

RESOLUTION NO. 5 3 2 6

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, AUTHORIZING THE MAYOR TO EXECUTE AN ADDENDUM TO THE AGREEMENT WITH THE AUBURN VALLEY HUMANE SOCIETY TO PROVIDE ANIMAL LICENSING SERVICES.

WHEREAS, the City has contracted for Animal Control Authority in the operation of an animal shelter and related services with the Auburn Valley Humane Society; and

WHEREAS, each appreciates that contracting for such services provides a number of mutually beneficial advantages; and

WHEREAS, in order to provide further advantages for each of the parties they agree that the Agreement referred above should be amended to include an addendum for animal licensing services;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF AUBURN, WASHINGTON, HEREBY RESOLVES as follows:

Section 1. That the Mayor is hereby authorized to execute an addendum to the Agreement between the City and the Auburn Valley Humane Society to include animal licensing services. The addendum to the Agreement shall be in substantial conformity with the addendum attached hereto as Exhibit A and incorporated herein by this reference.

Section 2. That the Mayor is authorized to implement such administrative procedures as may be necessary to carry out the directives of this legislation.

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

Dated and Signed this _____ day of _____, 2017.

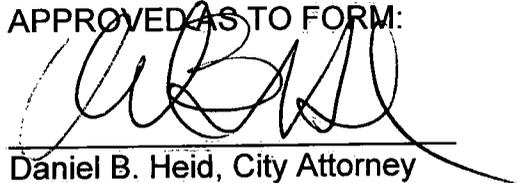
CITY OF AUBURN

NANCY BACKUS, MAYOR

ATTEST:

Danielle E. Daskam, City Clerk

APPROVED AS TO FORM:



Daniel B. Heid, City Attorney

**ADDENDUM TO THE AGREEMENT
BETWEEN THE CITY OF AUBURN AND THE AUBURN VALLEY HUMANE
SOCIETY RELATING TO ANIMAL LICENSING SERVICES**

THIS ADDENDUM is made and entered into this _____ day of _____, 20____, by and between the **CITY OF AUBURN**, a municipal corporation of the State of Washington (hereinafter referred to as the “City”), and the **AUBURN VALLEY HUMANE SOCIETY**, a Washington nonprofit corporation, whose address is 4910 A Street SE, Auburn, Washington (hereinafter referred to as the “AVHS”), as an Addendum to the Agreement (hereinafter referred to as the “Addendum”) between the parties for Animal Control Authority in the operation of an animal shelter executed on the 1st day of January, 2012.

WITNESSETH:

WHEREAS, the parties hereto have heretofore contracted for Animal Control Authority in the operation of an animal shelter and related services and each appreciates that contracting for such services provides a number of mutually beneficial advantages, and in order to provide further advantages for each of the parties, they agree that the Agreement referred to above should be amended as provided hereinbelow.

NOW THEREFORE in consideration of their mutual covenants, conditions and promises, the PARTIES HERETO HEREBY AGREE as follows:

ITEM ONE REVISION TO Section II. Term of Addendum: That Section of the Agreement is amended to read as follows:

Add the following language: The initial term of the Addendum regarding Animal Licensing Services (in addition to the Animal Control Services specified in the original agreement) shall commence on the _____ after the date of execution and shall expire on the 31st day of December, 2019. If AVHS is not in default of this Addendum, AVHS shall have the right to seven (7) twelve month renewal options. For each subsequent year of this Addendum, the

minimum annual amount for the annual fixed payment shall increase by an amount equal to the previous year's annual Seattle-Tacoma-Bremerton CPI-W (August to August) with a minimum increase of three percent (3%). Extensions may be exercised based on the mutual written agreement of both AVHS and City with no less than 90 days' notice of intent to renew by AVHS.

ITEM TWO REVISION TO Section III. AVHS Fees: That Section of the Agreement is amended to read as follows:

In return for services (in addition to the Animal Control Services specified in the original agreement) provided by AVHS, as described in the Addendum, the City shall pay to AVHS \$140,250.00 (One Hundred Forty Thousand Two Hundred Fifty) annually as a fixed payment and a onetime \$7,500.00 (Seven Thousand Five Hundred) cost for set up which will not be reoccurring in future years. An additional Payment for variable costs in the amount of \$5.55 per license issued will also be made. AVHS will provide reports showing the number of licenses issued. Payments shall be made quarterly with the first payment scheduled to begin on January 1, 2018.

ITEM THREE REVISION TO Section IV. A. Operations and Service: That Section of the Agreement is amended to read as follows:

Amend item 4 to include new paragraph: AVHS will make available to the City, for inspection or audit, all work related records and documents associated with Animal Licensing Services during normal business hours.

Add new paragraph 17: AVHS will provide animal licensing services for the City of Auburn as listed in Exhibit A – Scope of Services.

Add new paragraph 18: AVHS will begin processing licenses ____ days after the date the contract commencement date.

- a. AVHS will obtain historical license data files (Data) within ___ days after the contract is executed and enter the Data into their proprietary database.

Add new paragraph 19: AVHS will increase license sales at an average of 18% (Eighteen) year over year during the initial term of this addendum or a total of 36% for two years.

Add new paragraph 20: AVHS agrees that it will not use personal data collected on behalf of City for any purposes other than for performance of the services and other purposes under this Addendum without the express written consent of City, except as provided in the Addendum or applicable laws. AVHS specifically agrees that it will not intentionally sell, transfer, or release personal data it has collected in fulfilling the terms of this Addendum to any third party. AVHS agrees that any intentional sales, transfer or release of animal licensing data represents an event of default and City has the right to terminate this Addendum.

In the event that this Addendum is terminated in accordance with Section XI. G, Termination of Licensing Services, AVHS agrees to return and/or transfer all animal licensing Data to City within ten (10) days after receiving payment in full at the completion of the final term of this Addendum. AVHS will provide licensing Data to City in a readily importable format.

AVHS agrees that records it acquires or creates as a result of this Addendum are subject to Washington State's Public Records Act (PRA), Chapter 42.56 of the Revised Code of Washington. AVHS will not release any records, but will instead refer any person requesting Data related to this Addendum to the Auburn City Clerk's Office. AVHS will respond to any request from the City within 2 working days. If AVHS believes that any records in its possession are exempt from disclosure under the PRA, it must notify the City Clerk of the basis for the exemption. If the exemption is based on trade secrets or proprietary information AVHS agrees to defend and indemnify and hold the City harmless from all costs, including fines and attorney's fees, that the City may incur based on asserting those exemptions.

ITEM FOUR REVISION TO Section XI. Termination: That section of the agreement is amended to read as follows:

Add new language to paragraph G:

- a. Termination of Animal Licensing Services for cause: City may, at its option and without prejudice to any other remedy it may be entitled by law or in equity, or in equity, or elsewhere under this agreement, terminate further work under this Addendum due to a material default by AVHS in the performance of the services under this Addendum, but if and only if AVHS fails to cure the default within 30 days after being given written notice of such default by City.
- b. Termination for convenience. City may terminate this Addendum without cause upon ninety (90) days written notice to AVHS. AVHS may also terminate the Addendum without cause upon ninety (90) days written notice to the City.
- c. In the event of termination, AVHS will be paid for those services through the date this Addendum expires or as of the effective date of the termination. AVHS will be reimbursed for any supplies ordered before the date of the notice of termination.
- d. In the event this Addendum is terminated in accordance with Termination: Section XI.G (a) or (b), AVHS agrees to return and/or transfer all animal licensing data to City within ten (10) days after receiving payment in full at the completion of the final term of this Addendum. AVHS will provide licensing data to the City in a readily-importable format.

ITEM FIVE REMAINING TERMS UNCHANGED: That all other provisions of the Agreement between the parties for Animal Control Authority in the operation of an animal shelter and related services executed on the 1st day of January, 2012, shall remain unchanged, and in full force and effect.

IN WITNESS WHEREOF the parties hereto have executed this Agreement as of the day and year first above written.

AUBURN VALLEY HUMANE SOCIETY

CITY OF AUBURN

By: _____

By: _____

Its: _____

Nancy Backus, Mayor

Attest:

By: _____

Its: _____

Approved as to form:

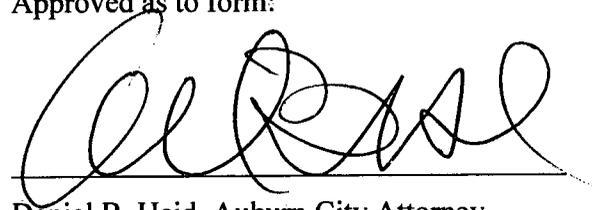
Attorney for Auburn Valley Humane Society

Attest:

By: _____

Danielle E. Daskam, Auburn City Clerk

Approved as to form:

A handwritten signature in black ink, appearing to read "Daniel B. Heid", written over a horizontal line.

Daniel B. Heid, Auburn City Attorney

Exhibit 1-Scope of Services

1. Manage the daily operations of animal licensing including the processing of licensing mail from pet owners, processing license sales reports, entering licensing data, providing customer service and depositing licensing revenue.
2. Provide authorized registrars (City, veterinarian's, humane society's, for example) with reasonable quantities of supplies necessary to sell license tags. License tag supplies are to be printed in one color with the design and layout to be determined by AVHS
3. AVHS is responsible for ordering license tags to AVHS's specifications. The cost to purchase tags and to ship tags to AVHS and authorized registrar's will be paid directly by AVHS.
4. AVHS is responsible to work with current licensing vendor to obtain license information (Data) and enter data into their database.
5. Enter all new and renewal licenses into AVHS's proprietary database.
6. Process and mail license tags within ten business days after receipt of the licensing payment.
7. Issue replacement tags to residents whose tags have been lost, stolen or damaged.
8. Mail renewal and reminder notices to pet owners who have a prior license. Mailing timelines to be mutually agreed upon.
9. Track and report monthly sales from authorized registrar's participating in the animal licensing program and keep records of all registrar's tag inventories and provide this information on the monthly report to the City. AVHS will communicate directly with registrar's as requested by the City.
10. Provide a monthly report, by the 10th business day of the subsequent month, of all animals licensed during the month. Format of the report is to be mutually agreed upon but should include a summary of the types and number of licenses issued, receipts for each type of license and detail of each license number issued and the amount receipts for each license.
11. Provide statistical reports as requested within a timely manner. Depending on the type of information requested, AVHS can provide most reports within five business days.
12. Provide access to licensing data online to appropriate personnel via AVHS's proprietary website, Pet Point, at no additional charge.
13. Respond to and communicate with animal control officer inquiries or animal owners requests in timely manner, usually 48 hours.
14. Communicate with residents by phone, mail or email as needed.
15. Comply with Auburn City Code governing animal licensing.
16. Deposit all animal license receipts collected for pet licenses into the City's bank account. AVHS shall deposit receipts no less than once per week on the same business day each week. All transaction information related to the deposit, via a cash receipts report, shall be provided to the City, along with the deposit slip, within 24 hours after the deposit. For example, a Monday deposit will include all transactions from the previous week, Sunday through Saturday. All credit card receipts will be directed to the City's

bank account and the City will be responsible for transaction fees associated with credit card receipts. For each day there are credit card transactions, AVHS will provide the detail of the transaction(s) to the City within 24 hours. The City will supply AVHS with deposit slips and bags.

17. AVHS will be responsible for ensuring all transactions via credit card meet PCI (Payment Card Industry) and DSS (Data Security Standards) requirements.
18. AVHS will provide to the city within one business day of deposit the deposit slip, detailed cash receipt reports from their POS system showing daily by payment type (cash/checks/CC), credit card batch settlement tape, and a cover sheet showing the reconciliation of deposit to their POS system generated reports.
19. AVHS will be responsible to set up a separate merchant account with BlueFin to be used solely for credit card transactions for Pet Licensing. The merchant account will be associated with/linked to the City's bank account. The city will have the ability to log into the account online to research any issues and print monthly credit card statement.
20. AVHS will respond within one business day to questions by the city with regards to any discrepancies between deposit slip, supporting reports, and banking/CC information. AVHS will be responsible to assist the city with any reconciliation issues.
21. For any bank returned checks that were deposited by AVHS related to the licensing revenue the city will provide to AVHS a copy of returned items. It is the responsibility of AVHS to contact the customer and attempt to rectify the returned item. At the time the check is returned from the bank to the City the City Pet License Revenue account will be charged the amount of the returned check.
22. For other locations AVHS sets up for Pet Licensing stations, the licensing revenue will be receipted in by AVHS and be part of the AVHS deposit to the city's bank account. Receipts made at a City Pet Licensing location will be processed through the City cash receipting system and be charged to the animal licensing revenue account. The City will provide to AVHS the Animal Licensing Application.
23. AVHS will provide to the City, by September 30th of each year, the marketing plan and estimated cost for the subsequent year. (Marketing is any media or other special event. It will not include outreach efforts by AVHS staff to coordinate licensing with other similar agencies or amnesty programs. These are considered part of the Animal Licensing Services performed by AVHS.) The City, along with AVHS, will approve the plan and budget for the estimated cost. AVHS will deploy the marketing plan and administer all contracts associated with the marketing plan.