

--

PROJECT TITLE	EXHIBITS (List all attached exhibits - Scope of Work, Work Schedule, Payment Schedule, Renewal Options, etc.)
CONTRACTOR	CITY OF REDMOND PROJECT ADMINISTRATOR (Name, address, phone #) City of Redmond
CONTRACTOR'S CONTACT INFORMATION (Name, address, phone #)	BUDGET OR FUNDING SOURCE
CONTRACT COMPLETION DATE	MAXIMUM AMOUNT PAYABLE

THIS AGREEMENT is entered into on _____, 20__ between the City of Redmond, Washington, hereinafter called "the CITY", and the above person, firm or organization, hereinafter called "the CONSULTANT".

WHEREAS, the CITY desires to accomplish the above-referenced project; and

WHEREAS, the CITY does not have sufficient staff or expertise to meet the required commitment and therefore deems it advisable and desirable to engage the assistance of a CONSULTANT to provide the necessary services for the project; and

WHEREAS, the CONSULTANT has represented to the CITY that the CONSULTANT is in compliance with the professional registration statutes of the State of Washington, if applicable, and has signified a willingness to furnish consulting services to the CITY, now, therefore,

IN CONSIDERATION OF the terms and conditions set forth below, or attached and incorporated and made a part hereof, the parties agree as follows:

1. **Retention of Consultant - Scope of Work.** The CITY hereby retains the CONSULTANT to provide professional services as defined in this agreement and as necessary to accomplish the scope of work attached hereto as Exhibit A and incorporated herein by this reference as if set forth in full. The CONSULTANT shall furnish all services, labor and related equipment necessary to conduct and complete the work, except as specifically noted otherwise in this agreement.

2. **Completion of Work.** The CONSULTANT shall not begin any work under the terms of this agreement until authorized in writing by the CITY. The CONSULTANT shall complete all work required by this agreement according to the schedule attached as Exhibit B and incorporated herein by this reference as if set forth in full. A failure to complete the work according to the attached schedule, except where such failure is due to circumstances beyond the control of the CONSULTANT, shall be deemed a breach of this agreement. The established completion time shall not be extended because of any delays attributable to the CONSULTANT, but may be extended by the CITY, in the event of a delay attributable to the CITY, or because of unavoidable delays caused by circumstances beyond the control of the CONSULTANT. All such extensions shall be in writing and shall be executed by both parties.

3. **Payment.** The CONSULTANT shall be paid by the CITY for satisfactorily completed work and services satisfactorily rendered under this agreement as provided in Exhibit C, attached hereto and incorporated herein by this reference as if set forth in full. Such payment shall be full compensation for work performed or services rendered and for all labor, materials, supplies, equipment, and incidentals necessary to complete the work specified in the Scope of Work attached. The CONSULTANT shall be entitled to invoice

the CITY no more frequently than once per month during the course of the completion of work and services by the CONSULTANT. Invoices shall detail the work performed or services rendered, the time involved (if compensation is based on an hourly rate) and the amount to be paid. The CITY shall pay all such invoices within 30 days of submittal, unless the CITY gives notice that the invoice is in dispute. In no event shall the total of all invoices paid exceed the maximum amount payable set forth above, if any, and the CONSULTANT agrees to perform all services contemplated by this agreement for no more than said maximum amount.

4. Changes in Work. The CONSULTANT shall make such changes and revisions in the complete work provided by this agreement as may be necessary to correct errors made by the CONSULTANT and appearing therein when required to do so by the CITY. The CONSULTANT shall make such corrective changes and revisions without additional compensation from the CITY. Should the CITY find it desirable for its own purposes to have previously satisfactorily completed work or parts thereof changed or revised, the CONSULTANT shall make such revisions as directed by the CITY. This work shall be considered as Extra Work and will be paid for as provided in Section 5.

5. Extra Work.

A. The CITY may, at any time, by written order, make changes within the general scope of the agreement in the services to be performed. If any such change causes an increase or decrease in the estimated cost of, or the time required for, performance of any part of the work or services under this agreement, whether or not changed by the order, or otherwise affects any other terms or conditions of the agreement, the CITY shall make an equitable adjustment in the (1) maximum amount payable; (2) delivery or completion schedule or both; and (3) other affected terms, and shall modify the agreement accordingly.

B. The CONSULTANT must submit any "proposal for adjustment" under this clause within 30 days from the date of receipt of the written order to make changes. However, if the CITY decides that the facts justify it, the CITY may receive and act upon a proposal submitted before final payment of the agreement.

C. Failure to agree to any adjustment shall be a dispute under the Disputes clause of this agreement, as provided in Section 13. Notwithstanding any such dispute, the CONSULTANT shall proceed with the agreement as changed.

D. Notwithstanding any other provision in this section, the maximum amount payable for this agreement shall not be increased or considered to be increased except by specific written amendment of this agreement.

6. **Ownership of Work Product.** Any and all documents, drawings, reports, and other work product produced by the CONSULTANT under this agreement shall become the property of the CITY upon payment of the CONSULTANT'S fees and charges therefore. The CITY shall have the complete right to use and re-use such work product in any manner deemed appropriate by the CITY, provided, that use on any project other than that for which the work product is prepared shall be at the CITY'S risk unless such use is agreed to by the CONSULTANT.

7. **Independent Contractor.** The CONSULTANT is an independent contractor for the performance of services under this agreement. The CITY shall not be liable for, nor obligated to pay to the CONSULTANT, or any employee of the CONSULTANT, sick leave, vacation pay, overtime or any other benefit applicable to employees of the CITY, nor to pay or deduct any social security, income tax, or other tax from the payments made to the CONSULTANT which may arise as an incident of the CONSULTANT performing services for the CITY. The CITY shall not be obligated to pay industrial insurance for the services rendered by the CONSULTANT.

8. **Indemnity.** The CONSULTANT agrees to hold harmless, indemnify and defend the CITY, its officers, agents, and employees, from and against any and all claims, losses, or liability, for injuries, sickness or death of persons, including employees of the CONSULTANT, or damage to property, arising out of any willful misconduct or negligent act, error, or omission of the CONSULTANT, its officers, agents, subconsultants or employees, in connection with the services required by this agreement, provided, however, that:

A. The CONSULTANT's obligations to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole willful misconduct or sole negligence of the CITY, its officers, agents or employees; and

B. The CONSULTANT's obligations to indemnify, defend and hold harmless for injuries, sickness, death or damage caused by or resulting from the concurrent negligence or willful misconduct of the CONSULTANT and the CITY, or of the CONSULTANT and a third party other than an officer, agent, subconsultant or employee of the CONSULTANT, shall apply only to the extent of the negligence or willful misconduct of the CONSULTANT.

9. **Insurance.** The CONSULTANT shall provide the following minimum insurance coverages:

A. Worker's compensation and employer's liability insurance as required by the State of Washington;

B. General public liability and property damage insurance in an amount not less than a combined single limit of two million dollars (\$2,000,000) for bodily injury, including death, and property damage per occurrence.

C. Professional liability insurance, if commercially available in CONSULTANT's field of expertise, in the amount of two million dollars (\$2,000,000) or more against claims arising out of work provided for in this agreement.

The amounts listed above are the minimum deemed necessary by the CITY to protect the CITY'S interests in this matter. The CITY has made no recommendation to the CONSULTANT as to the insurance necessary to protect the CONSULTANT'S interests and any decision by the CONSULTANT to carry or not carry insurance amounts in excess of the above is solely that of the CONSULTANT.

All insurance shall be obtained from an insurance company authorized to do business in the State of Washington. Excepting the professional liability insurance, the CITY will be named on all insurance as an additional insured. The CONSULTANT shall submit a certificate of insurance to the CITY evidencing the coverages specified above, together with an additional insured endorsement naming the CITY, within fifteen (15) days of the execution of this agreement. The additional insured endorsement shall provide that to the extent of the CONSULTANT's negligence, the CONSULTANT's insurance shall be primary and non-contributing as to the City, and any other insurance maintained by the CITY shall be excess and not contributing insurance with respect to the CONSULTANT's insurance. The certificates of insurance shall cover the work specified in or performed under this agreement. No cancellation, reduction or modification of the foregoing policies shall be effective without thirty (30) days prior written notice to the CITY.

10. Records. The CONSULTANT shall keep all records related to this agreement for a period of three years following completion of the work for which the CONSULTANT is retained. The CONSULTANT shall permit any authorized representative of the CITY, and any person authorized by the CITY for audit purposes, to inspect such records at all reasonable times during regular business hours of the CONSULTANT. Upon request, the CONSULTANT will provide the CITY with reproducible copies of any such records. The copies will be provided without cost if required to substantiate any billing of the CONSULTANT, but the CONSULTANT may charge the CITY for copies requested for any other purpose.

11. Notices. All notices required to be given by either party to the other under this Agreement shall be in writing and shall be given in person or by mail to the addresses set forth in the box for the same appearing at the outset of this Agreement. Notice by mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, addressed as provided in this paragraph.

12. **Project Administrator.** The Project Administrator shall be responsible for coordinating the work of the CONSULTANT, for providing any necessary information for and direction of the CONSULTANT's work in order to ensure that it meets the requirements of this Agreement, and for reviewing, monitoring and approving the quality and quantity of such work. The CONSULTANT shall report to and take any necessary direction from the Project Administrator.

13. **Disputes.** Any dispute concerning questions of fact in connection with the work not disposed of by agreement between the CONSULTANT and the CITY shall be referred for resolution to a mutually acceptable mediator. The parties shall each be responsible for one-half of the mediator's fees and costs.

14. **Termination.** The CITY reserves the right to terminate this agreement at any time upon ten (10) days written notice to the CONSULTANT. Any such notice shall be given to the address specified above. In the event that this agreement is terminated by the City other than for fault on the part of the CONSULTANT, a final payment shall be made to the CONSULTANT for all services performed. No payment shall be made for any work completed after ten (10) days following receipt by the CONSULTANT of the notice to terminate. In the event that services of the CONSULTANT are terminated by the CITY for fault on part of the CONSULTANT, the amount to be paid shall be determined by the CITY with consideration given to the actual cost incurred by the CONSULTANT in performing the work to the date of termination, the amount of work originally required which would satisfactorily complete it to date of termination, whether that work is in a form or type which is usable to the CITY at the time of termination, the cost of the CITY of employing another firm to complete the work required, and the time which may be required to do so.

15. **Non-Discrimination.** The CONSULTANT agrees not to discriminate against any customer, employee or applicant for employment, subcontractor, supplier or materialman, because of race, creed, color, national origin, sex, religion, honorable discharged veteran or military status, familial status, sexual orientation, age, or the presence of any sensory, mental, or physical disability or the use of a trained dog or service animal by a person with a disability, except for a bona fide occupational qualification. The CONSULTANT understands that if it violates this provision, this Agreement may be terminated by the CITY and that the CONSULTANT may be barred from performing any services for the CITY now or in the future.

16. **Compliance and Governing Law.** The CONSULTANT shall at all times comply with all applicable federal, state, and local laws, rules, ordinances, and regulations. This Agreement shall be governed by and construed in accordance with the laws of the State of Washington.

17. **Subcontracting or Assignment.** The CONSULTANT may not assign or subcontract any portion of the services to be provided under this agreement without the express written consent of the CITY. Any sub-consultants approved by the CITY at the outset of this agreement are named on separate Exhibit attached hereto and incorporated herein by this reference as if set forth in full.

18. **Non-Waiver.** Payment for any part of the work or services by the CITY shall not constitute a waiver by the CITY of any remedies of any type it may have against the CONSULTANT for any breach of the agreement by the CONSULTANT, or for failure of the CONSULTANT to perform work required of it under the agreement by the CITY. Waiver of any right or entitlement under this agreement by the CITY shall not constitute waiver of any other right or entitlement.

19. **Litigation.** In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this agreement, the parties agree that such actions shall be initiated in the Superior Court of the State of Washington, in and for King County. The parties agree that all questions shall be resolved by application of Washington law and that parties to such actions shall have the right of appeal from such decisions of the Superior Court in accordance with the law of the State of Washington. The CONSULTANT hereby consents to the personal jurisdiction of the Superior Court of the State of Washington, in and for King County. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.

20. **Taxes.** The CONSULTANT will be solely responsible for the payment of any and all applicable taxes related to the services provided under this agreement and if such taxes are required to be passed through to the CITY by law, the same shall be duly itemized on any billings submitted to the CITY by the CONSULTANT.

21. **City Business License.** The CONSULTANT has obtained, or agrees to obtain, a business license from the CITY prior to commencing to perform any services under this agreement. The CONSULTANT will maintain the business license in good standing throughout the term of this Agreement.

22. **Entire Agreement.** This agreement represents the entire integrated agreement between the CITY and the CONSULTANT, superseding all prior negotiations, representations or agreements, written or oral. This agreement may be modified, amended, or added to, only by written instrument properly signed by both parties hereto. These standard terms and conditions set forth above supersede any conflicting terms and conditions on any attached and incorporate exhibit. Where conflicting language exists, the CITY'S terms and conditions shall govern.

**page 8 – Consulting Services Agreement, Non-Public Work
City of Redmond, standard form**

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

CONSULTANT:

CITY OF REDMOND:

By: _____
Title: _____

Angela Birney, Mayor
DATED: _____

ATTEST/AUTHENTICATED:

City Clerk, City of Redmond

APPROVED AS TO FORM:

Office of the City Attorney

RFP 10878-25

Business License Process, Policy and Compliance Evaluation and Recommendation

Attachment A- Scope of Work

Task 1: Kickoff and Establish Licensing Baseline

1. Conduct a kickoff meeting with the City's Core Team and initiate a working relationship. Reconfirm the project scope and discuss the needs of the City. Determine expectations on deliverable format and timing.
2. Determine calendar and format of bi-weekly check-in meetings, bi-monthly Core Team meetings and presentations to elected leaders. Note that it would be advantageous to time Core Team meetings with presentations of task deliverables.
3. Discuss access to City licensing systems and procedures for extracting data. Identify any data quality issues (e.g., missing years, corrupted or missing data elements). Meet City staff involved with report writing and data integrity.
4. Prepare and submit a detailed project workplan and gantt chart based on kickoff discussions.
5. Initiate procedures for procuring access to State and County systems (e.g., DoR,L&I, Secretary of State), utilities such as PSE and commercial business directories. Identify procedures for obtaining data extracts including confidentiality agreements.
6. Prepare a data dictionary (or metadata) of City licensing system including data elements, tables, history, file format.
7. Define reporting specification and presentation of licensing baseline data (e.g., report parameters, calculations, chart formats, narrative format). This would include data elements such as license and UBI number, EIN, business type, SIC and NAICS code, # of employees, business location, home office location, license type, business formation date, original license date, cancellations and revocations.
8. Submit report (or data extract) request. Inspect data and note anomalies, quality issues. Refine and augment data with additional requests as needed. 9. Process data using a database management tool such as Access or MySQL. Format output and

generate reports. Prepare demographic and trend analysis presentation for the Core Team.

10. Prepare charts and narrative documenting the licensing baseline and share with Core Team members. Modify project scope as needed

Task 2: Peer City Comparative Analysis

1. Identify parameters to benchmark (e.g., city ordinances impacting business formation, location, lease restrictions, home-based businesses, remote work and WFH, short term rentals, co-work spaces, non-resident businesses and contractors). Include sampling of KPIs used by peers and online tools for communicating with licensees, enforcement mechanisms.

2. Identify survey sample, create data collection instrument and distribute to peer cities.

3. Collect, clarify and normalize benchmark data. Identify relevant comparisons with Redmond and identify interesting disparities (if any).

4. Prepare and present comparative data deliverable to illustrate findings and share with City's Core Team members.

Task 3: Compliance Audit

1. Define parameters of non-compliance based on current City policies (e.g., ordinance section, conditions that would constitute non-compliance) and parameters for expanded definitions of licensees.

2. Obtain data extracts from potential sources containing business entity records. This could include State agency databases (e.g., DoR, L&I, Secretary of State), utilities (e.g., Comcast, PSE) and commercial business directories.

3. Define filter criteria for use in database record selection to create datasets of manageable size (i.e., how data would be selected to match compliance conditions - for example, active UBI in a State database, PSE business account, all with a Redmond address). Filters should also strip out records from unincorporated areas surrounding the City of Redmond.

4. Identify data elements for use in each filter criteria (i.e., element, data source, format) that can be used to eliminate duplicates and identify non-compliant business entities as well as delineating potential new licensee populations.

Define filtering logic for processing data. Define output data elements (i.e., elements produced by our analysis)

5. Test logic with data samples from each database source. Identify any inaccurate results or results that do not comport with desired output elements (i.e., unusable results). Make corrections to filtering logic as needed to refine data and outputs and improve accuracy and relevance.

6. Perform data runs and compile results from various data extracts. Clarify and categorize outputs based on accuracy, relevance and quality. Incorporate assumptions on fee levels to estimate lost revenue amounts.

7. Draw conclusions and chart results such as rates of non-compliance by business type, reporting status, fee status, location. Also prepare charts illustrating scope of potential licensee populations. Note areas where data was not available or of sufficient accuracy to draw reliable conclusions.

8. Prepare and present charts and narrative report to Core Team. Discuss results and project scope changes (if any).

Task 4: Develop Licensing Policy Recommendations

1. Define potential policies for registering, licensing, collecting data and fees, reporting and enforcement for new business types including but not limited to:

- a. Work from home (WFH) businesses located in Redmond
- b. Redmond WFH employees of non-Redmond businesses
- c. Remote workers of Redmond-based businesses
- d. Short term and vacation rentals
- e. Collaborative and co-working spaces (and the businesses that support this)
- f. Pawn brokers, tow truck operators, door-to-door solicitors, telecom providers and other businesses subject to specific regulations or that are temporary in nature
- g. Contract workers residing or working in Redmond

2. Define desired regulatory and financial outcomes of each potential policy (i.e., what would compliance look like?)

3. Work with the City Attorney to determine and ensure legality of potential policies and identify any necessary ordinance changes or legal opinions to support policies.

Determine application, registration, renewal and reporting requirements. Determine enforcement mechanisms.

4. Identify any potential unintended consequences and level of public support (or lack thereof). Identify communication strategies for rolling out new policies.

5. Draft policy language and identify supporting systems and processes necessary to implement.

6. Share policy framework with City Core Team.

Task 5: Develop Recommendations to Improve Business License Compliance including Review and Approval Processes

Activities:

1. This Task 5 corresponds to, and consolidates, tasks 3 and 4 from the RFP except for KPIs which are included in Task 6.

2. Obtain and review any existing City process documentation such as process maps, KPI data, workload history, process analysis work such as the Business License Comparative Questionnaire.

3. Map existing application, registration, review, fee collection, certification, reporting, renewal, cancellation, revocation and enforcement processes such as notices and penalties for business licensing. Identify process breakdowns or inefficiencies such as excessive backlogs, chronic errors, timeliness issues, complaints. Identify process redesign ideas for mitigating breakdowns.

Include examination of public interfaces (that City controls) for licensing as well as interfaces between DoR systems and City permitting and licensing systems.

4. Prepare a staffing model (using MS-Excel) for the licensing function using City payroll data, licensing workload history, KPI data. Augment with a work distribution survey if necessary (i.e., to determine amount of staff time for licensing processes). Use model to determine FTE requirement for the City, compare to existing licensing FTEs and make recommendations for augmenting staff if necessary.

5. Document redesigned processes and staffing model and share with the City's Core Team. Make adjustments as necessary.

Task 6: Develop Reporting and Monitoring Recommendations

1. This task corresponds to task 5 in the RFP and also includes the KPI requirements of task

2. Inventory existing City KPIs for licensing. Determine reliability, accuracy, credibility and usage of existing KPIs. Identify potential KPIs (or redefined existing KPIs) that would support new or redesigned policies and processes.

Ensure that accurate data (and the supporting systems) exist to populate recommended KPIs. Discuss potential KPIs with licensing staff, budgeting staff and the Core Team members to ensure that future KPIs are credible, accurate and useful.

3. Working with City IT staff, design a reporting tool for presenting KPI data as well as workload reports, revenue reports, and reports for enforcement data such as non-compliance rates, enforcement actions taken, licenses revoked, penalties levied, waived and collected.

4. Evaluate how licensing data can be used for economic development purposes and reporting and determine indicators for business formations and closures by industry, type (e.g., WFH, collaborative workspace), location, # of employees, etc.

5. Share reporting and KPI templates and specifications with the City's Core Team. Make modifications as needed.

Task 7: Prepare Final Report

1. Prepare and deliver a briefing on preliminary recommendations and present to City's Core Team

2. Prepare a draft report that incorporates findings and recommendations for the following:

- a. Licensing baseline statistics
- b. Peer city comparative analysis
- c. Results of compliance audit
- d. Licensing policy recommendations
- e. Licensing process and procedure recommendations
- f. KPI and reporting recommendations

3. Present draft report to Core Team. Incorporate suggestions and edits as needed.

4. Brief City Council and Mayor on project results

5. Finalize report and issue it to City Core Team