



**CITY COUNCIL MEETING AGENDA
TUESDAY, DECEMBER 20, 2022
HELD REMOTELY & IN PERSON AT CITY HALL
124 S. LEFEVRE ST.**

- Sign up to provide Public Comment at the meeting via calling in
- Submit Written Public Comment Before 4 pm on (December 20, 2022) - *SEE NOTE*
- Join the Zoom Meeting –
<https://us06web.zoom.us/j/88321111564?pwd=TkU1N2JuYW13MkxFTERDdExjRm9xUT09>

Meeting ID: 883 2111 1564

Passcode: 285917

One tap mobile

+12532050468,,88321111564#,,,,*285917# US

+12532158782,,88321111564#,,,,*285917# US (Tacoma)

Meeting ID: 883 2111 1564

Passcode: 285917

Find your local number: <https://us06web.zoom.us/j/kek1t13N0G>

WRITTEN PUBLIC COMMENTS

If you wish to provide written public comments for the council meeting, please email your comments to sweathers@medical-lake.org by 4:00 p.m. the day of the council meeting and include all the following information with your comments:

1. The Meeting Date
2. Your First and Last Name
3. If you are a Medical Lake resident
4. The Agenda Item(s) which you are speaking about

*Note – If providing written comments, the comments received will be acknowledged during the public meeting, but not read. All written comments received by 4:00 p.m. will be provided to the mayor and city council members in advance of the meeting.

Questions or Need Assistance? Please contact City Hall at 509-565-5000

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

- A. Absence(s):

2. AGENDA APPROVAL

3. INTERESTED CITIZENS: AUDIENCE REQUESTS AND COMMENTS

4. ANNOUNCEMENTS / PROCLAMATIONS / SPECIAL PRESENTATIONS

5. REPORTS

- a. Committee Reports
 - i. Finance Committee
 - ii. Public Safety Committee
 - iii. Public Safety Update (FD3/Sheriff)
 - iv. Public Works Committee
- b. Council Comments
- c. Mayor
- d. City Administrator & City Staff
 - i. 2022 Current Budget Status

6. WORKSHOP DISCUSSION – No items listed

7. ACTION ITEMS

- A. Consent Agenda
 - i. Approve **December 6, 2022**, minutes
 - ii. Approve **December 20, 2022**, Claim Warrants **41970** through **42014** in the amount of **\$180,030.54**, Payroll Claim Warrants **41962** through **41969**, and Payroll Payable Warrants **20176** through **20180** in the amount of **\$124,161.09**.

8. RESOLUTIONS

- A. Resolution 22-558 Authorizing Credit Card Users
- B. Resolution 22-559 Forte Payment Processing Agreement
- C. Resolution 22-561 Approve Updated Code Enforcement Officer Job Description
- D. Resolution 22-562 Contract for City Legal Services

9. PUBLIC HEARING – No items listed

10. ORDINANCES

- A. Second Read Ordinance 1105 2023 Final Budget

11. EMERGENCY ORDINANCES – No items listed

12. UPCOMING AGENDA ITEMS

13. INTERESTED CITIZENS

14. EXECUTIVE SESSION – No items listed

15. CONCLUSION

CITY OF MEDICAL LAKE
City Council Regular Meeting and Public Hearing

6:30 PM
December 6, 2022

Council Chambers
124 S. Lefevre Street

MINUTES

NOTE: This is not a verbatim transcript. Minutes contain only a summary of the discussion. A recording of the meeting is on file and available from City Hall.

COUNCIL AND ADMINISTRATIVE PERSONNEL PRESENT

Councilmembers

Don Kennedy
Chad Pritchard
Art Kulibert (via Zoom)
Bob Maxwell
Heather Starr
Dawn Olmstead
Tony Harbolt

Administration/Staff

Terri Cooper, Mayor
Sonny Weathers, City Administrator
Koss Ronholt, Finance Director/City Clerk
Sean King, City Attorney
Scott Duncan, Public Works Director
Steve Cooper, WWTP Director
Roxanne Wright, Admin. Assistant

1. CALL TO ORDER, PLEDGE OF ALLEGIANCE, ROLL CALL

- A. Mayor Cooper called the meeting to order at 6:30 pm, led the Pledge of Allegiance, and conducted roll call. All were present with councilmember Kulibert attending remotely via Zoom.

2. AGENDA APPROVAL

- A. Motion to amend Ordinance 1106 to correct title to reflect Medical Lake, not Liberty Lake made by councilmember Harbolt, seconded by councilmember Starr. Motion carried 6-1, with councilmember Kennedy voting nay.
 - i. Motion to replace the current copy with the corrected copy of Ordinance 1106 made by councilmember Harbolt, seconded by councilmember Maxwell. Motion carried 6-1 with councilmember Kennedy voting nay.
- B. Motion to approve agenda as amended made by councilmember Olmstead, seconded by councilmember Harbolt, motion carried 7-0.

3. INTERESTED CITIZENS: AUDIENCE REQUESTS AND COMMENTS

- A. Gerri Johnson 5916 S Brooks Rd representing Re*Imagine Medical Lake – thanked the city for support of the Christmas Market and Winterfest, and all festivals this year. Reported that they were able to repair elf village with help of many volunteers. Thanked council members, the mayor, and citizens for their hard work on behalf of the community. Shared some of the activities that will be taking place at Winterfest. Mayor Cooper thanked Mrs. Johnson and team for their work. Mrs. Johnson also shared that ARPA money was used for advertising in the Inlander newspaper.

4. ANNOUNCEMENTS / PROCLAMATIONS / SPECIAL PRESENTATIONS – No items listed

5. REPORTS

A. City Council & Council Committee Reports

- i. Parks & Recreation – Councilmember Olmstead reported on youth sports, noting that basketball registration was extended to 12/12/22. Gave an update on Winterfest preparations (portable toilets and trash cans ordered). Shared that Parks and Rec coordinator, Ivanna Lomas, spoke with Skyhawks organization regarding offering child development programs. Reported that the gifts that have been given at Bingo are considered a gift of public funds. The committee is pursuing how to address the situation and considering options such as donations or asking for a small fee for participation. Will have more information in the future and report back.
- ii. Finance – Councilmember Starr shared that they discussed the budget, claims and warrants, and the budget transition document. Offered praise to Finance Director Koss Ronholt for the small number of changes needed from the preliminary budget. Committee also reviewed time management for city staff, particularly regarding public records requests. Discussed a more productive way of handling them including website options for accessibility.
- iii. Public Safety - Fire Chief Rohrbach reported that there were 61 calls for the city in November. Shared that FD3 will be present for support of Winterfest. They will do the annual Santa appearance in town and will post the date on social media pages. Reported that FD3 has a new, fully loaded fire engine. Shared that the old truck will be used for training.

B. Council Comments

- i. Councilmember Pritchard – Gave housing development report. Shared that the winter community water sampling and walk around Medical Lake will be held on Tuesday, December 20, 2022.
- ii. Councilmember Starr – shared that she had the opportunity to help assemble the Elf Village for Winterfest and very much enjoyed it.
- iii. Councilmember Kennedy – attended STA board meeting and shared that they worked on their 10-year strategic plan. Shared that the STA budget is over 155 million, with 68% of revenue coming from sales tax and only 6% from fares.
- iv. Councilmember Maxwell – thanked Public Works Director, Scott Duncan, and crew for snow removal. Mayor Cooper shared that public comments received regarding the city’s snow-plowing efforts have been positive.
- v. Councilmember Olmstead – shared that she too received many positive comments on the streets crew. She even received one from an individual that does not reside here but visits often.
- vi. Councilmember Harbolt – observed that this was the best year for cars being moved off the street to make room for the snowplows. Added that the city did a great job getting the word out to the community.
- vii. Councilmember Kulibert – shared that since he is attending the meeting via Zoom, it gives him the opportunity to review remote attendance.

C. Mayor Cooper

- i. Gave special thanks and recognition to Scott Duncan for his excellent job as Interim City Administrator. Welcomed Sonny Weathers as the new City Administrator.

D. City Administrator & City Staff

i. 2023 Final Budget Presentation – Koss Ronholt, Finance Director

1. Reviewed the transition document on page 11 of the budget packet.

- a. Councilmember Kennedy pointed out that the description of participants for the Public Safety Committee on page three does not match the chart on page four. Should reflect City Administrator, not Public Works Director.
- b. Councilmember Starr noted that she was identified as chair of the Finance Committee, but the chair was not identified for any of the other committees. Mr. Ronholt will make changes to identify the chair for each committee.
- c. Councilmember Kennedy had a question on page seven of the budget packet regarding the difference in revenues and expenditures. Mr. Ronholt addressed the question and explained how the additional expenditures would be covered utilizing cash reserves, namely ARPA funding.
- d. Mayor Cooper addressed the additional FTE's in the budget for WWTP and Parks and Rec Director.
- e. Councilmember Starr made a motion to make corrections to the budget document; pages three and four to reflect the City Administrator not Public Works Director for the Public Safety Committee and to add names of chairs to all committees. The motion was seconded by councilmember Kennedy and the motion carried 7-0.

ii. Sunshine Disposal Addendum to Contract – Koss Ronholt, Finance Director

1. Mr. Ronholt shared information regarding the new rate increase from Sunshine Disposal. Explained that the city will utilize reserves at this time and not pass on the increase to customers.
2. Councilmember Pritchard inquired about the possibility of individual yard waste bins as opposed to the singular large dumpster at the Public Works building. Mr. Ronholt stated that his understanding was the last time that subject came up, there wasn't enough public interest, so it wasn't offered. Mr. Ronholt will do a cost analysis to see if it is cost-effective for personal yard waste bins versus the large city yard waste dumpster. Mayor Cooper would like to workshop the topic at a future council meeting.

6. WORKSHOP DISCUSSION

A. Early Closure of City Hall

- i. Mayor Cooper shared her thoughts about early closure of City Hall on days prior to holidays and asked for input from the council. Council held a discussion and determined that the current practice will remain in place and no further action will be taken.

B. Remote Meeting Attendance Limits for Elected Officials

- i. Councilmember Kulibert discussed the current policy.
- ii. Mayor Cooper explained the current policy for absences from council/committee meetings as well as hybrid meetings (attending remotely). Asked the council for input.

C. The computer in the council chambers froze at this point and had to be restarted. Once Zoom restarted, councilmember Kulibert was not back on.

- i. Motion to excuse councilmember Kulibert made by councilmember Maxwell, seconded by councilmember Olmstead, motion carried 6-0.
- ii. Council determined to continue the remote meeting and absence discussion at a future meeting.

7. GENERAL BUSINESS

A. Consent Agenda

- i. Approve **November 15, 2022**, Regular Meeting and Public Hearing minutes
 1. Motion to approve November 15, 2022 minutes made by councilmember Kennedy, seconded by councilmember Pritchard. Motion carried 6-0.
- ii. Approve **December 6, 2022**, Claim Warrants **41900** through **41961** in the amount of **\$172,108.49**.
 1. Finance committee reviewed and recommended approval of warrants.
 2. Motion to approve warrants made by councilmember Starr, seconded by councilmember Kennedy, motion carried 6-0.

B. Action Items

- i. Winterfest Fireworks Permit
 1. Motion to accept permit made by councilmember Kennedy, seconded by councilmember Harbolt, motion carried 7-0.
- ii. Councilmember Kulibert logged back into the meeting via Zoom.
 1. Motion to strike the motion to excuse councilmember Kulibert made by councilmember Kennedy, seconded by councilmember Starr, motion carried 6-0, with councilmember Kulibert not voting.

8. PUBLIC HEARING / APPEALS

A. 2023 Final Budget Public Hearing

- i. Mayor Cooper opened the hearing at 8:07 pm.
 1. Councilmember Pritchard thanked Mr. Ronholt again for transparency in his work on the budget.
 2. Lahnne Henderson 611 E Ladd – Stated that the transition document was not in the packets that were printed for the public. Commented on budget and questioned how it will be balanced. Shared concerns for how future years will balance. Mr. Ronholt addressed questions and concerns and explained the budget-setting process.
 3. Mayor Cooper closed the public hearing at 8:12 pm.

9. RESOLUTIONS

A. Resolution 22-553 2023 Administrative Fees

- i. Motion to approve Resolution 22-553 made by councilmember Starr, seconded by councilmember Maxwell. Motion carried 5-2 with councilmembers Pritchard and Kennedy voting nay.

B. Resolution 22-554 2023 Utility Fees

- i. Motion to approve Resolution 22-554 made by councilmember Pritchard, seconded by councilmember Kennedy. Motion carried 7-0.

- C. Resolution 22-556 Union Contract 2023-2027
 - i. Councilmember Kennedy had several questions that Mayor Cooper addressed.
 - ii. Mayor Cooper asked the council if any changes were wanted that she should take back to the Union to review.
 - iii. Councilmember Starr inquired if the boot allotment was enough. Mayor Cooper explained that the Union negotiated and agreed to the allotment.
 - iv. Motion to approve Resolution 22-556 made by councilmember Maxwell, seconded by councilmember Kulibert, motion carried 7-0.

- D. Resolution 22-557 Administrative Clerk Job Description
 - i. Motion to approve Resolution 22-557 made by councilmember Kennedy, seconded by councilmember Starr, motion carried 7-0.

10. ORDINANCES

- A. First Read Ordinance 1106 2023 Property Tax Levy Amendment
 - i. Mayor explained the reason for the amendment.
 - ii. Legal counsel read the ordinance
 - iii. Motion to waive the requirement for a second reading of this ordinance and have this reading serve as both first and second readings made by councilmember Maxwell, seconded by councilmember Starr. Motion carried 6-1 with councilmember Kennedy voting nay.
 - iv. Motion to pass Ordinance 1106 made by councilmember Harbolt, seconded by councilmember Pritchard. Motion carried 6-1 with councilmember Kennedy voting nay.

- B. First Read Ordinance 1105 2023 Final Budget
 - i. Legal counsel read the ordinance
 - ii. Motion to accept first read made by councilmember Starr, seconded by councilmember Olmstead. Motion carried 6-1 with councilmember Kennedy voting nay.

- C. Second Read Ordinance 1104 Zemler Street Vacation
 - i. Legal counsel read the ordinance
 - ii. Motion to approve Ordinance 1104 made by councilmember Kennedy, seconded by councilmember Harbolt. Motion carried 7-0.

11. EMERGENCY ORDINANCES – No items listed

12. UPCOMING AGENDA ITEMS

- A. City council meeting absences

13. INTERESTED CITIZENS: AUDIENCE REQUESTS AND COMMENTS

- A. Via Zoom Judy Mayulianos 608 S Lake Drive - question about Ordinance 1106 that had Liberty Lake instead of Medical Lake in the title. Mayor Cooper explained that the corrected Ordinance was included and approved earlier in the meeting.
- B. Ted Olson 810 E Collin Ave. – thanked the city for the sound system improvements. Expressed appreciation for the hard work done on the budget.

14. EXECUTIVE SESSION – None

15. CONCLUSION

- A. Motion to conclude meeting made by councilmember Pritchard, seconded by councilmember Harbolt. Motion carried 7-0 and meeting concluded at 8:44 pm.

Terri Cooper, Mayor

Koss Ronholt, Finance Director/City Clerk

DRAFT

**CITY OF MEDICAL LAKE
SPOKANE COUNTY, WASHINGTON
RESOLUTION NO. 22-558**

**A RESOLUTION OF THE CITY OF MEDICAL LAKE DESIGNATING
AUTHORIZED CREDIT CARD USERS FOR THE CITY OF MEDICAL LAKE,
WASHINGTON**

WHEREAS, Pursuant to City of Medical Lake Resolution 22-552, the City designated Spokane Teachers Credit Union (STCU) as its banking institution; and

WHEREAS, STCU requires a City Council resolution specifically identifying City Staff that are authorized to apply for a credit card; and

WHEREAS, it is recommended by City Staff that the City apply for a total credit card limit of \$25,000, with individual City Staff credit card limits set at \$5,000 per card.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDICAL LAKE, WASHINGTON as follows:

Section 1. Authorization. The following City Staff are authorized to apply for a City credit card with STCU:

Terri Cooper, Mayor
James “Sonny” Weathers, City Administrator
Scott Duncan, Public Works Director
John Steven Cooper, Wastewater Treatment Plant Director
Koss Ronholt, Finance Director

Section 2. Severability. If any section, sentence, clause, or phrase of this Resolution shall be found to be invalid by a court of competent jurisdiction, such invalidity shall not affect the remainder of said Resolution.

Section 3. Effective Date. This Resolution shall become effective immediately upon passage by the Medical Lake City Council.

ADOPTED this 20th day of December, 2022.

Mayor, Terri Cooper

Attest:

Approved as to Form:

Finance Director, Koss Ronholt

City Attorney, Sean P. Boutz

**CITY OF MEDICAL LAKE
SPOKANE COUNTY, WASHINGTON
RESOLUTION NO. 22-559**

**A RESOLUTION OF THE CITY OF MEDICAL LAKE APROVING A
PAYMENT PROCESSING SERVICE AGREEMENT WITH CSG FORTE
PAYMENTS FOR THE CITY OF MEDICAL LAKE, WASHINGTON**

WHEREAS, Pursuant to City of Medical Lake Resolution 22-555, the City entered into a bill mailing service agreement with The Master’s Touch, LLC on November 15, 2022; and

WHEREAS, The Master’s Touch, LLC provides eNotices for digital bill mailing and payment services that requires use of a payment processing company; and

WHEREAS, City Staff recommends the use of the services of CSG Forte Payments, a payment processing company integrated with eNotices.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDICAL LAKE, WASHINGTON as follows:

Section 1. Approval of Agreement. The Council hereby approves the Agreement in the form attached to this Resolution as Exhibit “A” and by reference incorporated herein.

Section 2. Authorization. The Mayor is authorized and directed to execute the Agreement on behalf of the City in substantially the form attached as Exhibit “A”. The Mayor and Finance Director/City Clerk are each hereby authorized and directed to take such further action as may be appropriate in order to affect the purpose of this Resolution and the Agreement authorized hereby.

Section 3. Severability. If any section, sentence, clause, or phrase of this Resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause, or phrase of this Resolution.

Section 4. Effective Date. This Resolution shall become effective immediately upon its adoption.

ADOPTED this 20th day of December, 2022.

Mayor, Terri Cooper

Attest:

Approved as to Form:

Finance Director, Koss Ronholt

City Attorney, Sean P. Boutz

PAYMENT PROCESSING AGREEMENT

This Payment Processing Agreement (“Agreement”), including all applicable appendices and addendums hereto, is entered into as of _____, 20__ (the “Effective Date”) by and between CSG Forte Payments, Inc. (“FORTE” or “Party”) a Delaware corporation and _____ (“AGENCY” or “Party”).

FORTE and its affiliates provide payment processing and related services including but not limited to Automated Clearing House (“ACH”), Credit and Debit Card processing, account verification and customer identification (collectively and individually, as applicable, the “Services”) to AGENCY who provides services to, or otherwise has a business relationship with, individuals and other entities (“Constituents”).

1. GENERAL

The Agreement shall consist of these terms and conditions, each of the Appendices attached hereto if applicable, and all modifications and amendments thereto. Under the terms of the Agreement, AGENCY will be furnished with the products and services described in the Agreement and attached Appendices, which are selected by Agency and approved by FORTE. For any terms herein that are specifically applicable to any particular product or service offered by FORTE, only the terms and conditions that apply to the specific Service(s) requested by Agency at any given time shall apply.

2. USAGE

2.1 Subject to the terms and conditions of this Agreement, FORTE hereby grants to AGENCY a non-exclusive and non-transferable license to access and use FORTE's products and services contracted for and AGENCY hereby accepts such license and agrees to utilize and access the Services in accordance with the practices and procedures established by FORTE. AGENCY may use the Services (a) for its own internal business purposes and operations, and/or (b) as a service provided to its Constituents, unless otherwise notified by FORTE. No license or right to use, reproduce, translate, rearrange, modify, enhance, display, sell, lease, sublicense or otherwise distribute, transfer or dispose of any of FORTE's Proprietary Property, as defined in Section 3 below, in whole or in part, is granted except as expressly provided by this Agreement. Neither AGENCY nor any of its affiliates shall reverse engineer, decompile or disassemble the Proprietary Property. Additionally, nothing in this Agreement shall be construed to provide AGENCY with a license of any third-party proprietary information or property.

2.2 AGENCY shall ensure that its Users comply with all applicable requirements of this Agreement. AGENCY is responsible for protecting the confidentiality of any and all passwords and credentials provided to AGENCY by FORTE for the purpose of utilizing the Services or other forms of access to AGENCY's accounts with FORTE. AGENCY is responsible for the security of its systems, locations and equipment used in processing transactions under this Agreement and for developing security procedures and training its employees on the procedures. AGENCY expressly assumes responsibility for the acts or omissions of all Users on its account(s) with FORTE, and for User access to FORTE's systems either directly or through software.

3. OWNERSHIP

All computer programs, trademarks, service marks, patents, copyrights, trade secrets, know-how, and other proprietary rights in or related to FORTE's products and services (the “Proprietary Property”), are and will remain the sole and exclusive property of FORTE, whether or not specifically recognized or perfected under applicable law. FORTE shall own all rights, title and interest, including all intellectual property rights, in and to any improvements to the existing FORTE products or services and/or any new programs, upgrades, modifications or enhancements developed by FORTE in connection with rendering any services to AGENCY (or any of its affiliates), even when refinements and improvements result from AGENCY's request. To the extent, if any, that ownership in such refinements and improvements does not automatically vest in FORTE by virtue of this Agreement or otherwise, AGENCY hereby expressly transfers and assigns (and, if applicable, shall cause its affiliates to transfer and assign) to FORTE all rights, title, and interest which AGENCY or any of its affiliates may have in and to such refinements and improvements. All reference to any of FORTE's service marks,

trademarks, patents or copyrights, or those of FORTE's partners or vendors, shall be made in compliance with the requirements, including periodic updates thereto, as provided at <http://www.forte.net/trademark>.

4. CONFIDENTIALITY

The Parties acknowledge that, by virtue of this Agreement, each has been and will continue to be entrusted with certain Confidential Information (as defined in Appendix A) pertaining to the other's business, including but not limited to proprietary information developed by, acquired by, or licensed to each Party. Each Party agrees that, except to the extent and in the manner necessary to perform its duties hereunder, it will not disclose to others or use for its own benefit any Confidential Information of the other Party and it will hold all Proprietary Property as defined herein confidential in perpetuity.

Additionally, in the course of providing and receiving the Services, each Party acknowledges that it may receive or have access to information which can be used to identify an individual consumer (including, without limitation, names, signatures, addresses, telephone numbers, e-mail addresses, payment history, and other unique identifiers) ("Personal Information"). As such, each Party shall: (i) keep all Personal Information in strict confidence, with the degree of care necessary to avoid unauthorized access, use or disclosure; (ii) use Personal Information solely and exclusively for the purposes provided in this Agreement; (iii) implement administrative, physical and technical safeguards to protect Personal Information that are at least as rigorous as accepted industry practices; (iv) as applicable, have in place a program that complies with applicable legal requirements regarding Personal Information.

Except with respect to Personal Information, this section will not apply to Confidential Information that (i) was already available to the public at the time of disclosure, (ii) becomes generally known to the public after disclosure to the other party, through no fault of the other party, (iii) is disclosed under force of law, governmental regulation or court order, (iv) is required to be disclosed by a banking partner, an Acquirer or an applicable Payment Association.

5. TERM AND TERMINATION

5.1 **Term.** This Agreement shall have an initial term of three (3) years. Thereafter, this Agreement will automatically renew for additional one (1) year terms unless either Party provides thirty (30) days' prior written notice of termination to the other Party.

5.2 **Termination.** In the event of a material breach of this Agreement by one Party and failure to cure within thirty (30) days of receipt of written notice of the breach, the other Party may terminate immediately by providing written notice of termination. Additionally, FORTE may immediately terminate this Agreement without prior notice in the event that (i) there is a material adverse change to AGENCY or its financial condition; or (ii) AGENCY experiences excessive chargebacks; or (iii) AGENCY experiences an actual or suspected data security breach; or (iv) AGENCY violates any applicable Law, Rule or Regulation; or (v) if FORTE is instructed to terminate by Financial Institution, Acquirer or Payment Association.

6. TRANSACTION PROCESSING

6.1 **Accepting Transactions.** FORTE shall process Credit Card, Debit Card and ACH Transactions on the AGENCY's behalf on a 24-hour basis. Transactions which are received before the daily designated cut-off time will be originated for settlement through the corresponding Payment Network. Transactions which are received after the designated cut-off time will be included in the next business day's settlement processing.

6.1.1 **Sale Transactions.** If a Transaction is sent to FORTE as a sale of goods or services, it will automatically be captured for settlement in time for the next designated cut-off time.

6.1.2 **Auth/Capture Transactions.** If a Transaction is sent to FORTE for authorization only or for delayed processing, then it will be the responsibility of AGENCY to submit a corresponding "capture" Transaction within 48 hours of the authorization in order to complete the Transaction process for settlement. Transactions which are not captured within 48 hours of Authorization are untimely and may be rejected by FORTE.

6.2 **Transaction Format.** FORTE is responsible only for processing Transactions which are received and

approved by FORTE in the proper format, as established by FORTE.

6.2.1 **Card Not Present Transactions.** For card-based transactions in which the card is not present, AGENCY must obtain and include as part of the authorization request the 3 or 4 digit Validation Code and cardholder's billing address information.

6.3 **AGENCY Account.** In order to provide transaction processing services, FORTE may need to establish one or more service accounts on AGENCY's behalf or require AGENCY to establish a service account with a third party provider sub-contracting with FORTE.

6.4 **Limited-Acceptance Agency.** If appropriately indicated on AGENCY's application attached hereto, AGENCY may be a Limited-Acceptance Agency, which means that AGENCY has elected to accept only certain Visa and MasterCard card types (i.e., consumer credit, consumer debit, and commercial cards) and must display appropriate signage to indicate the same. FORTE and its associated credit card acquirer have no obligation other than those expressly provided under the Payment Association Operating Regulations and applicable law as they may relate to limited acceptance. AGENCY, and not FORTE or Acquirer, will be solely responsible for the implementation of its decision for limited acceptance, including but not limited to policing the card type(s) accepted at the point of sale.

6.5 **Bona Fide Sales.** AGENCY shall only complete sales transactions produced as the direct result of bona fide sales made by AGENCY to cardholders, and is expressly prohibited from processing, factoring, laundering, offering, and/or presenting sales transactions which are produced as a result of sales made by any person or entity other than AGENCY, or for purposes related to financing terrorist activities.

6.6 **Setting Limits on Transaction Amount.** AGENCY may set a minimum transaction amount to accept a card that provides access to a credit account, under the following conditions: i) the minimum transaction amount does not differentiate between card issuers; ii) the minimum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand; and iii) the minimum transaction amount does not exceed ten dollars (or any higher amount established by the Federal Reserve). AGENCY may set a maximum transaction amount to accept a card that provides access to a credit account, under the following conditions: AGENCY is a i) department, agency or instrumentality of the U.S. government; ii) corporation owned or controlled by the U.S. government; or iii) agency whose primary business is reflected by one of the following MCCs: 8220, 8244, 8249 –Schools, Trade or Vocational; and the maximum transaction amount does not differentiate between MasterCard, Visa, or any other acceptance brand.

6.7 **Modifying Transactions.** AGENCY shall regularly and promptly review all Transactions and shall immediately notify FORTE upon discovery of any and all discrepancies between the records of AGENCY compared with those provided by FORTE or AGENCY's bank, or with respect to any Transaction that AGENCY believes was made erroneously or without proper authorization. At AGENCY's request, FORTE will make commercially reasonable efforts to reverse, modify, void or delete a Transaction after it has been submitted for settlement. All requests must be made in writing (electronic mail will be deemed as "in writing" for these purposes), signed or sent by an individual pre-authorized by AGENCY to make such requests, and delivered to FORTE. AGENCY agrees that FORTE will not be held responsible for any losses, directly or indirectly, incurred by AGENCY or other third parties as a result of FORTE's failure to accomplish the request before the Transaction has been processed through the applicable Payment Network.

6.8 **Delay or Rejection of Transactions.** FORTE may delay or reject any Transaction without prior notification to AGENCY which is improperly formatted, is untimely, is missing information, which may cause it to downgrade or if FORTE has reason to believe such Transaction is fraudulent or improperly authorized or for any reason permitted or required under the Rules or Regulations. FORTE shall have no liability to AGENCY by reason of the rejection of any such Transaction.

6.9 **Returned Items.** FORTE shall make available to AGENCY details related to the receipt of any Transaction that is returned unpaid or Transaction which is charged back and shall credit or charge such returned item to AGENCY's Settlement Account.

6.10 **Chargebacks.** AGENCY acknowledges and agrees that it is bound by the Rules and Regulations of the Payment Associations with respect to any Chargeback. AGENCY understands that obtaining an authorization for any sale shall not constitute a guarantee of payment, and such sales can be returned or charged back to AGENCY like any other item hereunder. In the event a Transaction is charged back, for any reason, the amount of such

Transaction will be deducted from AGENCY's designated Settlement Account or any payment due to AGENCY.

6.11 Excessive Chargebacks. Using limits established by Associations as a standard for review, FORTE reserves the right to suspend and/or terminate AGENCY's access to the Services should AGENCY's chargeback ratio exceed allowable limits in any given period. FORTE will make reasonable efforts to provide AGENCY with notice and a time to cure its excessive chargebacks prior to suspending or terminating AGENCY's access to the Services. AGENCY acknowledges and expressly authorizes FORTE, in compliance with Payment Association Rules and Regulations, to provide to the Payment Associations and applicable regulatory bodies, AGENCY's name and contact information as well as transaction details should AGENCY's chargeback ratio exceed the allowable limits in any given period.

6.12 Resubmitting Transactions. AGENCY shall not re-submit any Transaction unless it is returned as (i) Insufficient funds (R01); or (ii) Uncollected funds (R09); or unless a new authorization is obtained from Constituent.

6.13 Settlement. Settlement of AGENCY's funds for Transactions, less any Chargebacks or Returns, to AGENCY's designated Settlement Account will occur within 72 hours of origination excluding weekends and US federal banking holidays. Settlement of Transactions will occur via electronic funds transfer over the ACH Network. Upon receipt of Agency's sales data for card transactions through FORTE's Services, Acquirer will process AGENCY's sales data to facilitate the funds transfer between the various Payment Associations and AGENCY. After Acquirer receives credit for such sales data, Acquirer will fund AGENCY, either directly to the AGENCY-Owned Designated Account or through FORTE to an account designated by FORTE ("FORTE Designated Account"), at Acquirer's sole option, for such card transactions. AGENCY agrees that the deposit of funds to the FORTE Designated Account shall discharge Acquirer of its settlement obligation to AGENCY, and that any dispute regarding the receipt or amount of settlement shall be between FORTE and AGENCY. Acquirer will debit the FORTE Designated Account for funds owed to Acquirer as a result of the Services provided hereunder, unless an Agency-owned account is otherwise designated by AGENCY. Further, if a cardholder disputes a Transaction, if a Transaction is charged back for any reason, or if FORTE or Acquirer reasonably believe a Transaction is unauthorized or otherwise unacceptable, the amount of such Transaction may be charged back and debited from AGENCY if settled to an Agency-owned account or debited from the FORTE Designated Account if settled to that account.

6.14 Provisional and Final Payment. AGENCY, AGENCY's third party senders (if applicable), and/or AGENCY's agent(s) understand and agree that Entries may be transmitted through the ACH Network, that payment of an Entry by the RDFI to the Receiver is provisional until receipt by the RDFI of final settlement for such Entry, and that if such settlement is not received, then the RDFI will be entitled to a refund from the Receiver of the amount credited and AGENCY will not be deemed to have paid the Receiver the amount of the Entry. The rights and obligations of AGENCY concerning the Entry are governed by and construed in accordance with the laws of the state in which the processing ODFI is located, unless AGENCY and FORTE have agreed that the laws of another jurisdiction govern their rights and obligations.

6.15 Reporting. FORTE will make daily origination and deposit reports available to AGENCY on a 24/7 basis through the Internet-based FORTE platform.

7. TRANSACTION AUTHORIZATION

7.1 Constituent Authorization. AGENCY shall obtain authorization from Constituent prior to requesting a Transaction to or from Constituent's account.

7.2 Retention. AGENCY shall retain proof of Constituent's authorization for a period of not less than two (2) years for standard Transactions and for a period of five (5) years for health-related Transactions from the authorization date or revocation of authorization date and shall provide such proof of authorization to FORTE upon request within five (5) business days of the request.

7.3 Revoked Authorization. AGENCY shall cease initiating Transactions to or from a Constituent's account immediately upon receipt of any actual or constructive notice of that Constituent's termination or revocation of authorization. AGENCY may re-initiate Transactions to or from a Constituent's account only upon receiving new authorization from the Constituent.

8. AGENCY PROHIBITIONS

AGENCY must not i) require a cardholder to complete a postcard or similar device that includes the cardholder's account number, card expiration date, signature, or any other card account data in plain view when mailed, ii) add any tax to Transactions, unless applicable law expressly requires that AGENCY impose a tax (any tax amount, if allowed, must be included in the Transaction amount and not collected separately), iii) request or use an account number for any purpose other than as payment for its goods or services, iv) disburse funds in the form of travelers checks if the sole purpose is to allow the cardholder to make a cash purchase of goods or services from AGENCY, v) disburse funds in the form of cash unless AGENCY is dispensing funds in the form of travelers checks, TravelMoney cards, or foreign currency (in such case, the Transaction amount is limited to the value of the travelers checks, TravelMoney cards, or foreign currency, plus any commission or fee charged by AGENCY), or AGENCY is participating in a cash back service, vi) submit any Transaction receipt for a Transaction that was previously charged back to the Acquirer and subsequently returned to AGENCY, irrespective of cardholder approval, vii) accept a Visa consumer credit card or commercial Visa product issued by a U.S. issuer to collect or refinance an existing debt that has been deemed uncollectable by AGENCY, or ix) submit a Transaction that represents collection of a dishonored check. AGENCY further agrees that, under no circumstance, will AGENCY store cardholder data in violation of the Laws or the operating regulations of any Payment Association including but not limited to the storage of track-2 data. Neither AGENCY nor its agent shall retain or store magnetic-stripe data subsequent to the authorization of a sales Transaction.

9. AUTHORIZATION

9.1 **ACH Authorization.** AGENCY authorizes FORTE to electronically debit and credit AGENCY's designated bank account(s) for any amounts owed to or by AGENCY in accordance with the terms of this Agreement.

9.2 **Third Party Service Provider.** If AGENCY uses the Services through or in conjunction with a third party service provider that is not a party to this Agreement, AGENCY authorizes FORTE to provide _____ ("Partner") with its FORTE merchant account information and credentials. If applicable, AGENCY authorizes Partner to originate Transactions and receive the corresponding results on its behalf.

10. CONSTITUENT DISPUTES

All disputes between AGENCY and its Constituent (s) relating to any Transaction processed under this Agreement will be settled by and between AGENCY and Constituent. AGENCY agrees that FORTE bears no responsibility or involvement in any such dispute.

11. COMPLIANCE WITH LAWS, RULES AND REGULATIONS

In performing its duties under this Agreement, each Party agrees to comply with all applicable Rules, Regulations and Laws, including but not limited to all confidentiality and security requirements of the USA Patriot Act (or similar law, rule or regulation), all Rules of any applicable Payment Associations, all requirements under the Payment Card Industry Data Security Standard (or similar applicable data security law, rule or regulation) including but not limited to the VISA Cardholder Information Security Program, the MasterCard Site Data Protection Program, and any other program or requirement that may be published and/or mandated by the Associations. Each Party agrees to cooperate and provide information reasonably requested by the other to facilitate its compliance with any applicable Law, Rule or Regulation. Additionally, should a Payment Association or regulatory body impose a fee or fine on AGENCY for any violation of the Rules or Laws by AGENCY, such fee or fine may be charged to FORTE as a pass-through to AGENCY. If any such fee or fine is charged to FORTE, AGENCY shall reimburse FORTE for any such fees or fines.

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12. PRICING AND PAYMENT

12.1 FORTE will provide the Services in accordance with the fees listed on the Pricing Schedule(s) attached hereto or any amendments thereto. Pricing which utilizes an Absorbed Fee Model will be billed to the AGENCY

monthly in arrears and will automatically be debited from AGENCY's designated account via ACH Debit. Pricing which utilizes a Service Fee Model will result in a processing fee being charged to the Constituent in the form of a non-refundable service fee which is either (i) added to; or (ii) charged as a separate transaction to the Constituent at the time of payment.

12.2 Pricing which utilizes a flat service fee model are calculated based on historical or estimated transactional amount activity by AGENCY. In the event that experiential transaction activity varies significantly from the historical or estimated amounts, FORTE shall have the right to adjust the service fee in accordance to the experiential transaction activity.

12.3 FORTE's pricing is subject to the underlying fees established by the Payment Associations and its service providers. As such, in the event FORTE experiences an increase in cost for any processing services utilized by AGENCY during any term of this Agreement, FORTE will pass through the increases with no additional markup to AGENCY. FORTE will provide AGENCY a minimum of thirty (30) days' notice of any change or adjustment in fees.

13. LIMITS OF LIABILITY

13.1 Neither Party shall be liable to the other Party or to any third party for any special, consequential, incidental or punitive damages of any kind or nature incurred in relation to this Agreement. The amount of damages recoverable by either Party from the other will not exceed that Party's actual, direct damages and will be limited to the amount of the average monthly fees and charges paid by AGENCY for the Service for the immediate three (3) month period prior to the event giving rise to the applicable claim. Neither Party will be liable for failure to perform any of its obligations under this Agreement if such performance would result in it being in breach of any Law, Rule or requirement of any governmental authority. The provisions of this section will survive the termination of this Agreement.

13.2 FORTE shall not be held responsible for errors, acts or failures to act of others, including, and among other entities, banks, other processors, communications carriers or clearing houses through which Transactions may be originated or through which FORTE may receive or transmit information, and no such entity shall be deemed an agent of FORTE.

14. REPRESENTATIONS AND WARRANTIES.

14.1 **FORTE's Representations and Warranties.** FORTE makes no representations or warranties concerning its services except as may be specifically authorized, in writing, or set out herein.

14.1.1 FORTE hereby warrants that its software solutions and services will perform in accordance with their published specifications in all material respects.

14.1.2 FORTE further warrants that in performing its obligations hereunder, it shall exercise due care and reasonable efforts to ensure that information originated by AGENCY is transmitted accurately.

14.2 **AGENCY's Representations and Warranties.** AGENCY represents and warrants to FORTE that:

14.2.1 If applicable, with respect to all Transactions originated by FORTE on behalf of AGENCY that (i) each Transaction in all respects has been properly authorized by Receiver; (ii) each Transaction is for an amount agreed to by the Receiver and; (iii) AGENCY shall provide proof of authorization in compliance with applicable Rules for any Transaction to FORTE upon request within five (5) Business Banking Days.

14.2.2 AGENCY agrees to adhere to the warranties within the applicable Rules for each Transaction FORTE processes on AGENCY's behalf.

14.3 **Mutual Representations and Warranties.** Each Party represents and warrants to the other that:

14.3.1 The execution of this Agreement does not violate any applicable international, federal, state, or local law, Payment Network rule or contract to which such Party is subject.

14.3.2 There are no actions, suits or proceedings existing or pending against or affecting it before any judicial or regulatory authority which would have a material adverse effect on its ability to perform its obligations hereunder.

14.3.3 When executed and delivered, this Agreement will constitute a legal, valid, and binding obligation, enforceable in accordance with its terms.

15. FORTE SERVICE POLICY.

FORTE makes no representations or warranties concerning its services except as may be specifically authorized, in writing, or set out herein. AGENCY acknowledges and understands that FORTE does not warrant that the Services will be uninterrupted or error free and that FORTE may occasionally experience delays or outages due to disruptions that are not within FORTE’s control. Any such interruption shall not be considered a breach of the Agreement by FORTE. FORTE shall use its best efforts to remedy any such interruption in service as quickly as possible.

16. FORCE MAJEURE

Neither Party shall be liable for, or be considered in breach of or default under the Agreement on account of any delay or failure to perform its obligations hereunder as a result of any causes or conditions that are beyond such Party's reasonable control and that such Party is unable to overcome through the exercise of commercially reasonable diligence. If any force majeure event occurs, the affected Party shall give prompt written notice to the other Party and shall use all commercially reasonable efforts to minimize the impact of the event.

17. ASSIGNMENT

The rights granted under this Agreement shall not be assigned by either Party without the prior written consent of the other Party, which shall not be unreasonably withheld.

18. CHOICE OF LAW

This Agreement shall be governed by and construed in accordance with the internal laws of the State of _____ . Merchant hereby agrees that claims applicable to American Express may be resolved through arbitration as further described in the American Express Merchant Operating Guide, see Appendix D, Section 4 herein.

19. AMENDMENT

Except as otherwise provided for herein, the terms and conditions of this Agreement shall not be modified or amended except in writing, signed by the parties hereto and specifically referring to this Agreement.

20. PUBLICITY

Neither Party shall use the other Party’s name, logo or service marks in conjunction with a press release or advertisement without first obtaining written approval.

21. NOTICE

Any notice required to be given by either Party hereunder, shall be in writing and delivered personally to the other designated Party, or sent by any commercially reasonable means of receipted delivery, addressed, to that Party at the address most recently provided in writing. Either Party may change the address to which notice is to be sent by written notice to the other under any provision of this paragraph.

Notices to FORTE:

CSG Forte Payments, Inc.
500 W. Bethany Drive
Suite #200
Allen, TX 75013
Attn: General Counsel

Notices to AGENCY:

22. HEADINGS

The headings contained in this Agreement are for convenience of reference only and shall not affect the meaning

of any provision of this Agreement.

23. SEVERABILITY

Should any term, clause or provision herein be found invalid or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity or operation of any other term, clause or provision and such invalid term, clause or provision shall be construed to most closely reflect the original intent of the parties.

24. ENTIRE AGREEMENT; WAIVER; COUNTERPARTS

This Agreement constitute the entire understanding of the Parties, and revoke and supersede all prior agreements between the Parties and are intended as a final expression of their agreement. Either Party's waiver of any breach of any provision of this Agreement shall not be deemed a waiver of any subsequent breach of same or other provision. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one instrument.

IN WITNESS WHEREOF, the undersigned, being duly authorized thereto by their respective organizations, have executed this Agreement as of the date set forth below.

CSG FORTE PAYMENTS, INC:

AGENCY:

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

APPENDIX A DEFINITIONS

ACH Network – Automated Clearing House Network is a batch processing, store-and-forward system that accumulates and distributes ACH transactions that are received from ODFI (defined below) and are forwarded to the specified RDFI (defined below) according to the specific schedules established by the participants.

Acquirer – A sponsoring financial institution or payment processor that enters into an agreement which enables merchants or their Agent(s) to submit Transactions to a payment network.

Affiliate – A business entity effectively controlling or controlled by another or associated with others under common ownership or control.

Agent Any director, officer, employee, representative, affiliate, third-party vendor or any other person acting on behalf of the Merchant with the actual, implied or apparent authority of Merchant.

Business Banking Day – Monday through Friday excluding banking holidays.

Chargeback – A Transaction that is rejected by the owner of the account debited or charged because a dispute exists between the Originator of the Transaction (typically a Merchant) and the account owner.

Confidential Information - Confidential Information may include information regarding all of the computer software and technologies, systems, structures, architectures, processes, formulae, compositions, improvements, devices, know-how, inventions, discoveries, concepts, ideas, designs, methods, and information and databases developed, acquired, owned, produced or practiced at any time by a Party or any affiliate thereof, including software programs and documentation licensed by third parties to the disclosing Party, any business or financial information directly or indirectly related to the disclosing Party's company(s) or investments or

its internal administrative, billing and accounting systems, customer and vendor lists and information, employee personnel information and policies and procedures, information regarding the disclosing Party's products and services that is not generally available to the public.

Credit Entry (or "Entry") – An ACH/EFT Transaction that is intended to deposit funds into a Receiver's (defined below) account which has been withdrawn from Merchant's Settlement Account (defined below).

Debit Entry (or "Entry") – An ACH/EFT Transaction that is intended to withdraw funds from a Receiver's account for deposit into Merchant's Settlement Account (defined below).

Laws – All international, national, regional and local regulations or laws which are applicable to the services provided herein.

NACHA – National Automated Clearing House Association responsible for establishing, revising and enforcing the Operating Rules for the US ACH Network.

ODFI – Originating Depository Financial Institution is the financial institution that receives ACH Transactions from Merchant through FORTE and then forwards these Transactions (defined below) to the ACH Network.

Originator – A Merchant who has contracted with FORTE to initiate ACH entries, on their behalf, to the ACH Network.

Payment Association – Any entity governing a payment network, including but not limited to VISA, M/C, Discover, American Express, NACHA, CPA.

PCI-DSS – System security measures established by the various credit card companies, known as the Payment Card Industry Data Security Standards.

RDFI – Receiving Depository Financial Institution is the financial institution that receives the ACH Transactions from the ODFI through the ACH Network and posts these Transactions to the accounts of Receivers (defined below).

Receiver – An entity or individual consumer that has an established account with a card issuer or financial institution upon which a Transaction is or may be acted upon.

Reserve – A specific amount of money that is held in your Merchant account to be used by FORTE to offset amounts owed to FORTE for Services provided, such as returned items, chargebacks, fees/fines, billing or other Merchant obligations to FORTE that FORTE is unable to collect from Merchant.

Returned Entries – Any Transaction that is not able to be completed successfully and is returned/rejected back to the Originator.

Rules – The operational rules, policies and procedures established by each applicable Payment Association to govern all transactions and parties that participate in the associated payment network.

Settlement Account – An account established and maintained by Merchant with a financial institution through which the following may occur: (a) deposit of funds for Debit Entries, (b) the extractions of funds for Credit Entries, reserve funds or fee obligations unless otherwise agreed to by the parties.

Settlement Entry – A Debit or Credit Entry to Merchant's Settlement Account which corresponds to the net amount owed Merchant by FORTE at the end of each Business Banking Day.

Transactions – Any transfer of data or information to FORTE in a format pre-approved by FORTE, including but not limited to payment, verification and authentication items.

Users - All individuals who access a FORTE website or utilize any portion of the FORTE Services on behalf of Merchant directly or through software that accesses the FORTE systems through Merchant's systems, by using Merchant's access credentials or any other access reasonably presumed to be on behalf of Merchant.

APPENDIX B
ACCOUNT VERIFICATION AND AUTHENTICATION SERVICES

1. Representation by Agency. Each request for data through the verification and authentication services shall constitute a representation, warranty and certification by Agency that the data (i) shall be used and disclosed only in accordance with the terms of the Agreement, and in accordance with any applicable Rules or Laws; and (ii) shall be used solely for the intended use as stated by Agency on the application and that use is in compliance with the permissible uses under the Fair Credit Reporting Act (“FCRA”) as provided in the FCRA Requirements Addendum located at <http://www.forte.net/fair-credit-reporting-act>; (iii) Agency will follow proper procedures for adverse action notification to its Constituents, as provided by the FCRA Requirements Addendum; and (iv) Agency acknowledges it has implemented security measures to prohibit the unauthorized access to the information provided.

2. Use of Services.

2.1 AGENCY SHALL USE THE VERIFICATION SERVICES ONLY IN CONNECTION WITH PAYMENTS PRESENTED TO AGENCY BY ITS CONSTITUENTS IN EXCHANGE FOR GOODS OR SERVICES. AGENCY SHALL NOT RESELL THE VERIFICATION DATA OR SERVICES TO ANY THIRD PARTIES.

2.2 Agency understands and agrees that it cannot decline services to a consumer or customer after receiving an approval result from FORTE on a verification inquiry unless Agency is declining based on other grounds and/or information. Further, if Agency does decline services to a FORTE approved consumer or customer based on alternate information, Agency shall not provide FORTE’s contact information as recourse for the consumer to pursue a dispute of the result under FCRA Adverse Action requirements.

2.3 Agency shall provide to FORTE, as part of a verification inquiry, the accurate amount for each transaction Agency wants to verify.

3. Retention of Data. Agency acknowledges and agrees that it shall not retain, store, compile or aggregate the results of verification or authentication inquiries received from FORTE except as required by applicable law or to perform its obligations under this Agreement.

APPENDIX C
ACCOUNT UPDATER SERVICES

- 1. Description of Services.** Participating Visa/MasterCard Issuers submit their account changes to the Account Updater Database. On a monthly basis, FORTE will compare all of AGENCY's recurring tokenized transactions against the Account Updater Database. FORTE will then update the tokenized card information on file with updated account information.
- 2. Agency Requirements for Account Updater Participation.**
 - a. AGENCY must be properly established and registered in the United States.
 - b. AGENCY must not have been disqualified from participating in the Visa, MasterCard, American Express, or Discover programs.
 - c. AGENCY must be in compliance with all Card Association Operating Regulations.
 - d. AGENCY must submit inquiries only for those accounts with which the merchant has an ongoing customer relationship and customer's authority to submit such payments.
 - e. AGENCY may not request authorization on accounts that have returned "Contact Cardholder" or "Closed."
 - f. AGENCY must not submit inquiries on behalf of any other entity.
 - g. AGENCY assumes all risk associated with the use of the Account Updater Service. FORTE shall have no liability whatsoever to AGENCY for any liability associated with the Account Updater Service, including but not limited to the accuracy or completeness of the information provided via the Account Updater Service.

APPENDIX D
AMERICAN EXPRESS CARD ACCEPTANCE

1. Merchant hereby acknowledges and agrees that for purposes of acceptance of American Express, the American Express Merchant Operating Guide and any amendments thereto (the “Operating Guide”) is hereby incorporated by reference into this Agreement and can be found at www.americanexpress.com/merchantopguide.

All capitalized terms found in this section shall have the attributed meaning from the Operating Guide.

2. Merchant hereby acknowledges and agrees that it is not a party to any agreement between FORTE and American Express.

3. Merchant hereby authorizes FORTE and/or Acquirer to submit American Express transactions to, and receive settlement from, American Express on behalf of Merchant. Merchant must accept the American Express card as payment for goods and services (other than those goods and services prohibited under the Operating Guide) sold, or (if applicable) for charitable contributions made, at all of its establishments, except as expressly permitted by applicable Law. Merchant is jointly and severally liable for the obligations of Merchant’s establishments under the Agreement. For the avoidance of doubt, “cardholder” as used in this Agreement shall include Cardmembers as defined in the Operating Guide.

4. Merchant hereby acknowledges and agrees that (i) FORTE or Acquirer may disclose American Express Transaction Data (which for purposes of this section shall have the same definition as “Transaction Data” in the Operating Guide), Merchant Data (as defined below), and other information about Merchant to American Express, (ii) American Express may use such information to perform its responsibilities in connection with the American Express Program, promote the American Express Network, perform analytics and create reports, and for any other lawful business purpose, including marketing purposes, and (iii) American Express may use the information obtained in this application at the time of setup to screen and/or monitor Merchant in connection with American Express Card (the “Card”) marketing and administrative purposes. If Merchant has provided a wireless phone number in connection with this Agreement, Merchant hereby agrees that it may be contacted at that number and the communications sent may include autodialed text messages or automated prerecorded calls. If Merchant has provided a fax number, Merchant hereby agrees that it may be sent fax communications. To opt out of American Express-related marketing communications, Merchant may contact FORTE customer service as described in this Agreement. For purposes of this section, “Merchant Data” means names, postal and email addresses, tax ID numbers, names and social security numbers of the authorized signer of Merchant and similar identifying information about Merchant. For clarification, Merchant Data does not include American Express Transaction Data.

5. Merchant will adhere to the following website information display guidelines in the event Merchant has a website and/or operates an e-commerce business. Merchant’s website must display the following:

- An accurate description of the goods/services offered, including the currency type for the Transaction (e.g., U.S. Dollars). Note: Transaction currency must be in U.S. Dollars.
- Merchant's physical address in the U.S.
- An email address or telephone number for customer service disputes.
- Return/refund policy.
- A description of Merchant's delivery policy (e.g., no overnight delivery).
- A description of Merchant's security practices (e.g., information highlighting security practices Merchant uses to secure Transactions on its systems, including Transactions conducted on the Internet).
- A statement of known export restrictions, tariffs, and any other regulations.

- A privacy statement regarding the type of personal information collected and how the information is used. Additionally, Merchant must provide to customers the option to decline being included in marketing campaigns or having their personal information included on lists sold to third parties.

6. Merchant hereby agrees that, in the event that Merchant becomes a High Charge Volume Merchant (as defined below), Merchant will be converted from the American Express Program to a direct American Express Card acceptance relationship with American Express, and upon such conversion, (i) Merchant will be bound by American Express' then-current card acceptance agreement, and (ii) American Express will set pricing and other fees payable by Merchant for American Express Card acceptance. "High Charge Volume Merchant" for purposes of this section means an American Express Program Merchant with either (i) greater than \$1,000,000 in American Express charge volume in a rolling twelve (12) month period or (ii) greater than \$100,000 in American Express charge volume in any three (3) consecutive months. For clarification, if Merchant has multiple establishments, the American Express charge volume from all establishments shall be summed together when determining whether Merchant has exceeded the thresholds above.

7. Except as expressly permitted by applicable Law, Merchant must not: (a) indicate or imply that Merchant prefers, directly or indirectly, any Other Payment Products over the Card, (b) try to dissuade Cardmembers from using the Card, (c) criticize or mischaracterize the Card or any of American Express' services or programs, (d) try to persuade or prompt Cardmembers to use any Other Payment Products or any other method of payment (e.g., payment by check), (e) impose any restrictions, conditions, disadvantages, or fees when the Card is accepted that are not imposed equally on all other payment products, except for electronic funds transfer, cash or check, (f) suggest or require Cardmembers to waive their right to dispute any Transaction, (g) engage in activities that harm American Express' business or the American Express Brand (or both), (h) promote any Other Payment Products (except, if applicable, Merchant's own private label card that it issues for use solely at its Establishments) more actively than Merchant promotes the Card, or (i) convert the currency of the original sale Transaction to another currency when requesting Authorization or submitting Transactions (or both).

8. Merchant may offer discounts or in-kind incentives from its regular prices for payments in cash, ACH funds transfer, check, debit card, or credit/charge card, provided that (to the extent required by applicable Law): (i) Merchant clearly and conspicuously discloses the terms of the discount or in-kind incentive to its customers, (ii) the discount or in-kind incentive is offered to all of Merchant's prospective customers, and (iii) the discount or in-kind incentive does not differentiate on the basis of the Issuer or, except as expressly permitted by applicable state statute, payment card network (e.g., Visa, MasterCard, Discover, JCB, American Express). The offering of discounts or in-kind incentives in compliance with the terms of this paragraph will not constitute a violation of the provisions set forth Section 3.2 of the Operating Guide.

9. Whenever payment methods are communicated to customers, or when customers ask what payments are accepted, Merchant must indicate its acceptance of the Card and display American Express' Marks (including any Card application forms provided to Merchant) as prominently and in the same manner as any Other Payment Products. Merchant must not use American Express' Marks in any way that injures or diminishes the goodwill associated with the American Express Mark, nor in any way (without American Express' prior written consent) indicate that American Express endorses Merchant's goods or services. Merchant shall use the American Express brand and marks in accordance with the requirements set forth in the Operating Guide and shall remove the American Express brand and marks from Merchant's website and wherever else they are displayed upon termination Merchant's acceptance of American Express cards.

10. Any and all Cardmember Information is confidential and the sole property of the Issuer, American

Express or its Affiliates. Except as otherwise specified, Merchant must not disclose Cardmember Information, nor use nor store it, other than to facilitate Transactions in accordance with this Agreement. For more information, refer to the Operating Guide, Section 4.2, "Completing a Transaction at the Point of Sale" and Chapter 8, "Protecting Cardmember Information".

11. Merchant shall not assign to any third party any American Express-related payments due to it under this Agreement, and all indebtedness arising from American Express Charges (as defined below) will be for bona fide sales of goods and services (or both) at its establishments (as defined below) and free of liens, claims, and encumbrances other than ordinary sales taxes; provided, however, that Merchant may sell and assign future American Express transaction receivables to FORTE, its affiliated entities and/or any other cash advance funding source that partners with FORTE or its affiliated entities, without consent of American Express.

12. Merchant hereby agrees that American Express shall have third party beneficiary rights, but not obligations, to enforce this Agreement as against Merchant to the extent applicable to American Express processing. Merchant understands and agrees that it shall have no third party beneficiary rights under any agreement between FORTE and American Express and/or Acquirer. Merchant shall maintain refund policies for purchases on the American Express card that are at least as favorable as its refund policy for purchases on any other payment product. Merchant will disclose any such refund policy to Cardmembers at the time of purchase and in compliance with the Operating Guide and all applicable Laws. Merchant's termination of American Express Card acceptance shall have no direct or indirect effect on Merchant's rights to accept other card brands. To terminate American Express acceptance, Merchant may contact FORTE customer service as described in this Agreement.

13. Without limiting any other rights provided herein, FORTE and/or Acquirer shall have the right to immediately terminate Merchant's acceptance of American Express cards upon request of American Express. Merchant may not bill or collect from any Cardmember for any purchase or payment on the Card unless a chargeback has been exercised, Merchant has fully paid for such charge, and it otherwise has the right to do so. Merchant will comply with all procedural requirements relating to chargebacks, as provided in the Operating Guide, Chapter 11.

14. American Express Liability. SPONSORED MERCHANT ACKNOWLEDGES AND AGREES THAT IN NO EVENT SHALL AMERICAN EXPRESS, ITS AFFILIATES, AGENTS, SUCCESSORS, OR ASSIGNS BE LIABLE TO SPONSORED MERCHANT FOR ANY DAMAGES, LOSSES, OR COSTS INCURRED, INCLUDING INCIDENTAL, INDIRECT, SPECULATIVE, CONSEQUENTIAL, SPECIAL, PUNITIVE, OR EXEMPLARY DAMAGES OF ANY KIND (WHETHER BASED ON CONTRACT, TORT, INCLUDING NEGLIGENCE, STRICT LIABILITY, FRAUD, OR OTHERWISE, OR STATUTES, REGULATIONS, OR ANY OTHER THEORY), ARISING OUT OF OR IN CONNECTION WITH THE AGREEMENT.

**CITY OF MEDICAL LAKE
SPOKANE COUNTY, WASHINGTON
RESOLUTION NO. 22-561**

**A RESOLUTION OF THE CITY OF MEDICAL LAKE AMENDING THE
CODE ENFORCEMENT OFFICER JOB DESCRIPTION.**

WHEREAS, City staff recommends the amendment of the current Code Enforcement Officer union position; and

WHEREAS, City staff recommends that the Code Enforcement Officer position be set at pay range 18 based on required skills and duties; and

WHEREAS, the Mayor and City Council find that the attached job description serves the best interest of the City.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDICAL LAKE, WASHINGTON, as follows:

Section 1. Code Enforcement Officer Job Description. The City Council hereby amends the position of Code Enforcement Officer and adopts the attached job description for the position. The City Council finds the job description will assist the City in employing an individual on the basis of ability, education and training or experience to perform the duties of this position. The Mayor and Council reserve the right to waive any job qualification to serve the interests of the City.

Section 2. Employee. Employee shall exercise his/her best efforts and due diligence in order to perform the duties of the position or employment, which are set forth in the job description and/or by union contract.

Section 3. Effective Date. This Resolution shall be effective immediately upon passage by the City of Medical Lake City Council.

ADOPTED this 20th day of December, 2022.

Mayor, Terri Cooper

Attest:

Approved as to Form:

Finance Director, Koss Ronholt

City Attorney, Sean P. Boutz

City of Medical Lake

Job Description



Job Title: Code Enforcement Officer

Department: Planning & Building

Reports To: City Administrator

Effective Date: 12/20/22

Major Function and Purpose

This position is appointed by the Mayor and reports to the City Administrator. The Code Enforcement Officer administrates and enforces all codes in the Medical Lake Municipal Code (MLMC) as well as the Revised Codes of Washington and the Washington Administrative Codes that provide for civil enforcement. He/She will frequently work unsupervised and needs to make discretionary decisions, as well as having daily public contacts requiring tact and professionalism.

Essential Functions

The job duties and responsibilities represented in this job description in no way imply that these are the only duties to be performed. Employees occupying the position will be required to follow any other job-related instructions and to perform any other job-related duties requested by a supervisor.

- Conducts field investigations and property inspections to identify code violations; assists citizens by explaining City, County, and State Codes, regulations, and requirements.
- Performs investigations for possible violations; photographs evidence; contacts responsible persons, landlords or tenants, and performs follow-up investigations to ensure that remedial action has been taken; develops and maintains accurate case files.
- Presents a variety of information and statistics in the form of written, graphic, or oral reports for use by elected and appointed officials, special committees, or community organizations involved in code enforcement matters.
- Responds to public inquiries and public nuisance abatement complaints and answers questions related to City code enforcement activities by researching, interpreting, and explaining policies and regulations;

analyzes, recommends, and communicates appropriate solutions to problems; addresses customer complaints and schedules site visits.

- Deals effectively, courteously, and productively with angry and upset customers.
- Works closely with homeowners, landlords, tenants, businesses, and community groups to grow strong neighborhoods through public relations, education, and code enforcement activities.
- Coordinates inspections and dispositions of cases with various City departments.
- Maintains integrity of work by taking responsibility and accountability for completion of work, customer interactions, and by maintaining punctuality and attendance at work.
- Acts as a representative of the City by representing the City in community and official meetings with other City departments, organizations and professional groups on code enforcement matters.
- May perform other work as assigned.

Knowledge, Skills and Abilities

While requirements may be representative of minimum levels of knowledge, skills and abilities to perform this job successfully, the incumbent will possess the abilities or aptitudes to perform each duty proficiently.

- Must have good working knowledge of basic communication and life skills normally acquired through the completion of a high school diploma and two years of public contact work experience.
- Must have a high degree of organizational ability, flexibility and public service ability, including effective communications with the public and department heads.
- Ability to obtain and maintain a valid Washington State Driver's license.
- Must have excellent service skills.
- Must be capable of meeting the requirements to hold a special commission with a law enforcement agency that may include a law enforcement background check.
- Must be able to testify and present evidence in Court.

Working Conditions and Physical Abilities

The work environment and characteristics described here are representatives of those an employee encounters while performing the essential functions of this job. The physical demands described here are representative of those that must be met by an employee to successfully perform the essential functions of this job.

Some work is performed indoors with prolonged sitting. Inspections and investigations are performed outdoors and require combinations of standing, walking, kneeling, and crawling, reaching, climbing and occasional lifting of 10 – 20 pounds. The environment is sometimes stressful in trying to meet customer needs and/or issuing Notices of Violations. Hand-eye coordination and fine manipulation skills are necessary to operate computers and other office machinery. Must have an ability to hear and speak clearly both in person and on the phone

Contacts and Relationships

The Code Enforcement Officer will have daily contact with employees of the City and with the citizens of the community. In addition, he/she will be expected to present him/herself in a manner creditable to the City in all contacts with any individual, agency, or jurisdiction.

Experience and Training

Any combination of experience and training that provides the desired skills, knowledge and abilities.

Requirements outlined in this job description may be subject to modification to reasonably accommodate individuals with disabilities who are otherwise qualified for employment in this position. However, some requirements may exclude individuals who pose a direct threat or significant risk to the health and safety of themselves or other employees.

This job description does not constitute an employment agreement between the Employer and employee and is subject to change as the needs of the Employer and requirements of the job change. This job description should not be construed to imply that these requirements are the exclusive standards of the position. The duties listed above are intended only as illustrations of the various types of work that may be performed. Incumbents will follow any other instructions, and perform any other related duties, as may be lawfully required by their supervisor.

Signature

Date

**CITY OF MEDICAL LAKE
SPOKANE COUNTY, WASHINGTON
RESOLUTION NO. 22-562**

**A RESOLUTION OF THE CITY OF MEDICAL LAKE APPROVING
THE CONTRACT BETWEEN THE CITY OF MEDICAL LAKE AND EVANS,
CRAVEN & LACKIE, P.S. FOR CITY ATTORNEY SERVICES.**

WHEREAS, the City of Medical Lake and Evans, Craven & Lackie, P.S. (“ECL”) contracted for Interim City Attorney Services between July and December 2022; and

WHEREAS, the City commenced with a Request for Proposals for legal services during the time period ECL provided such interim legal services; and

WHEREAS, the City has selected ECL to continue with providing City Attorney Services; and

WHEREAS, the City and ECL have agreed upon a new contract for City Attorney Services that will commence on January 1, 2023; and

WHEREAS, the contract contains the specific terms and conditions for those City Attorney Services provided by ECL.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MEDICAL LAKE, WASHINGTON, as follows:

Section 1. Approval. The City Council hereby approves of the contract between the City of Medical Lake and ECL for City Attorney Services as set forth in the attached Exhibit A, which is incorporated herein.

Section 2. Severability. If any section, sentence, clause, or phrase of this resolution should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this resolution.

Section 3. Effective Date. This Resolution shall be effective immediately upon passage by the City of Medical Lake City Council.

ADOPTED this 20th day of December, 2022.

Mayor, Terri Cooper

Attest:

Approved as to Form:

Finance Director, Koss Ronholt

City Attorney, Sean P. Boutz

**City of Medical Lake Agreement for
Services City Attorney**

**City of Medical Lake Agreement for Services
City Attorney**

The City of Medical Lake, Washington (“City”), agrees to retain Evans, Craven & Lackie, P.S. (“ECL”), 818 West Riverside, Lincoln Building, Suite 250, Spokane, Washington 99201-0910 for City Attorney Services.

I. RECITALS

A. The City is desirous of retaining Evans, Craven and Lackie, P.S. to perform legal services on an interim basis as specified herein.

B. Legal Services (“Services”) shall generally include preparation and review of all City Ordinances, Resolutions, contracts and other legal related documents; legal opinions and memorandums; review of public works projects; land use planning; purchasing and procurement; leasing, purchasing and sale of property; employment matters; public disclosure laws; and certain other limited legal services as designated by the Mayor.

C. Evans, Craven and Lackie, P.S. will assign Sean P. Boutz, to act as City Attorney for the City of Medical Lake, and Sean King as an associate attorney to assist with the Services.

II. AGREEMENT

NOW, THEREFORE, in consideration of the following terms and conditions, the parties agree as follows:

1. Services/Term/Fees.

Sean P. Boutz and/or Sean King of Evans, Craven, and Lackie, P.S. shall provide Services as the City Attorney to the City of Medical Lake in accordance with City Ordinance, State Law and generally accepted legal practices, including those Services contained herein, provided that in the event the City requires ECL’s legal services, including those of Mr. Boutz and/or Mr. King, outside of the designated Services, including but not limited to any litigation, appeal, administrative law agency or tribunal, or other related jurisdiction, the City shall compensate ECL on an hourly basis as set forth in paragraph 1(B) below.

A. Effective January 1, 2023 and continuing each month thereafter through December 25, 2025 (“Initial Term”), unless terminated or modified earlier by the parties, as provided for herein, the hourly fee for Services provided by Sean P. Boutz shall be in the amount of Two Hundred Twenty-Five Dollars (\$225.00) per hour. The hourly fee for Sean King shall be in the amount of Two Hundred Dollars (\$200.00) per hour.

**City of Medical Lake Agreement for
Services City Attorney**

B. For those legal services performed outside of the designated Services identified in this Agreement, Mr. Boutz shall be compensated by the City at an hourly rate of Two Hundred Forty-Five Dollars (\$245.00) per hour and Sean King at an hourly rate of Two Hundred Twenty-Five Dollars (\$225.00) per hour.

C. This Agreement shall automatically renew for an additional two (2) year term (“Renewal Term”) upon the expiration of the Initial Term unless terminated as provided herein. Additionally, this Agreement shall automatically renew for an additional two (2) year term upon the expiration of the Renewal Term unless terminated as provided herein. The City and ECL agree to meet and confer about the hourly rates contained in Sections 1(A) and 1(B) of this Agreement within ninety (90) days of the expiration of the Renewal Term to determine such hourly rates for any remaining renewal of the Agreement.

2. Billing and Payment.

ECL shall submit monthly invoices to the City for payment of the Services, which shall contain an itemized billing of the Services rendered each month. The City agrees to pay each monthly bill by the 15th of the month in which the billing is timely received. The City also agrees to reimburse ECL for all appropriate out-of-pocket expenses paid by ECL on behalf of the City.

3. Effort and Outcome.

Sean P. Boutz, Sean King, and ECL shall use best efforts in their representation of the City. The City acknowledges that ECL, Mr. Boutz, and Mr. King can provide no guarantees with respect to the outcome of a matter.

4. Termination of Representation.

- a. ECL reserves the right to withdraw from this Agreement if the City fails to perform as outlined in this Agreement or for any reason as permitted or required under the Washington Rules of Professional Conduct or as permitted by the Court Rules or Judicial Decisions of the State of Washington. Notification of withdrawal shall be made in writing to the City with a reasonable notice period of at least forty-five (45) days provided by ECL. In the event of a withdrawal, the City agrees to promptly pay ECL for all Services rendered including all fees, charges and expenses incurred pursuant to this Agreement prior to the date of the withdrawal.
- b. The City reserves the right to terminate the Agreement with or without cause upon forty-five (45) days-notice to ECL. In the event of such termination by the City, ECL shall deliver all files as requested by the City provided, that the City shall promptly reimburse ECL all outstanding fees, charges and expenses incurred pursuant to this Agreement as well as copying charges for reproduction of any produced files.

**City of Medical Lake Agreement for
Services City Attorney**

5. Indemnification.

The City shall indemnify ECL in accordance with the provisions of the City's Municipal Code Chapter 2.15. ECL agrees that the City shall have no duty to indemnify or hold ECL harmless from any damages, attorneys' fees or other expenses of litigation in any action, claim or proceeding against the City brought directly or indirectly by ECL.

6. Entire Agreement.

This Agreement constitutes the entire understanding between the parties and any prior understanding or representation proceeding the date of this Agreement shall not be binding upon either party except to the extent incorporated herein.

7. Modification.

This Agreement shall be modified only by mutual agreement of the parties herein. Any modification shall be in writing and signed by each party or an authorized representative.

8. Notice.

Any Notice provided for under this Agreement shall be deemed sufficiently given when sent by certified or registered mail to the respective address of each party, which as of the date of this Agreement is as follows:

CITY

Name: City Administrator
Address: 124 S. Lefevre
Medical Lake, WA 99022

ECL

Name: Sean P. Boutz
Address: 818 W. Riverside Ave.
Suite 250
Spokane, WA 99201

9. Washington Law and Venue

This Agreement shall be governed by and enforced in accordance with the laws of the State of Washington. Venue shall be Spokane County.

DATED this _____ day of December, 2022.

CITY OF MEDICAL LAKE

EVANS, CRAVEN & LACKIE, P.S.

By: _____
Terri Cooper, Mayor

By: _____
Sean P. Boutz, Attorney

**ORDINANCE NO. 1105
CITY OF MEDICAL LAKE
SPOKANE COUNTY, WASHINGTON**

AN ORDINANCE OF THE CITY OF MEDICAL LAKE, WASHINGTON, ADOPTING A BUDGET FOR THE PERIOD JANUARY 1, 2023 THROUGH DECEMBER 31, 2023, APPROPRIATING FUNDS AND ESTABLISHING SALARY SCHEDULES FOR ESTABLISHED POSITIONS.

WHEREAS, state law requires the Mayor to prepare a preliminary budget for the City of Medical Lake at least sixty (60) days before the beginning of the City's fiscal year beginning January 1, 2023 and ending December 31, 2023; and

WHEREAS, the Mayor, in consultation with City Staff, has prepared and placed on file with the City Clerk a preliminary budget together with an estimate of the amount of money necessary to meet the expenses of the City; and

WHEREAS, notice was posted and published on November 17, 2022, that the City Council of the City of Medical Lake would meet and receive public comment in the City Council chambers prior to the adoption of the budget; and

WHEREAS, the attached 2023 Budget of the City of Medical Lake reflects the provision of municipal services and programs that will enhance the public health, safety and welfare of the citizens; and

WHEREAS, the City Council has determined that the best interest of the City is serviced by adopting the budget set forth herein.

NOW, THEREFORE, the City Council of the City of Medical Lake, Washington, does ordain as follows:

Section 1. Adoption of the Budget. The budget for the City of Medical Lake for the year 2023 is hereby adopted at the department level and as the balanced budget for the City with appropriations limited to the total estimated revenues and ending fund balance of the City. The final budget of \$11,479,128.55, attached hereto by this reference, is incorporated herein pursuant to RCW 35A.33.075.

Estimated resources for each separate fund of the City of Medical Lake, and aggregate expenditures for all such funds for the year 2023 are set forth in a summary form in Exhibit A.

Section 2. Positions, Salary Schedules and Adjustments. The various positions and salary ranges for City employees are adopted in the form and amounts attached to this Ordinance as Exhibit B. To further the efficient operation of the City, the Mayor is authorized to make transfers between individual appropriations within any one fund for the 2023 budget. The Mayor may make salary adjustments as deemed appropriate in the exercise of reasonable discretion.

Section 3. Transmittal. A complete copy of the budget, as adopted, together with a copy of this Ordinance, shall be transmitted by the City Clerk to the State Auditor and to the Association of Washington Cities as per RCW 35A.33.075.

Section 4. Severability. If any section, sentence, clause or phrase of this Ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this Ordinance.

Section 5. Effective Date. This Ordinance shall be in full force and effect five (5) days after publication of this Ordinance or a summary thereof in the official newspaper of the City as provided by law.

PASSED by the City Council this _____ day of _____, 2022.

Mayor, Terri Cooper

ATTEST:

City Clerk, Koss Ronholt

APPROVED AS TO FORM:

City Attorney, Sean P. Boutz

Date of Publication: _____

Effective Date: _____

Exhibit A
City of Medical Lake
2023 Final Budget - Summary

	Revenues	Expenditures
001 General Fund	\$ 2,226,296.30	
001 Legislative Dept.		\$ 45,017.00
001 Municipal Court Dept.		\$ 60,000.00
001 Executive Dept.		\$ 211,963.40
001 Administrative Services Dept.		\$ 389,423.13
001 Legal Dept.		\$ 63,750.00
001 Code/Building Inspections Dept.		\$ 204,495.43
001 Planning & Com. Dev. Dept.		\$ 96,492.67
001 Transfers Out Dept.		\$ 1,500,856.05
100 Impact Fees Fund	\$ 5,600.00	\$ 45,300.00
101 Streets Fund	\$ 244,480.00	\$ 264,131.00
104 Streets - Restricted Fund	\$ 734,000.00	\$ 735,000.00
105 Leave & Severance Fund	\$ 12,800.00	\$ 55,000.00
106 Contingency Fund	\$ 300.00	\$ -
107 American Rescue Plan Act Fund	\$ -	\$ 750,000.00
110 Public Safety Fund	\$ 1,201,136.00	
110 Law Enforcement Dept.		\$ 1,106,500.00
110 Criminal Justice Dept.		\$ 10,000.00
110 Environmental Preserv. Dept.		\$ 19,173.00
110 Animal Control		\$ 20,000.00
111 Criminal Justice Fund	\$ 22,703.05	\$ -
112 Parks & Recreation Fund	\$ 362,250.00	\$ 354,785.06
125 City Beautification Fund	\$ 6,500.00	\$ 4,000.00
301 Capital Improvement Fund	\$ 97,000.00	\$ 165,000.00
302 Parks Improvement Fund	\$ 46,200.00	\$ 30,000.00
401 Water Fund	\$ 843,050.00	\$ 1,689,161.67
402 Water - Restricted Fund	\$ 75,000.00	\$ 1,266,834.14
403 W/S O&M Managerial Fund	\$ 863,430.67	\$ 200,000.00
404 W/S Restricted Mngrl Fund	\$ 1,201,834.14	\$ 80,000.00
407 Solid Waste Fund	\$ 667,010.00	\$ 706,924.00
408 Wastewater Fund	\$ 1,380,500.00	
408 Wastewater Collection Dept.		\$ 408,283.40
408 Wastewater Treatment Dept.		\$ 918,038.60
409 Wastewater - Restricted Fund	\$ 80,000.00	\$ 75,000.00
501 Unemployment Compensation	\$ -	\$ 4,000.00
635 State Custodials Fund		
Total Budget	\$ 10,070,090.16	\$ 11,479,128.55

Exhibit B
City of Medical Lake - 2023 Hourly & Salary Steps/Ranges

For City Employees - General Unit

Position	Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
City Administrator		\$ 6,417	\$ 6,642	\$ 6,874	\$ 7,115	\$ 7,364	\$ 7,621	\$ 7,888	\$ 8,164	\$ 8,450	\$ 8,746
Finance Director		\$ 5,617	\$ 5,814	\$ 6,017	\$ 6,228	\$ 6,446	\$ 6,671	\$ 6,905	\$ 7,146	\$ 7,396	\$ 7,655
Public Works Director WWTP Director		\$ 5,617	\$ 5,814	\$ 6,017	\$ 6,228	\$ 6,446	\$ 6,671	\$ 6,905	\$ 7,146	\$ 7,396	\$ 7,655
Parks & Rec. Director		\$ 4,916	\$ 5,088	\$ 5,266	\$ 5,450	\$ 5,641	\$ 5,839	\$ 6,043	\$ 6,255	\$ 6,473	\$ 6,700
	11	\$ 17.35	\$ 17.96	\$ 18.59	\$ 19.24	\$ 19.91	\$ 20.61	\$ 21.33	\$ 22.07	\$ 22.85	\$ 23.65
Summer Park Laborer	12	\$ 17.77	\$ 18.39	\$ 19.04	\$ 19.70	\$ 20.39	\$ 21.10	\$ 21.84	\$ 22.61	\$ 23.40	\$ 24.22
	13	\$ 18.21	\$ 18.85	\$ 19.51	\$ 20.19	\$ 20.90	\$ 21.63	\$ 22.39	\$ 23.17	\$ 23.98	\$ 24.82
	14	\$ 18.67	\$ 19.33	\$ 20.00	\$ 20.70	\$ 21.43	\$ 22.18	\$ 22.95	\$ 23.76	\$ 24.59	\$ 25.45
Utility Billing Clerk Clerk Cashier	15	\$ 19.15	\$ 19.82	\$ 20.51	\$ 21.23	\$ 21.97	\$ 22.74	\$ 23.54	\$ 24.36	\$ 25.21	\$ 26.09
	16	\$ 19.63	\$ 20.32	\$ 21.03	\$ 21.76	\$ 22.53	\$ 23.31	\$ 24.13	\$ 24.97	\$ 25.85	\$ 26.75
Rec Coordinator	17	\$ 20.12	\$ 20.83	\$ 21.56	\$ 22.31	\$ 23.09	\$ 23.90	\$ 24.74	\$ 25.60	\$ 26.50	\$ 27.43
Code Enforcement Officer	18	\$ 20.63	\$ 21.35	\$ 22.10	\$ 22.87	\$ 23.67	\$ 24.50	\$ 25.36	\$ 26.25	\$ 27.16	\$ 28.12
Maint Person - Entry Administrative Clerk	19	\$ 21.24	\$ 21.99	\$ 22.75	\$ 23.55	\$ 24.38	\$ 25.23	\$ 26.11	\$ 27.03	\$ 27.97	\$ 28.95
	20	\$ 21.69	\$ 22.45	\$ 23.24	\$ 24.05	\$ 24.89	\$ 25.77	\$ 26.67	\$ 27.60	\$ 28.57	\$ 29.57
Maint Person - Journey	21	\$ 22.21	\$ 22.99	\$ 23.79	\$ 24.62	\$ 25.49	\$ 26.38	\$ 27.30	\$ 28.26	\$ 29.25	\$ 30.27
WWTP Operator I WWTP Lab Tech	22	\$ 22.78	\$ 23.58	\$ 24.40	\$ 25.26	\$ 26.14	\$ 27.05	\$ 28.00	\$ 28.98	\$ 30.00	\$ 31.05
WWTP Operator II	23	\$ 23.33	\$ 24.14	\$ 24.99	\$ 25.86	\$ 26.77	\$ 27.71	\$ 28.68	\$ 29.68	\$ 30.72	\$ 31.79
	24	\$ 23.90	\$ 24.73	\$ 25.60	\$ 26.50	\$ 27.42	\$ 28.38	\$ 29.38	\$ 30.40	\$ 31.47	\$ 32.57
	25	\$ 24.52	\$ 25.38	\$ 26.27	\$ 27.19	\$ 28.14	\$ 29.12	\$ 30.14	\$ 31.20	\$ 32.29	\$ 33.42
Maint Person - Lead	26	\$ 25.11	\$ 25.99	\$ 26.90	\$ 27.84	\$ 28.82	\$ 29.83	\$ 30.87	\$ 31.95	\$ 33.07	\$ 34.23
Building Inspector	27	\$ 25.72	\$ 26.63	\$ 27.56	\$ 28.52	\$ 29.52	\$ 30.55	\$ 31.62	\$ 32.73	\$ 33.87	\$ 35.06
City Planner	28	\$ 26.35	\$ 27.27	\$ 28.22	\$ 29.21	\$ 30.24	\$ 31.29	\$ 32.39	\$ 33.52	\$ 34.70	\$ 35.91
WWTP Plant Operator	29	\$ 27.00	\$ 27.95	\$ 28.93	\$ 29.94	\$ 30.99	\$ 32.07	\$ 33.19	\$ 34.36	\$ 35.56	\$ 36.80
	30	\$ 27.68	\$ 28.65	\$ 29.65	\$ 30.69	\$ 31.76	\$ 32.88	\$ 34.03	\$ 35.22	\$ 36.45	\$ 37.73
	31	\$ 28.37	\$ 29.36	\$ 30.39	\$ 31.45	\$ 32.55	\$ 33.69	\$ 34.87	\$ 36.09	\$ 37.36	\$ 38.66

7.5% increase from 2022. Additional steps added to scale, 6-10. Each step is 3.5%.

Longevity Pay begins after 5 years of employment at \$50 per month and increases by \$50 per month for every five years thereafter

City of Medical Lake - 2024 Hourly & Salary Steps/Ranges
For City Employees - General Unit

Position	Range	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
City Administrator		\$ 6,898	\$ 7,140	\$ 7,390	\$ 7,648	\$ 7,916	\$ 8,193	\$ 8,480	\$ 8,777	\$ 9,084	\$ 9,402
Finance Director		\$ 6,038	\$ 6,250	\$ 6,468	\$ 6,695	\$ 6,929	\$ 7,172	\$ 7,423	\$ 7,682	\$ 7,951	\$ 8,229
Public Works Director WWTP Director		\$ 6,038	\$ 6,250	\$ 6,468	\$ 6,695	\$ 6,929	\$ 7,172	\$ 7,423	\$ 7,682	\$ 7,951	\$ 8,229
Parks & Rec. Director		\$ 5,088	\$ 5,266	\$ 5,450	\$ 5,641	\$ 5,839	\$ 6,043	\$ 6,255	\$ 6,473	\$ 6,700	\$ 6,935
	11	\$ 18.65	\$ 19.30	\$ 19.98	\$ 20.68	\$ 21.40	\$ 22.15	\$ 22.93	\$ 23.73	\$ 24.56	\$ 25.42
Summer Park Laborer	12	\$ 19.10	\$ 19.77	\$ 20.46	\$ 21.18	\$ 21.92	\$ 22.69	\$ 23.48	\$ 24.30	\$ 25.15	\$ 26.03
	13	\$ 19.58	\$ 20.26	\$ 20.97	\$ 21.70	\$ 22.46	\$ 23.25	\$ 24.06	\$ 24.91	\$ 25.78	\$ 26.68
	14	\$ 20.07	\$ 20.78	\$ 21.50	\$ 22.26	\$ 23.03	\$ 23.84	\$ 24.68	\$ 25.54	\$ 26.43	\$ 27.36
Utility Billing Clerk Clerk Cashier	15	\$ 20.58	\$ 21.30	\$ 22.05	\$ 22.82	\$ 23.62	\$ 24.44	\$ 25.30	\$ 26.19	\$ 27.10	\$ 28.05
	16	\$ 21.10	\$ 21.84	\$ 22.60	\$ 23.40	\$ 24.21	\$ 25.06	\$ 25.94	\$ 26.85	\$ 27.79	\$ 28.76
Rec Coordinator	17	\$ 21.63	\$ 22.39	\$ 23.17	\$ 23.99	\$ 24.82	\$ 25.69	\$ 26.59	\$ 27.52	\$ 28.49	\$ 29.48
Code Enforcement Officer	18	\$ 22.18	\$ 22.95	\$ 23.76	\$ 24.59	\$ 25.45	\$ 26.34	\$ 27.26	\$ 28.21	\$ 29.20	\$ 30.22
Maint Person - Entry Administrative Clerk	19	\$ 22.84	\$ 23.63	\$ 24.46	\$ 25.32	\$ 26.20	\$ 27.12	\$ 28.07	\$ 29.05	\$ 30.07	\$ 31.12
	20	\$ 23.32	\$ 24.14	\$ 24.98	\$ 25.86	\$ 26.76	\$ 27.70	\$ 28.67	\$ 29.67	\$ 30.71	\$ 31.78
Maint Person - Journey	21	\$ 23.88	\$ 24.71	\$ 25.58	\$ 26.47	\$ 27.40	\$ 28.36	\$ 29.35	\$ 30.38	\$ 31.44	\$ 32.54
WWTP Operator I WWTP Lab Tech	22	\$ 24.49	\$ 25.34	\$ 26.23	\$ 27.15	\$ 28.10	\$ 29.08	\$ 30.10	\$ 31.16	\$ 32.25	\$ 33.37
WWTP Operator II	23	\$ 25.08	\$ 25.95	\$ 26.86	\$ 27.80	\$ 28.78	\$ 29.78	\$ 30.83	\$ 31.91	\$ 33.02	\$ 34.18
	24	\$ 25.69	\$ 26.59	\$ 27.52	\$ 28.48	\$ 29.48	\$ 30.51	\$ 31.58	\$ 32.68	\$ 33.83	\$ 35.01
	25	\$ 26.36	\$ 27.28	\$ 28.24	\$ 29.23	\$ 30.25	\$ 31.31	\$ 32.40	\$ 33.54	\$ 34.71	\$ 35.93
Maint Person - Lead	26	\$ 27.00	\$ 27.94	\$ 28.92	\$ 29.93	\$ 30.98	\$ 32.06	\$ 33.18	\$ 34.35	\$ 35.55	\$ 36.79
Building Inspector	27	\$ 27.65	\$ 28.62	\$ 29.62	\$ 30.66	\$ 31.73	\$ 32.84	\$ 33.99	\$ 35.18	\$ 36.42	\$ 37.69
City Planner	28	\$ 28.32	\$ 29.32	\$ 30.34	\$ 31.40	\$ 32.50	\$ 33.64	\$ 34.82	\$ 36.04	\$ 37.30	\$ 38.60
WWTP Plant Operator	29	\$ 29.03	\$ 30.05	\$ 31.10	\$ 32.19	\$ 33.31	\$ 34.48	\$ 35.68	\$ 36.93	\$ 38.23	\$ 39.56

7.5% increase from 2022. Additional steps added to scale, 6-10. Each step is 3.5%.

Longevity Pay begins after 5 years of employment at \$50 per month and increases by \$50 per month for every five years thereafter

City of Medical Lake - 2025 Hourly & Salary Steps/Ranges
For City Employees - General Unit

Wage opener and salary survey will occur in 2024 to set hourly steps/ranges for 2025.

Position	Range
City Administrator	
Finance Director	
Public Works Director	
WWTP Director	
Parks & Rec. Director	
	11
Summer Park Laborer	12
	13
	14
Administrative Clerk I	15
	16
Rec Coordinator	17
Code Enforcement Officer	18
Maint Person - Entry	19
Administrative Clerk	
	20
Maint Person - Journey	21
WWTP Operator I	22
WWTP Lab Tech	
WWTP Operator II	23
	24
	25
Maint Person - Lead	26
Building Inspector	27
City Planner	28
WWTP Plant Operator	29
	30
	31

Longevity Pay begins after 5 years of employment at \$50 per month and increases by \$50 per month for every five years thereafter

City of Medical Lake
2023 Proposed Full Time Equivalent (FTE) Employees

Account Description	2021 Actual	2022 Current	2023 Proposed	
City Administrator	1.00	1.00	1.00	
Finance Director	1.00	1.00	1.00	
Public Works Director	0.00	1.00	1.00	
WWTP Director	0.00	1.00	1.00	
Parks & Recreation Director	0.00	0.00	1.00	
Summer Park Laborer	1.00	1.00	1.00	Seasonal Position
Utility Billing Clerk/Clerk Cashier	2.00	2.00	0.00	
Rec Coordinator	1.00	1.00	0.50	
Code Enforcement Officer	0.00	0.60	0.60	
Administrative Assistant	1.00	0.50	4.00	
Maint Person - Entry	5.00	5.00	5.00	
Maint Person - Journey	1.00	1.00	1.00	
WWTP Operator I/WWTP Lab Tech	0.00	0.00	0.00	
WWTP Operator II	3.00	3.00	4.00	
Maint Person - Lead	0.00	0.00	1.00	
Building Inspector	1.00	1.00	1.00	
City Planner	0.00	0.50	1.00	
WWTP Plant Operator	1.00	0.00	0.00	
Total FTEs	18.00	19.60	24.10	