined
8. Accepts inspection write ups electronically and updates permit file accordingly	3	Emails PDF
9. Create reports summarizing building and land use permit activity and associated fee revenue for a specific period	4	Print Reports
10. Maintain separate "tickler" files for active, inactive, and closed permits	4	Master Reports
11. Issue and track multiple permits associated with one address	4	Parcel Control Screen
12. Allows the user to change or divide property addresses for newly created properties	3	
13. Calendar for scheduling daily building inspections that can be queried and included in reports	3	Can integrate with Outlook
14. Support web based permit application process	3	Can output file

17. Park Reservations Issuance and Tracking

Description	Rating	How is requirement accomplished?
1. Integrates with Receipting and Accounts Payable (deposit refunds) modules.	4	Reservation System
2. Ability to separately track deposits and rental amounts.	4	Res Balance
3. Access by renter name, rental facility and date.	4	Reservation Report
4. Request reservations on website.	3	

18. Route Optimization

Description	Rating	How is requirement accomplished?
1. Integrates with Fixed Assets and ERR modules.	0	
2. Access by customer name, address and route.	0	
3. Integration with ArcGIS.	0	

APPENDIX B: VENDOR BID (PRICING SHEET)

	Software License	Installation Conversion and Training	Annual Maintenance/ Tech. Support
Modules	Bid Price	Bid Price	Bid Price
1. General Ledger	\$8,700	\$1,520	\$1,305
2. Budget Preparation	Included	Included	Included
3. Accounts Payable	Included	Included	Included
4. Accounts Receivable	Included	Included	Included
5. Cash Receipting	\$8,700	\$1,520	\$1,305
6. Payroll	\$10,875	\$1,900	\$1,631.25
7. Utility Billing	\$8,700	\$1,520	\$1,305
8. Cemetery	3 rd Party		
9. Local Improvement Districts	\$4,050	\$760	\$607.50
Total Required Modules	\$41,025	\$7,220	\$6,153.75
5 Year 0% Payment Option Available			
Possible Supplemental Modules			
10. Fixed Asset Tracking	\$4,050	\$760	\$607.50
11. Business Licensing	Included w/AR	Included w/AR	N/A
12. Human Resources	N/A	N/A	N/A
13. Project Accounting	\$4,050	\$760	\$607.50
14. Purchase Orders	\$4,050	\$760	\$607.50
15. Work Order/Service Tracking	Included w/UB	Included w/UB	Included
16. Equipment Rental & Repl	N/A	N/A	N/A
17. Permitting	\$8,700	\$1,520	\$1,305
18. Park Reservations	\$4,050	\$760	\$607.50
19. Route Optimization	N/A	N/A	N/A
Subtotal			
Washington State Sales Tax			
Total Supplemental	\$24,900	\$4,560	\$3,735
Total Bid Price	\$65,925	\$11,780	\$9,888.75

Data Conversion Option \$1,800 AMR Interface \$2,000

3rd Party Software

	Up to 10 users	Up to 16 Users	Up to 20 Users
Pervasive SQL v.11	\$ 1,195.00	\$ 1,795.00	\$ 2,195.00
UniPaas	\$ 1,000.00	\$ 1,600.00	\$ 2,000.00

Will you sell additional units to other government agencies within the State of Washington at the bid price, terms and conditions until further notice? The City of Sedro-Woolley accepts no responsibility for the payment of the purchase price by other government agencies. Yes No

Has company been in bankruptcy, reorganization or receivership in the last 5 year Yes No

Has company been disqualified or debarred by any public agency, including the Federal Government, from participation in public contracts? Yes No

Has the company operated at least 1 year without interruption? Yes No

Has an owner of the company been convicted of a crime within the past 10 years? Yes No

Does any employee or official of the City have any financial or other interest in your firm? Yes No

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting an offer for this bid/quote, and is in all respects fair and without collusion or fraud.

The below signed bidder has not divulged to nor has discussed or compared his bid with other bidders and had not colluded with any other bidder or parties to bid whatsoever. Note: No premiums, rebates or gratuities to any employee or agent are permitted either with, prior to, or after any delivery of materials. Any such violation will result in the cancellation and/or return of material as applicable

The undersigned hereby accepts the terms and conditions as set forth herein. **This must be signed and dated by the bidder or a representative legally authorized to bind the bidder.**

FULL LEGAL NAME OF COMPANY BIAS Accounting

NAME (please print) Mark Felchlin TITLE President

SIGNED _____ DATE 7/24/13

SEDRO-WOOLLEY BUSINESS LICENSE _____



Sample
New Client Implementation Checklist

Date _____

Client _____

Contact Phone _____

Client Contacts	Title	Email

BIAS Project MGR _____

Phase I – Documentation & Initial Actions

Description	Date	Notes
Signed Purchase Estimate Returned		
Signed Software License Agreement		
Signed Annual Maint. Agreement		
Client Invoiced?		

Phase II – Planning (Scheduling)

Description	Start Date	Notes
Implementation Schedule		
Cash Receipts		
Utility Billing		
Payroll		
GL and AP		

Phase II – Planning (Other Actions)

Description	Resp	Date	Notes
Send Software to Client	Wes		
Send Excel Basic Info Spreadsheet to Client	Karen		
Discuss Forms: (Help with Ordering)			
<ul style="list-style-type: none"> • Checks AP and Payroll – Do they need new stock? 			
<ul style="list-style-type: none"> • UB Postcards 			



Phase II – Planning (Evaluation)

Description	Resp	Date	Notes
Installation Interview	David		
Hardware Evaluation:			
<ul style="list-style-type: none"> • Hard Drive Space and RAM on server 			
<ul style="list-style-type: none"> • Operating Systems for all machines, RAM 			
<ul style="list-style-type: none"> • Printers – Laser? 			
Review Office Setup:			
<ul style="list-style-type: none"> • USB/Ethernet Printer? How Many? 			
<ul style="list-style-type: none"> • No. of Cash Receipt Drawers? 			
Order Printers and Cash Drawers			
E-mail/Fax Ordinances to us re: utility billing rates	Client		
Gather Payroll Info:	Client		
<ul style="list-style-type: none"> • Deduction and Benefit Plans and Rates, L&I, Unions etc... 			
<ul style="list-style-type: none"> • Direct Deposit? - Employer and Employee Info 			



Phase III – Initial Imports & DB Setup

Description	Resp	Date	Notes
Import from ASP	Wes		
• Revenues/Expenditures/Funds			From Budgetary Module
• Utility Customers			From Billing Module
• Vendors			From Budgetary Module
• Employees			From Payroll Module
Notify Client that can't make changes after import – E-mail confirmation	Wes		
Send BARS Chart in Excel to Client for review and editing	Wes		
BEFORE GO LIVE DATE	Wes		
• Journalized Bill Report			
• Deposits			
• Trial Balance			
• Old Bills – Bill History (Optional)			

Phase III – DB Setup & Customization

Description	Resp	Date	Notes
Setup DB and Save to Client Data Folder	Wes		
Enter Basic System Information from Client Excel worksheet	Karen		
• System Information Screen			
• Headers and Footers – Copy and edit from Demo DB			

Phase IV – Setup (Based on Client Priority)

Utility Billing

Description	Resp	Date	Notes
Revised BARS Chart of Accounts Returned from Client?	Client		
Using Handhelds?			
Sample File from Handheld Vendor	Client		
Interview Client to clarify UB setup	David		
• Billing Cycle Date			
• Water/Sewer/Garbage/ Electric Rates and Classes			



• Electric or Alternate			
• Taxes & Rates for each type			
• Other Charges			
• BARS Lines			
• Late Fees			
• Print on Postcards?			
• Late Notices and Shutoffs			

Accounts Receivable

Description	Resp	Date	Notes
Interview Client to clarify AR Charges			
Setup Screen			
• Billing Day			
• Invoice Interest & BARS account?			
• State or local tax and BARS?			
AR Types -			
• Animal License – Details			
• Business License			
• Building Permits			
• Misc Receipts and BARS Codes			

Payroll

Description	Resp	Date	Notes
Interview Client to clarify Setup			
Pay on 1 st or 31 st ?			
Review Payroll Defaults			
Review Employee Setup			
• Hourly/Salary			
• Pay Split			
• Benefits and Deductions			
• Leave Accruals			
• Draws			
Confirm check form printing alignment			
BEFORE GO LIVE:			
• Get Leave Accrual Balances from ASP			



AP

Description	Resp	Date	Notes
Interview Client to clarify Setup			
Review Vendors			
Checks or Warrants			
Check Form			

Other Modules

Phase V – Remote Software Setup

Description	Resp	Date	Notes
Install Pervasive SQL on Server			
Install Program Files on client workstation and configure Magic Ini			
Confirm connection with database			
Install Report Generation Components			
Install BIAS Support Calling Card			
Confirm Backup is working properly			
Install Cute PDF Writer			
Install Password Manager			

Support Strategy



Our exceptional service and commitment to our Clients' satisfaction are just two reasons WA Cities are choosing BIAS Accounting Software. Whether your City has a couple hundred citizens or several thousand, we strive to ensure our "quality of service" is second to none.

BIAS provides outstanding service several ways. The most common forms of support are:

Telephone Support

Clients benefit from 24/7 toll-free telephone support originating from our Headquarters. Support personnel are available in our office 8:00 am – 5:30 pm M-F, PST (except holidays). Outside these office hours, support is available by cell phone, with a guaranteed 2 hour response time.

Online Support

Clients with current Software Maintenance Agreements receive a BIAS Support Icon on their computer desktop. This enables them to Queue-in for assistance via the Internet. With their permission, we may view their computer screen and troubleshoot support calls quickly and efficiently. It's the next best thing to being there!

Training Classes

BIAS offers a variety of Client training classes. We conduct ongoing monthly training classes at our Spokane Headquarters, onsite training per request, and Web-based training. Classes are reasonably priced; you get a big bang for your buck!

BIAS Conferences

BIAS hosts annual Client Conferences. They provide an opportunity to meet, visit, and network with all BIAS Clients. In addition to specific BIAS Software training, invited speakers present pertinent information and opportunities to all attendees. Duane Walz of the WA State Auditor's Office gave presentations at our Spring 2013 Conference that were very well received.

BIAS support services provide an individualized framework to build a successful community of Clerks. Our goal is to provide continuing proactive and innovative support. BIAS supplies thorough Step-by-Step Guides, a monthly resource newsletter, and email reminders of upcoming events. New Clients join a family of existing BIAS Software users that care and support each other each and every day.

Section 8– APPENDICES: VENDOR BID RESPONSE FORMS

APPENDIX A: GENERAL INFORMATION AND OVERVIEW

Company Name: BIAS Software	Address: 327 E Pacific
City:Spokane	State: WA
Zip: 99202	Contact Name: Mark Felchlin
Telephone Number: 509.443.3332	E-Mail Address: mark@biassoftware.com
Web Site Name and Address: www.biassoftware.com	Total Number of Employees:
Annual Sales (each year for the past 5 years):	Number of Years in Business: 12
Product Name: BIAS Software	Version: 6
Relational Data Base Management System and Release: v.11	Total Number and Population Range of all Installs: 202 – Clients 100 – 17,800 – Pop.
Total Number and Population Range of Installs on Version to be Implemented: 147 – Clients 100 – 17,800 – Pop.	Total Number and Population Range of City Users: 95 – Clients 100 – 17,800 – Pop.
Total Number and Population Range of City Users in Washington State: 93 – Clients 100 – 17,800 – Pop.	Total Number of Government Users: 202 – Clients 100 – 17,800 – Pop.
Total Number of Government Users in Washington State: 200 – Clients 100 – 17,800 – Pop.	

General Warranty Information:

LICENSOR WARRANTS THAT IT HAS TITLE TO THE SOFTWARE AND THAT IT HAS FULL AUTHORITY TO GRANT THIS LICENSE TO LICENSEE. LICENSOR ALSO WARRANTS THAT, AS TO EACH APPLICATION, FOR A PERIOD OF NINETY (90) DAYS FROM THE DATE OF LICENSEE'S ACCEPTANCE OF THE APPLICATION, THE APPLICATION WILL FUNCTION WITHOUT ERROR. LICENSOR MAKES NO WARRANTY REGARDING THE USABILITY OR CONVERTABILITY OF ANY OF

LICENSEE'S DATA, THE SUITABILITY OF THE SOFTWARE FOR LICENSEE'S NEEDS, OR ANY PERFORMANCE PROBLEM, CLAIM OF INFRINGEMENT OR OTHER MATTER ATTRIBUTABLE TO ANY USE OR MODIFICATION OF THE SOFTWARE, OR COMBINATION OF THE SOFTWARE WITH ANY OTHER SOFTWARE OR COMPUTER PROGRAM OR COMMUNICATIONS DEVICE, NOT EXPRESSLY AUTHORIZED BY LICENSOR IN WRITING. DETERMINATION OF BREACH OF THE FOREGOING LIMITED WARRANTY OR DEFAULT UNDER THIS SECTION 10 SHALL BE SUBJECT TO THE NOTICE AND CURE PROVISIONS OF SECTION 8, AND UPON RECEIPT OF WRITTEN NOTICE OF BREACH OF WARRANTY LICENSOR SHALL BE AFFORDED A PERIOD OF THIRTY (30) DAYS TO CURE THE REPORTED ERROR, FAILURE OR OTHER BREACH. LICENSEE AGREES THAT THE FOREGOING LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OF LICENSOR AND LICENSOR DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS OR ADEQUACY FOR ANY PARTICULAR PURPOSE OR USE, QUALITY OR PRODUCTIVENESS, COMPATIBILITY, DESIRED RESULTS, OR CAPACITY.

Appendix C: User Reference list

Provide three user references that most closely reflect similar users to the City's scope of work within the past five years. Reference sites should be fully implemented and live on the current version of the software.

1. Name of User:	
Population: 17,150	Concurrent Users: 16
Contact Name/Title: Jim Chase Finance Director	Telephone #: 360.403.3422
Modules Installed: Financials, AP, Budgeting, Payroll, Utility Billing, Cash Receipting, Online Payments (Xpress) Tokay, Databar, PC Integration	
Go Live Date: 2010	
Other comments: ASP Conversion	

2. Name of User:	
Population: 5,590	Concurrent Users: 10
Contact Name/Title: Greg Thramer Finance Director	Telephone #: 360.629.2181
Modules Installed: Financials, AP, Budgeting, Payroll, Utility Billing, Cash Receipting, Permitting	
Go Live Date: 2011	
Other comments: ASP Conversion	

3. Name of User:	
Population: 6,325	Concurrent Users: 10
Contact Name/Title: Colleen Corcoran Finance Director	Telephone #: 253.564.8901
Modules Installed: Financials, AP, Budgeting, Payroll, Utility Billing, Cash Receipting, Permitting	
Go Live Date: 2011	
Other comments: ASP Conversion	



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PARTIES:

LICENSOR:

BIAS Software
327 E Pacific
Spokane, WA 99202
Phone: 888.534.2427
Fax: 888.228.0030
Email: mark@biassoftware.com

LICENSEE:

City
Address
City State Zip

EFFECTIVE DATE:

AGREEMENT:

- 1. Defined Terms.** Certain terms used in this Agreement, including the Attachments hereto, have defined meanings, which are provided in Section 16, and in other Sections herein. Definitions of specifically defined terms (appearing in quotation marks and capitalized where defined herein) shall apply whether or not the term is capitalized.
- 2. Grant of License.** In consideration of the payment of the license fees set forth herein, Licensor grants you a non-exclusive, non-transferable license to use the package of computer programs and data in machine-readable form and related materials, including documentation and listings, identified in the attached Purchase Estimate, which together constitute the "Licensed Program," subject to the following terms and conditions.

 - a. Scope of Rights.** Under the License granted herein Licensee may use, copy and distribute the Software (in machine-readable, object code form only) and User Materials to: (i) install, use and execute the Software on computers that Licensee owns or leases for purposes of serving Licensee's internal business needs; (ii) support Licensee's use of the Software under this Agreement; and (iii) in support of your authorized use of the Licensed Program, store the Licensed Program's machine-readable instructions or data in, transmit it through, and display it on licensees machines and associated devices.
 - b. License Restrictions.** Licensee may only use the Software and User Materials within the limited scope set forth herein, in particular, and without limitation, Licensee agrees that Licensee and Licensee's employees will not: (i) assign, sublicense, transfer, pledge or grant a security interest in, lease, rent or share Licensee's rights under this License Agreement with any Third party; (ii) reverse assemble, reverse compile, cross compile or otherwise adopt, translate or modify the Software; or (iii) refer to or use any portion of the Software or User Materials as part of any effort to develop any derivative work or other software program.



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- 3. Ownership; Proprietary Protection.** This Agreement does not provide Licensee with title to or ownership of the Software, but only a right of limited use. Licensor shall have sole and exclusive ownership of all right, title and interest in and to the Software and User Materials, all copies thereof, all derivative works, unique design concepts, and all related material generated from the Software including material displayed on the screen such as icons, screen displays, etc. (including ownership of all copyrights, trademarks and other intellectual property rights pertaining thereto), in any media now existing or subsequently developed, whether created by Licensor or any other party, subject to the rights of Licensee expressly granted herein.
- 4. Confidential Information; Non-Disclosure.** Licensee acknowledges that the Software and User Materials, and all underlying ideas, algorithms, concepts, procedures, processes, principles, know-how, and Licensor's methods of business and technical operation (collectively referred to as "Confidential Information") are confidential and contain trade secrets. Licensee shall not use, disclose or cause disclosure of, or distribute any Confidential Information, directly or indirectly, without the prior written consent of Licensor, except that Licensee is authorized to disclose Confidential Information to Licensee's employees or agents as required for Licensee's use of the Software as authorized by this Agreement or as required by Law, which obligation shall survive the termination of this License. All of the Licensed Modules have Security Key Words assigned to them, and the Licensor agrees not to disclose these Key Words to any Third Party. Licensee shall indemnify Licensor for damages or costs incurred by Licensor as a result of the unauthorized use, disclosure or distribution of any Confidential Information by Licensee or any of Licensee's employees or agents.
- 5. Fees.** The fees payable by Licensee to Licensor under this Agreement shall consist of License Fees and additional fees for specific services (as defined in Attachment A: Purchase Bid). If any portion of the Fees is paid through an installment note, any default under the terms of said note will constitute default by Licensee under this Agreement.
- a. **License Fees.** License fees shall be paid by Licensee solely in consideration of the License granted under this Agreement and in the amounts in accordance with the fees set forth in Attachment A: Purchase Bid under the Licensed Modules and Licensed Interfaces and in accordance with the Purchase Schedule. These License Fees are exclusive of training, support programs, data import, and hardware.
 - b. **Fees for Services and Hardware.** Additional fees shall be paid by Licensee for training, support programs, data import, and hardware in accordance with Attachment A: Purchase Bid. These fees shall be invoiced and payable in the amounts and at the times in accordance with the Purchase Schedule.
 - c. **Service Fees.** Service fees are described in and subject to a separate Software Service Agreement between Licensor and Licensee. They will be pro-rated based upon quarters left after installation. The terms of the Software Service Agreement will be in force from the



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time of implementation and charges for training new employees may be in effect if staff changes are made during the implementation period.

- d. **Taxes.** Licensee is solely responsible for sales or use taxes, state or local property taxes, or excise taxes associated with licensing, possession, or use of the Software or any other associated services.

6. Licensee's Cooperation. The Licensee is responsible for selecting operator(s) who are qualified to operate the Software on your own equipment and are familiar with the information, calculations, and reports that serve as input and output. Any data entry errors are the responsibility of the Licensee and the Licensor does not assume the cost of any necessary servicing, repair or correction. Licensee acknowledges that successful installation, implementation and use of the Software cannot be accomplished by Licensor's efforts alone, and requires substantial effort and cooperation by Licensee. Both Licensor and Licensee shall at all times use their best efforts to actively participate and cooperate in data conversion, system installation, implementation, training and use, shall provide each other accurate and timely information, and shall afford each other reasonable access to information and facilities. All substantive communication between Licensor and Licensee will take place between Licensor and Licensee's Project Manager.

7. Acceptance Testing Period. Upon completion of implementation of each Module, Licensor shall give written notice to Licensee that installation of the Application at the Initial Installation site(s) is completed, and that Licensee has achieved Live Status as to the Application (such times also referred to as "go live date(s)" in Licensor's Project Schedule, as shall be completed by the parties promptly after execution of this Agreement). Licensee shall be deemed to have accepted the Application thirty (30) days after Licensor's notice, unless, during that thirty (30) day period (the "Acceptance Testing Period"), an Error occurs in the operation of the Application, and, by the end of the Acceptance Period, Licensee gives Licensor written notice of non-acceptance describing the Error in reasonable detail. If Licensee gives a proper notice of non-acceptance to Licensor, then:

- a. **Investigation.** Licensor shall investigate the reported Error. Licensee shall provide to Licensor reasonably detailed documentation and explanation, together with underlying data, to substantiate the Error and to assist Licensor in its efforts to diagnose, reproduce, and if necessary correct the Error.
- b. **Material Failure Found.** If an Error exists, Licensor shall, within thirty (30) days (or such longer period as may be reasonable under the circumstances) after receipt of Licensee's notice of non-acceptance, correct the Error so that the Application functions in Material conformity with the Specifications. Upon correcting the Error within such period Licensor shall notify Licensee in writing that the Error has been corrected, and another Acceptance Testing Period shall begin in accordance with this Section 7.



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- c. **No Error Found.** If there was no Error, or an identified failure to perform was not attributable to a defect in the Application or an act or omission of Licensor, then Licensor shall give written notice to Licensee explaining its determination in reasonable detail, and Licensee shall have thirty (30) days to respond with additional documentation or written explanation regarding the Error. If Licensee provides such response, Licensor shall be afforded thirty (30) days to review the response and, if necessary, attempt to correct the Error. If Licensee does not provide such response within thirty (30) days, then Licensee shall be deemed to have accepted the Application as of the date of Licensor's notice.

8. Term; Default; Opportunity to Cure. This Agreement is effective as of the Effective Date and shall continue until terminated. The License shall terminate upon default, cancellation, repudiation or rejection of this Agreement by either party. A party shall be considered in default only if the party, thirty (30) days after receiving written notice from the other party identifying with reasonable specificity a Material failure to comply with any term or condition contained herein (including without limitation Licensee's failure to pay any fees or charges due under this Agreement or any related Software Service Agreement, and Licensor's breach of the limited warranty provided in Section 10), has not cured such failure or breach. Upon termination of the License, Licensee shall return to Licensor the Software together with all copies and merged portions in any form, User Materials, and related documentation. In the event of termination other than termination resulting from a default by Licensor, no License Fees or other Fees then paid or payable shall be waived or refunded, and any License Fees then unpaid shall be immediately payable in full.

9. Software Service Agreement. The Software Service Agreement is a separate agreement between the Licensor and Licensee for service of the purchased Software and is pro-rated for the remaining quarters after installation as noted in Section 5c. Subsequent years of the Software Service Agreement are purchased beginning on the date listed in the Purchase Schedule.

10. Limited Warranty. LICENSOR WARRANTS THAT IT HAS TITLE TO THE SOFTWARE AND THAT IT HAS FULL AUTHORITY TO GRANT THIS LICENSE TO LICENSEE. LICENSOR ALSO WARRANTS THAT, AS TO EACH APPLICATION, **FOR A PERIOD OF NINETY (90) DAYS FROM THE DATE OF LICENSEE'S ACCEPTANCE OF THE APPLICATION, THE APPLICATION WILL FUNCTION WITHOUT ERROR.** LICENSOR MAKES NO WARRANTY REGARDING THE USABILITY OR CONVERTABILITY OF ANY OF LICENSEE'S DATA, THE SUITABILITY OF THE SOFTWARE FOR LICENSEE'S NEEDS, OR ANY PERFORMANCE PROBLEM, CLAIM OF INFRINGEMENT OR OTHER MATTER ATTRIBUTABLE TO ANY USE OR MODIFICATION OF THE SOFTWARE, OR COMBINATION OF THE SOFTWARE WITH ANY OTHER SOFTWARE OR COMPUTER PROGRAM OR COMMUNICATIONS DEVICE, NOT EXPRESSLY AUTHORIZED BY LICENSOR IN WRITING. DETERMINATION OF BREACH OF THE FOREGOING LIMITED WARRANTY OR DEFAULT UNDER THIS SECTION 10 SHALL BE SUBJECT TO THE NOTICE AND CURE PROVISIONS OF SECTION 8, AND UPON RECEIPT OF WRITTEN NOTICE OF



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BREACH OF WARRANTY LICENSOR SHALL BE AFFORDED A PERIOD OF THIRTY (30) DAYS TO CURE THE REPORTED ERROR, FAILURE OR OTHER BREACH. LICENSEE AGREES THAT THE FOREGOING LIMITED WARRANTY IS IN LIEU OF ALL OTHER WARRANTIES OF LICENSOR AND LICENSOR DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS OR ADEQUACY FOR ANY PARTICULAR PURPOSE OR USE, QUALITY OR PRODUCTIVENESS, COMPATIBILITY, DESIRED RESULTS, OR CAPACITY.

11. Limitation of Remedies and Liability. The cumulative liability of Licensor to Licensee for all claims relating to the Software and any services rendered hereunder or in any related service agreement, arising under or relating to this or any related agreement or warranty (including without limitation the limited warranty provided pursuant to Section 10), or otherwise in contract, tort, strict liability, indemnity or any cause of action whatsoever, shall in all events be limited to the total amount of the Fees paid to Licensor under this Agreement for the relevant Application(s) and related services. In no event shall Licensor be liable for any consequential, indirect, special or incidental damages (including, without limitation, damages for loss of business profits, business interruption, loss of business information, or other pecuniary loss), whether arising out of contract, tort, warranty or otherwise, even if Licensor has been advised of the possibility of such potential loss or damage. The foregoing limitation of liability shall apply regardless of the success or effectiveness of other remedies, The Fees herein and terms hereof have been agreed to by Licensor in reliance on the allocation of risk and limitation of liability set forth in Section 10 and this Section 11.

12. Venue; Governing Law. Exclusive venue for any dispute between the parties arising out of or relating to this Agreement shall be in the Federal District Court for the District of Eastern Washington, or, if Federal jurisdiction is not available, the Spokane County Superior Court, Washington. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Washington, as such laws apply to a contract made and performed in such state, without regard to conflicts of law provisions.

13. Entire Agreement; Construction Licensor and Licensee Representations. This Agreement is the complete and exclusive statement of the agreement between Licensor and Licensee and supersedes all prior and contemporaneous negotiations, discussions, proposals and understandings, Oral, written or implied, including those involving any agent of either party, relating to the subject matter herein.

- a. No representations or statements made by either party or either party's agents not expressly set forth or referenced in the Agreement shall be binding on either party. Rights, obligations and warranties under this Agreement extend to Licensee and Licensor only, and no other person shall be considered a third party beneficiary of this Agreement or be otherwise entitled to any rights or remedies under this Agreement.

- b. No provision of this Agreement shall be construed in favor of or against any party because one party or its professional advisors participated in the preparation of this Agreement.
- c. Licensee represents and warrants that it possesses sufficient mastery of the principles of accounting to use the Software for its intended purpose, and Licensee acknowledges that it is solely Licensee's responsibility to develop and institute the use of manual and other appropriate controls to validate the accuracy of the data generated by the system and ensure that Licensee's books balance; review proof lists and reports to validate the accuracy of reports and statements; verify that all users of the Software are properly and sufficiently trained and experienced; and verify that a functioning archival system is in place, and that the data base is archived to a removable medium on a daily basis.

14. Modification: No Waiver. The terms of this Agreement may only be modified, expanded or added to by a written agreement executed by the parties. No oral communication between the parties or their agents before or after execution of this Agreement shall be binding upon either party unless the parties expressly agree in writing to the terms of such communication. No waiver by either party of any breach of any term or condition hereof shall be effective or enforceable unless made in writing signed by the party, and no waiver shall be interpreted as a continuing waiver or a waiver of any future obligation.

15. Attorneys Fees. If any suit, action, or other proceeding shall be instituted relating to any term or condition of this Agreement or relating to any of the rights, duties, or obligations arising under it, the prevailing party shall be entitled to recover from the other party and the other party agrees to pay to the prevailing party, whether or not the matter proceeds to final judgment or decree, in addition to costs and disbursements allowed by law, such sum as the trial and each appellate court may adjudge reasonable as an attorney's fee in such suit, action, or other proceeding, and in any appeal thereof including. Such sum shall include an amount estimated by the court as the reasonable costs and fees to be incurred by the prevailing party in collecting any monetary judgment or award or otherwise enforcing each order, judgment, or decree entered in such suit, action, or other proceeding.

16. Definitions. As used in this Agreement, including the Attachments hereto, the following terms shall have the following meanings.

- a. "**Cure**" as applied to a Software or Application Error shall include the provision of alternate, but functionally equivalent and no less effective or efficient, functions or means.
- b. "**Error**" as applied to the Software or an Application means a reproducible failure to perform in accordance with the Specifications in some MATERIAL respect attributable to a defect in the Software or Application or to an act or omission of Licensor.



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- c. **“Initial Installation”** means the first instance of installation or loading of any portion of the Software onto Licensee’s computer, network or system, without regard to completion of Modifications or other services to be performed under this Agreement.
- d. **“Licensee Modifications”** means any modification, enhancement or addition to the Software developed by or for Licensor (including by Licensee or third party) especially for Licensee’s use or at Licensee’s request.
- e. **“Licensor Modifications”** means any modification, enhancement or addition to the Software by or for Licensor, other than Licensee Modifications.
- f. **“Material”** as applied to the Software or an Application, shall mean a significant or substantial alteration or effect on the function or output thereof.
- g. **“Specifications”** means the written (both hard copy and electronic text files) description of the functions, capacity, performance and features of the Software as delivered by Licensor to Licensee under this Agreement (including, without limitation, any such description in a written response to RFP or RFI delivered by Licensor to Licensee, in a Licensor product brochure provided by Licensor specific to the Software, or in written correspondence from Licensor to Licensee).
- h. **“Software,”** at times also referred to as the “Application,” means the version of the BIAS Software, Inc. software packages, applications and interfaces selected by Licensee, listed on Attachment A: Purchase Bid as licensed modules (each an ‘Application’), current at the time of signing this Agreement, and shall include any Licensee Modifications and Licensor Modifications provided by Licensor to Licensee.
- i. **“User Materials”** means all written and electronic documentation, manuals and materials provided by Licensor to Licensee for use in connection with the Software.
- j. **“Security Keywords”** All Licensed Modules have confidential user-rights keywords assigned to them, and the Licensee agrees not to disclose these keywords to any Third Party.



327 E Pacific | Spokane, WA 99202 | 888.534.2427

Attachment A: List of Fees

Attachment A includes the Cost Sheet issued to licensee showing the applications and services being licensed and a schedule of the payment terms. By signing this agreement, Licensee is agreeing to the schedule of costs.



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Attachment "A"
Bid for

*Bid doesn't include travel and lodging.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed in duplicate by its duly authorized officer or representative.

LICENSOR

LICENSEE

By:

By:

Name: _____

Name: _____

Signature: _____

Signature: _____

Title: _____

Title: _____

Date: _____

Date: _____

Designated Project Manager:

Name and Title



2013 Software Service Agreement

Vendor: BIAS Software

2013:

For service and support of licensed BIAS Software programs in 2013, the Client agrees to the following terms that are in force **upon return of signed Agreement.**

1. **Term/Fee/Conditions.** This Agreement covers the period from 01/01/2013 through 12/31/2013. All purchased modules must be covered by the Agreement.

BIAS Software: Purchased. The 2013 Software Service Agreement fee is determined by the list price of the purchased modules and interfaces in use in 2013, multiplied by the current support rate of 15%.

BIAS Software: Monthly Lease. The 2013 Software Service Agreement fee for the contract period is covered by the monthly lease payments.

Fire Admin Software. The 2013 Software Service Agreement fee for the contract period is based upon purchased Fire Admin Modules. See Annual Invoice Voucher for details.

2. **Support Services.** Basic support services provided by the Vendor shall consist of the following:
 - a. **Unlimited Remote Support Services.** BIAS Software will provide a toll-free number and remote access software for Client use to contact any BIAS-trained operator during normal business hours (8:00 am – 5:30 pm PST), excluding major national holidays.
 - b. **Internet Connection.** The Client must provide and maintain a reliable Internet connection to allow BIAS means to properly diagnose Operator questions, to allow Client to download updates from the BIAS website and transfer required files. On-site visits required for problem resolution, due to a lack of Internet connection, will be subject to charges as listed in the **Fees and Expenses** section.
 - c. **Error Corrections.** BIAS agrees to use all diligent effort to correct verifiable and reproducible errors within a reasonable time period, after being reported to BIAS. The correction will be considered 'fixed' when the Application functions as intended.

- d. **State and Federal Regulations.** BIAS will provide updates required to conform to State and Federal regulations, including current tax tables, W2, and 1099 forms. Programming required to conform to local government ordinances will be subject to additional charges.
 - e. **Program Updates.** As part of this agreement, the Client will have access to the BIAS website for periodic software updates. The Client is responsible for keeping their BIAS applications up-to-date. Updates are identified in the digits to the right of the decimal point (0.XX).
3. **Exceptions** – the following services and issues are **not** covered by or included in the Service Agreement:
- a. **Significant Program Upgrades.** Significant program upgrades are identified by version numbering changes in digits to the left of the decimal point (X.00). These upgrades, due to their complexity, are subject to additional fees.
 - b. **New Products.** New module releases along with the associated training and implementation costs.
 - c. **Misuse.** Service or support required resulting from deliberate misuse of licensed modules.
 - d. **On-Site Services.** On-site support and training will be charged at the current fee schedule, if required. Please refer to **Section 7**.
 - e. **Balanced Books.** On-site or off-site services for balancing Client books are outside this agreement and subject to our standard Fee Schedule.
 - f. **Key Personnel Replacement and “New User Training”.** Qualified training for new users is very important. BIAS Software will require “New User Training” in key positions including Finance Directors, Utility Billing Clerks and Payroll Clerks. Clients with excessive turnover will also be required to receive additional training. Please see the **Fees and Expenses** section for “new user training” options.
 - g. **Extended or Emergency Technical Support.** BIAS Software will charge standard Professional Service rates when the Client is not properly staffed or trained and must complete time-consuming support issues such as payroll or utility billing.

- h. Third-Party Hardware or Software.** BIAS Software is not responsible for supporting or maintaining any software or hardware not supplied by the Vendor. BIAS Software does not guarantee compatibility with printers, hardware or third-party software.
 - i. Data Integrity.** Power outages, surges, spikes, brownouts and other changes in the electrical current may corrupt and damage data. BIAS Software assumes no liability for any data corruption or loss due to inadequate protection, lack of data backups, or computer system malfunctions.
 - j. Security of Financial Information.** It is understood that the security of financial information stored within the Bars Integrated Accounting System, (BIAS,) (Hereinafter referred to as the "Program,) or generated by the Program and stored in an electronic or paper format, is the sole responsibility of the Client and its related entities and affiliates. BIAS Software or its assignees shall not be held responsible for the theft, misappropriation, loss, or misuse of personal or entity related financial information, utility billing records, or any other financial information stored in Client controlled electronic media or physical storage locations. Client acknowledges that Client is solely responsible for the Client's security procedures, including but not limited to password security, encryption of sensitive information, background checks, proper handling of payroll ACH files, physical custody of cash, internal audit procedures and processes, annual reporting, and proper training in security and backup procedures. In addition, the Client and its related entities and affiliates agree to indemnify and hold harmless BIAS Software or its assignees from all costs, damages, expenses, and attorneys' fees incurred in an event of any security breach, theft, misappropriation, loss, misuse of personal or entity related financial information, or other related incident.
- 4. Custom Modifications.** Custom modification requests will be considered. A quote for programming and training for these modifications will be provided to the Client. BIAS Software will make a reasonable and good faith effort to comply with such requests but shall retain sole discretion to decide whether and when such services can be provided.
- 5. Cooperation of Client.** The Client agrees to promptly notify BIAS following the discovery of any error(s). Upon discovery of an error(s), the Client agrees, if requested, to submit application data to aid in the diagnosis and correction of the error(s). BIAS Software shall treat all Client data as confidential.
-

6. **Fees and Expenses.** Licensee agrees to pay incurred fees for those items and/or services excluded from the Service Agreement when services are rendered and the expenses invoiced.

a. **Fee Schedule – Subscriber Services**

• **Professional Services** for Clients with a signed 2013 Software Service Agreement:

- ❖ \$95 per hour for Accounting Services
- ❖ \$150 per hour for Programming

b. **Fee Schedule – Non-Subscriber Services**

• **Professional Services** for Clients without a signed 2013 Software Service Agreement:

- ❖ \$190 - \$300 per hour, (with a minimum cost of \$190 per incident), plus 50% of the proposed 2013 Software Service Agreement fee.
- ❖ Any previous gap(s) in Annual Service Agreement purchases must be paid to receive updates and the option to purchase future annual Service Agreements.

c. **“New User Training”** BIAS has two options for “New User Training”.

Option 1 - \$895 (\$495 1-2 Modules) includes:

- I. New User Processing Guides.
- II. Training Video Library.
- III. Assist accounting activities twice.
- IV. 6 Months “New User Support.”

Option 2 - \$1,595 includes:

- I. All features in **Option 1.**
- II. 1 Full Day of training at the Client’s site, including all out-of-pocket expenses.

7. **On-Site Services.** In addition to the Professional Services fees mentioned in Section 6, services at the Client’s site will be subject to the following charges:

- a. **Travel by Car** - Federal mileage reimbursement rate (Currently 55.5 cents/mile).
 - b. **Travel by Air** – Costs as incurred.
 - c. **Lodging** – Costs as incurred.
 - d. **Per Diem** – Based on Federal Per Diem Rates for the Client’s locale.
8. **Exceptions to Charges for On-Site Services.** If on-site services are required, there is no charge for technical support provided the following conditions are met:
- a. The 2013 Software Service Agreement is paid in full.
 - b. It is determined the Software caused the error.
 - c. The Operator was adequately trained by BIAS.
9. **Billing.** All Client invoices, for products or service, are due upon receipt. They are past due 30 days after the invoice date. BIAS may, at its option, charge all invoices 30 days past due and older an interest rate of one and one-half percent (1½%) per month (18% per Annum) or, if less, the highest rate allowed by applicable law from the date such fee or charge first became past due. Invoices sixty (60) days past due may be declared delinquent and BIAS may, at its option, put support services on hold. Accounts on hold may receive none of the support services listed in section 2 until all past due and delinquent invoices are paid in full.
10. **Use and Restrictions.** Vendor has sole and exclusive ownership of all right, title and interest in and to all error corrections, enhancements, upgrades and new products subject to the conditions of the License Agreement.
11. **Priority for Services:** Current agreement subscribers will receive priority over non-subscribers.



2013 Software Service Agreement

Sign and return this page only.

Your signature is deemed acceptance of the 2013 Service Agreement pages 1-5

Licensee

Entity:

Signer: _____

Signature: _____

Title: _____

Date: _____

Licensor

BIAS Software
327 E Pacific
Spokane, WA 99202

Date:

BIAS President
Mark Felchlin

A handwritten signature in cursive script, appearing to read "Mark Felchlin".

Fax to 888.228.0030 or mail to 327 E. Pacific, Spokane, WA 99202

327 E Pacific | Spokane, WA 99202 | 888.534.2427

Two-Party (Master) Agreement
Among
Depositor and Escrow Associates, LLC

The two-party escrow agreement allows numerous Beneficiaries and software products to be protected under a single escrow contract with a single set of escrow conditions. Future additions and changes to this escrow arrangement can be made under the discretion of the Depositor.

Multiple Beneficiary service levels can be managed under a single escrow agreement, an industry exclusive service by Escrow Associates, LLC.

Escrow Associates, LLC encourages clients to modify the contracts as necessary to support their specific escrow requirements. Please contact us directly at (800) 813-3523 or <http://www.escrowassociates.com>

Two-Party Escrow Agreement

This Technology Escrow Agreement ("Agreement") between Escrow Associates, LLC ("Escrow Associates") and _____ ("Depositor") is effective on this _____ day of _____ 2007 (the "Effective Date").

Recitals

Whereas, Depositor licenses technology to Beneficiary in the form of software object code (the "Software") pursuant to a license agreement ("License Agreement"). The source code is defined as the Software in source code form, including all relevant documentation and instructions necessary to maintain, duplicate, and compile the source code (the "Source Code"). The Source Code is necessary to maintain and support the Software as defined in the License Agreement. The Source Code and any other components Depositor provides which are related to building and maintaining the Software identified on Exhibit B (as the same may be modified herein) are hereafter referred to collectively as the deposit materials ("Deposit Materials").

Whereas, the purpose of this Agreement is to protect Depositor's ownership and confidentiality of the Deposit Materials and to protect a Beneficiary's legitimate use of the Deposit Materials as defined by the License Agreement. Further, this Agreement is intended to provide for certain circumstances under which Beneficiary shall be entitled to receive the Deposit Materials held in escrow by Escrow Associates to continue its legitimate use and support of the Software.

Whereas, Depositor hereby designates and appoints Escrow Associates as the escrow agent under this Agreement. Escrow Associates hereby accepts such designation and appointment and agrees to carry out the duties of escrow agent pursuant to the terms and provisions of this Agreement. Escrow Associates is not a party to, and is not bound by, any agreement that might be evidenced by, or might arise out of, any prior or contemporaneous dealings between Depositor and Beneficiary other than as expressly set forth herein.

NOW, THEREFORE, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, covenant and agree as follows:

1. Deposit Materials

(a) Initial Deposit - Depositor shall submit the initial Deposit Materials to Escrow Associates within sixty (60) days of the Effective Date or sixty (60) days after development of the Deposit Materials is completed. Depositor shall complete and deliver with all Deposit Materials a form as shown herein as Exhibit B, which shall then become part of this Agreement. Escrow Associates shall notify all applicable parties within ten (10) days of receipt of the initial Deposit Materials. Escrow Associates has no obligation with respect to the initial Deposit Materials for delivery, functionality, completeness, performance or initial quality.

(b) Deposit Material Updates - Depositor shall submit updates to the initial Deposit Materials to Escrow Associates within sixty (60) days of any material modification, upgrade or new release of the Software. Depositor shall complete and deliver with

all updates to the Deposit Materials an amended Exhibit B form, which shall additionally become part of this Agreement. Escrow Associates shall notify all applicable parties within ten (10) days of receipt of updates to the Deposit Materials. Escrow Associates has no obligation with respect to the updates to the Deposit Materials for delivery, functionality, completeness, performance or initial quality.

(c) Electronic Deposit – In the event Depositor elects to utilize electronic means to transfer the Deposit Materials to Escrow Associates, whether through a service provided by Escrow Associates or other means, Escrow Associates shall not be liable for transmissions that fail in part or in whole, are lost, or are otherwise compromised during transmission. Furthermore, Escrow Associates shall not be liable for any subsequent services that may or may not be delivered as a result of a failed transfer. Escrow Associates shall not be liable to Depositor or Beneficiary for any encrypted update, or any part thereof, that is transmitted over the Internet to Escrow Associates' FTP Site but is not received in whole or in part, or for which no notification of receipt is given.

(d) Duplication of Deposit Materials - Escrow Associates may duplicate the Deposit Materials only as necessary to comply with the terms of this Agreement. Escrow Associates at its sole discretion may retain a third party for the purpose of duplicating the Deposit Materials only as necessary to comply with the terms herein. All duplication expenses shall be borne by the party requesting duplication.

(e) Deposit Material Verification - Escrow Associates may be retained by separate agreement or by alternative means, to conduct a test of the Deposit Materials to determine the completeness and accuracy of the Deposit Materials. Escrow Associates shall not be liable for any actions taken on the part of any third party with regards to the Deposit Materials.

2. Beneficiary(s) - From time to time, Depositor may, at its sole discretion, add or remove Beneficiary(s) to this Agreement utilizing the Exhibit C form herein. Any current Beneficiary shall have the right to request a release of the Deposit Materials only if (i) Beneficiary is a party to a License Agreement with Depositor that is in force and not in default, and (ii) all fees due are paid to Escrow Associates.

3. Term

(a) Term of Agreement – The term of this Agreement shall be for a period of one (1) year from the Effective Date. At the end of the initial and each subsequent term, this Agreement shall automatically renew for an additional one (1) year term unless terminated according to the terms herein.

(b) Termination of Agreement - This Agreement may be terminated as follows:

- i. Depositor provides written notice to Escrow Associates of its desire to terminate this Agreement, or
- ii. All Deposit Materials have been released in accordance with the terms hereof.

(c) Termination for Non-Payment - In the event that full payment of any or all fees due to Escrow Associates by Depositor under this Agreement have not been received by Escrow Associates within thirty (30) days of the date payment is due,

Escrow Associates will notify Depositor of the delinquent fees. If the delinquent fees are not received within thirty (30) days of the delinquency notification, Escrow Associates shall notify Beneficiary of the option to remit payment of the fees. If the delinquent fees are not received within ninety (90) days of the delinquency notification, Escrow Associates shall have the right to terminate this Agreement and destroy Deposit Materials.

(d) Return of Deposit Materials – Upon termination of this Agreement for any reason other than in the event all Deposit Materials have been released in accordance with the terms of Section 7 herein, Escrow Associates shall return the Deposit Materials to Depositor via commercial courier to the address of Depositor shown in this Agreement, provided that all fees due Escrow Associates are paid in full. If two (2) attempts to return Deposit Materials via commercial courier to Depositor fail or Depositor does not accept the Deposit Materials, Escrow Associates shall destroy the Deposit Materials.

4. Fees

(a) Payment - Upon receipt of signed Agreement or initial Deposit Materials, whichever comes first, Escrow Associates will submit an initial invoice to Depositor for amount shown on Exhibit A attached hereto. If payment is not received, Escrow Associates shall have no obligation to perform its duties under this Agreement. Depositor agrees to pay to Escrow Associates all additional fees for services rendered related to this Agreement as shown on Exhibit A. The fee for any service that is not expressly covered in Exhibit A shall be established by Escrow Associates upon request. All fees are due in advance of service and are non-refundable. Escrow Associates may amend Exhibit A at any time upon sixty (60) days written notice to Depositor.

(b) Currency - All fees are in U.S. dollars and payment must be rendered in U.S. dollars unless otherwise agreed to in advance by Escrow Associates.

5. Indemnification - With the exception of gross negligence, willful misconduct or intentional misrepresentation on behalf of Escrow Associates, Depositor and Beneficiary shall, jointly and severally, indemnify and hold harmless Escrow Associates and each of its directors, officers, agents, employees, members and stockholders ("Escrow Associates Indemnitees") absolutely and forever, from and against any and all claims, actions, damages, suits, liabilities, obligations, costs, fees, charges, and any other expenses whatsoever, including reasonable attorneys' fees and costs, that may be asserted against any Escrow Associates Indemnitee in connection with this Agreement or the performance of Escrow Associates or any Escrow Associates Indemnitee hereunder.

6. Depositor's Representations and Warranties

(a) The Deposit Materials as delivered to Escrow Associates are a copy of Depositor's proprietary information corresponding to that described in Exhibit B and are capable of being used to generate the Software. Depositor shall update the Deposit Materials as provided for in the License Agreement and/ or as provided for herein. The Deposit Materials shall contain all information necessary to enable a

reasonably skilled programmer or analyst to understand, maintain and correct the Deposit Materials.

(b) Depositor owns the Deposit Materials and all intellectual property rights therein free and clear of any liens, security interests, or other encumbrances.

7. Release of Deposit Materials

(a) Release - The Deposit Materials, including any copies thereof, will be released to Beneficiary after the receipt of the written request for release only in the event that the release procedure set forth in Section 7 is followed and:

- i. Depositor notifies Escrow Associates in writing to effect such release; or
- ii. Beneficiary makes written request to Escrow Associates; and
 - a. Beneficiary asserts that Depositor has failed in a material respect under the License Agreement; or
 - b. Beneficiary asserts that Depositor has ceased all business operations without a successor or assign; or
 - c. Beneficiary asserts that Depositor has filed for bankruptcy protection; and
 - d. Beneficiary includes a written statement that the Deposit Materials will be used in accordance with the terms of the License Agreement; and
 - e. Beneficiary includes specific instructions for the delivery of the Deposit Materials.

(b) Depositor Request for Release - If the provisions of Section 7(a)(i) are met, Escrow Associates will release the Deposit Materials to Beneficiary within ten (10) business days.

(c) Beneficiary Request for Release - If the provisions of Section 7(a)(ii) are met, Escrow Associates will within ten (10) business days forward a complete copy of the request to Depositor. Depositor shall have thirty (30) days to make any and all objections to the release known to Escrow Associates in writing. If after thirty (30) days Escrow Associates has not received any written objection from Depositor, Escrow Associates shall release the Deposit Materials to Beneficiary as instructed by Beneficiary.

(d) Depositor Objection to Release - Should Depositor object to the request for release by Beneficiary in writing, Escrow Associates shall notify Beneficiary in writing within ten (10) business days of Escrow Associates receipt of said objection and shall notify both parties that there is a dispute to be resolved pursuant to Section 8 (Arbitration) of this Agreement. Escrow Associates will continue to hold the Deposit Materials without release pending (i) instructions from Depositor; (ii) dispute resolution according to Section 8 (Arbitration); or (iii) order from a court of competent jurisdiction.

(e) Grant of License to Deposit Materials - As of the Effective Date, Depositor hereby grants to Beneficiary, a non-exclusive, worldwide, perpetual, paid in full license, to install, use, copy, publicly perform and digitally perform, modify and create derivative works from the Deposit Materials delivered by Escrow Associates under this Section, for the sole purpose of continuing the benefits afforded to Beneficiary under this Agreement, including the development of patches and upgrades solely for Beneficiary's internal use.

(f) Restrictions on Use – The following restrictions shall apply to Deposit Materials delivered to Beneficiary: (i) Beneficiary shall not copy the Deposit Materials other than as necessary for installation on Beneficiary's equipment and for backup copies on Beneficiary's equipment, (ii) Beneficiary will keep the Deposit Materials in a secure, safe place when not in use, (iii) Beneficiary agrees to use the Deposit Materials under carefully controlled conditions in accordance with, and for the purposes of, this Agreement, (iv) Beneficiary shall be obligated to maintain the confidentiality of the released Deposit Materials in accordance with Section 9, and (v) Beneficiary agrees to treat, handle, and store the Deposit Materials in the same manner and with the same care as it treats its most sensitive and valuable trade secrets.

8. Arbitration - Except as expressly provided for herein, any dispute or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled in Atlanta, Georgia by arbitration administered by the American Arbitration Association in accordance with its Commercial [or other] Arbitration Rules [including the Emergency Interim Relief Procedures], and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. Depositor and Beneficiary jointly agree to reimburse Escrow Associates for any and all costs incurred as a result of any arbitration including attorney's fees. The arbitrator(s) shall award attorneys' fees and costs to the prevailing party.

9. Confidentiality - Except as otherwise required to carry out its duties under this Agreement, Escrow Associates shall hold in strictest confidence and not permit any third party access to nor otherwise use, disclose, transfer or make available the Deposit Materials except as otherwise provided herein, unless consented to in writing by Depositor.

10. Limitation of Liability - Under no circumstance shall Escrow Associates be liable for any special, incidental, or consequential damages (including lost profits) arising out of this Agreement even if Escrow Associates has been apprised of the possibility of such damages. In performing any of its duties hereunder, Escrow Associates shall not incur any liability to any party for any damages, losses, or expenses, except for willful misconduct or gross negligence on the part of Escrow Associates, and it shall not incur any liability with respect to any action taken or omitted in reliance upon any written notice, request, waiver, consent, receipt or other document which Escrow Associates in reasonably good faith believes to be genuine.

11. Notices - Notices shall be deemed received on the third business day after being sent by first class mail, or on the following day if sent by commercial express mail. All notices under this Agreement shall be in writing and addressed and sent to the person(s) listed in the space provided below:

Depositor

Company: _____
Contact: _____ Title: _____
Address: _____
City, State, Zip: _____
Telephone: _____ Fax: _____

Email: _____
Billing Contact: _____ Title: _____
Address: _____
City, State, Zip: _____
Telephone: _____ Fax: _____
Email: _____
Purchase Order (if applicable): _____

Escrow Associates

Attn: Contracts Administration
1303 Hightower Trail, Suite 220
Atlanta, GA 30350 USA
Telephone: 800-813-3523
Fax: 770-518-2452
Email: info@escrowassociates.com

12. Miscellaneous

(a) Counterparts - This Agreement may be executed in any number of multiple counterparts, each of which is to be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

(b) Entire Agreement - This Agreement supersedes all prior and contemporaneous letters, correspondences, discussions and agreements among the parties with respect to all matters contained herein, and it constitutes the sole and entire agreement among them with respect thereto.

(c) Limitation of Effect - This Agreement pertains strictly to the escrow services provided for herein and does not modify, amend or affect any other contract or agreement of one or more of the parties. The terms and provisions of the License Agreement, as the same may be physically modified by the terms and provisions hereof, shall continue in full force and effect and be binding upon and inure to the benefit of the parties hereto, their legal representatives, successors and assigns.

(d) Modification - This Agreement shall not be altered or modified without the express written consent of all parties.

(e) Bankruptcy Code - This Agreement shall be considered an agreement supplementary (together with any modification, supplement, or replacement thereof agreed to by the parties) to the License Agreement pursuant to Title 11 United States Bankruptcy Code Section 365(n).

(f) Survival of Terms - All obligations of the parties intended to survive the termination of this Agreement, including without limitation, are the provisions of Sections 3 (Term), 4 (Fees), 5 (Indemnification), 8 (Arbitration), 10 (Limitation of Liability), and 12 (Miscellaneous) which shall survive the termination of this Agreement for any reason.

(g) Governing Law - This Agreement shall be governed by the laws of the state of Georgia.

(h) Time of the Essence - Time is of the essence in this Agreement.

(i) Successors and Assigns - This Agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties, provided, however, that Beneficiary shall have no right to assign any rights hereunder or with respect to the Deposit Materials except as permitted with respect to assignment of Beneficiaries' rights under the License Agreement.

(Signatures are on following page. Remainder of this page intentionally left blank.)

IN WITNESS WHEREOF, the parties have executed this Agreement by and through their duly authorized agents as of the Effective Date.

Depositor

Signature: _____

Name: _____

Title: _____

Company: _____

Date: _____

Contract Negotiated by: _____

Negotiator Telephone: _____

Escrow Associates, LLC

Signature: _____

Name: _____

Title: _____

Date: _____

Exhibit A
Schedule of Fees

Two-Party Agreement **\$1500**

Annual fee includes:

- Contract review & agreement drafting assistance
- Customization & set-up of agreement
- Unlimited updates to escrow deposit material
- FTP depositing services
- Online account management
- Notifications to all parties
- Deposit Account w/ state of the art media vault storage

Beneficiary Enrollment Options

- **Standard Beneficiary Fee** **\$ 250**

Annual fee includes welcome letter, ongoing notifications and unlimited notifications. Standard Beneficiary enrolled via Exhibit C form.

OR

- **Registered Beneficiary Fee** **\$ 750**

Annual fee for efficiently enrolling a Beneficiary with unique escrow terms to the existing escrow agreement.

Volume Pricing Options are available for Pre-Paid Beneficiary Enrollments **Call / Quote**

Additional Deposit Accounts **\$750**

Annual Fee. Includes; unlimited updates, FTP depositing, online account access & two (2) cu. ft. media vault storage allowance.