## THE WASHINGTON CENTER OPERATING AGREEMENT 2018 to 2034

**THIS AGREEMENT** is entered into by and between the City of Olympia, a Washington municipal corporation, hereinafter referred to as "the City," and The Washington Center for the Performing Arts, Incorporated, a Washington non-profit corporation, hereinafter referred to as "The Washington Center," and is effective as of the date of the last authorizing signature affixed hereto.

#### WITNESSETH:

WHEREAS, the City is the owner of a performing arts theater, hereinafter referred to as "the Center," which is situated upon the real property located in Thurston County, State of Washington, more fully described in Exhibits A1 and A2 attached hereto; and

WHEREAS, the goal of The Washington Center is to operate a quality and financially sound performing arts center to be enjoyed and supported by the entire community; and

WHEREAS, The Washington Center has been organized for the express purpose of occupying, managing and operating the Center as provided by this Agreement; and

WHEREAS, both parties desire that the Center be managed and operated as a place for public entertainment, meetings and cultural events in accordance with the provisions, terms and conditions of this Agreement, so that the Center will serve as an economic and cultural stimulant for the community and the people of the City of Olympia and the environs, and so that the City may be relieved of the responsibility of operating the Center; and

WHEREAS, the City and The Washington Center first entered into an Operating Agreement dated December 17, 1992, which was thereafter amended in January of 2006 and June of 2016; and

WHEREAS the parties wish to update their Operating Agreement; and

**WHEREAS** this updated Agreement shall supersede any and all prior operating agreements between the City and The Washington Center;

**NOW, THEREFORE**, in consideration of the mutual undertakings and promises contained herein and the benefits to be realized by each party, and in further consideration of the benefit to the general public by the enhancement of the economic climate of the City and its environs to be realized by the performance of this Agreement, and as a direct benefit to the City, the parties agree as follows:

#### A. RESPONSIBILITIES OF WASHINGTON CENTER

1. Occupy, Operate and Manage: The Washington Center shall occupy, manage and operate the Center according to the provisions, terms and conditions of this Agreement, and in accordance with all applicable laws as shall relate thereto. The Washington Center shall promote the Center through brochures or other means of advertising designed to attract performances and stage events to the Center and shall schedule, rent and book such performances, exhibits and events to occur at the Center.

Except as specifically set forth herein, The Washington Center shall be solely responsible for the costs of administration and daily operations as the same shall directly relate to such facility's use as a performing arts theater. The Washington Center shall be the sole operator of the facility and shall do all things necessary for such operation, including but not limited to approving or denying requests for the use of said facility, operating concessions, obtaining a liquor license and adopting complimentary ticket policies. The Washington Center shall be solely responsible for the control and security of the Center and all property pertaining thereto.

The Washington Center shall allow the City to tastefully display artifacts and gifts from the City's sister cities, so long as such display does not interfere with the operation of the Center and in cooperation with The Washington Center's own visual art program. The City shall consult with The Washington Center and be responsible for setting up and removing the displays.

Further, The Washington Center shall allow the City use of the Center when it is available and when reserved in advance in accordance with the policy set out in **Exhibit B** attached hereto and incorporated herein by reference. The City shall be responsible for all reasonable out-of-pocket expenses incurred by The Washington Center related to said rent-free use of the Center.

- Facility Maintenance: The Washington Center shall perform its maintenance duties hereunder at the same level and in accordance with the same standards the City applies to other City owned property. This shall include a reasonable program of preventive maintenance.
  - a. General Maintenance: The Washington Center shall be responsible for general maintenance of the Center building and premises including, but not limited to day-to-day janitorial and cleaning services, day-to-day operation of the heating, ventilation and air conditioning (HVAC) system, light bulb changes (with the exception of lights requiring specialized equipment to reach), and removal of snow, ice and debris from pedestrian walkways and the rear alley. The Washington Center shall pay for the above mentioned services, including utility costs, as part of its annual operating budget.

The Washington Center will promptly repair any damage caused by employees, agents, contractors, or invitees. The Washington Center shall notify the City of any City repair items which require attention promptly after The Washington Center becomes aware of the need for repair.

The Washington Center may also be allowed, following written approval from the City's Public Works Director, to perform general maintenance to the Center's major building systems including HVAC equipment, plumbing, building exterior, fixtures, and roof. The Washington Center shall be allowed to execute emergency repairs related to the building if the repair is necessary for safety purposes or for operational continuity.

- b. Performance Related Maintenance and Repair: The Washington Center shall be responsible for repair and maintenance of Center premises, property and equipment which are considered "performance related." For purposes of this agreement, performance related shall mean such items as the stage rigging system, the sound system, the stage lighting system and other items which uniquely relate to performances within the Center, as opposed to items which are common to general use structures.
- c. Major Repair and Replacement: The Washington Center shall withhold an amount from each ticket service charge collected, which shall be deposited and retained in a separate account by The Washington Center and designated as the "Equipment Repair & Replacement Fund." These funds are to be used for stage equipment replacement and purchase, carpet replacement, interior paint, seat repair and replacement, and other major repair and replacement or capital items.

The Washington Center shall, by October 1 of each year, submit to the City for its concurrence a multi-year capital plan which outlines proposed major capital purchases and/or repairs for the years indicated in said plan. The Washington Center shall obtain City approval, and comply with all applicable bidding and procurement requirements, prior to making any improvement, alteration, repair or changes to the Center, except for work which qualifies as ordinary maintenance under RCW 39.04.010. All documentation related to such work shall be maintained in compliance with applicable public records requirements. By way of example, work or improvements requiring prior City approval include but are not limited to additions or removal of walls, electrical, plumbing systems or other fixtures.

- 3. <u>Insurance</u>: The Washington Center shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with The Washington Center's operation and use of the premises.
  - a. The Washington Center shall obtain insurance of the following types:

Commercial General Liability insurance shall be written on Insurance Services Office (ISO) occurrence form CG 00 01 and shall cover premises and contractual liability. The City shall be named as an insured on The Washington Center's Commercial General Liability insurance policy using ISO Additional Insured-Managers of Lessors of Premises Form CG 20 11 or substitute endorsement providing equivalent coverage.

b. The Washington Center shall maintain the following insurance limits:

Commercial General Liability insurance shall be written with limits no less than \$5,000,000 each occurrence, \$6,000,000 annual aggregate.

c. The insurance policies are to contain, or be endorsed to contain, the following provisions for Commercial General Liability insurance:

- (i) The Washington Center's insurance coverage shall be primary insurance with respect to the City. Any Insurance, self-insurance, or insurance pool coverage maintained by the City shall be excess of The Washington Center's insurance and shall not contribute with it.
- (ii) The Washington Center's insurance shall be endorsed to state that coverage shall not be cancelled by either party, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the City.
- d. Acceptability of Insurers: Insurance is to be placed with insurers with a current A.M. Best rating of not less than A: VII.
- 4. <u>Indemnification</u>: The Washington Center shall indemnify, defend and hold harmless the City from any claims, actions, suits or liability whatsoever arising due to The Washington Center's occupancy, management, operation or maintenance of the Center; provided, that this section shall not apply to any claims, actions, suits or liability arising due to defects in the conditions of the building caused by a party other than The Washington Center.
- 5. <u>Rules and Regulations</u>: The Washington Center, for information purposes, shall adopt policies, rules and regulations, rental procedures, charges, hours of operation, uses to which the Center may be put, together with sample license agreements and contracts entered into with the performers, concessionaires and so forth.
- Complimentary Tickets: The rules and regulations adopted by The Washington Center shall specifically address the issue of complimentary tickets or other free entry to performances or events.
- 7. Fiscal Responsibility: The Washington Center agrees that it shall maintain fiscal records and accounts in accordance with systems and procedures prescribed by law or regulation as applicable to financial affairs of the City. The Washington Center shall, annually, provide an independent audited financial report to the City within ninety (90) days of the end of its fiscal year. The Washington Center shall also submit to the City a quarterly financial report in a form acceptable to the City with cash flow, revenue, and expenditure information for both the operations and capital funds for the Center. In like manner, The Washington Center shall submit to the City an annual activity report that includes facility usage.

Further, The Washington Center shall submit to the City its operating budget for its fiscal year July 1 to June 30 on or before July 1 of each year. In the event The Washington Center changes its fiscal year, The Washington Center shall submit to the City on or before September 1, its proposed budget for The Washington Center's next succeeding fiscal year.

If The Washington Center fails to timely submit any or all reports, plans or budgets, the City shall have the option to withhold payment provided under Section (C)(4) herein until receipt of said report(s) or budget(s).

8. <u>Books and Records – Inspection:</u> The Washington Center agrees that its books and records pertaining to management of the Center shall be open and available for

examination at all times by the City's City Manager or Director of Administrative Services and/or any other City personnel designated by either of them. The City Manager and others designated by him/her shall have the right to enter upon and inspect the premises at any reasonable time.

- 9. <u>Non-assignable Duties:</u> The Washington Center shall not subcontract or assign to any person, firm or corporation any rights or obligations of The Washington Center under this Agreement.
- 10. <u>Nondiscrimination:</u> The Washington Center agrees and promises to manage and operate the Center and afford its services to the public on a fair, equal and non-discriminatory basis to all users thereof, and further agrees and promises it will not discriminate against any person or group of person(s) based on any class legally protected from such discrimination by local, state or federal laws and regulations.
- 11. <u>Equal Benefits:</u> The Washington Center shall comply as a contractor with Olympia Municipal Code Chapter 3.18 and submit an Equal Benefits Compliance Declaration as a part of this Agreement, as outlined in **Exhibit C**.
- 12. <u>Clean Clothes:</u> The Washington Center shall comply with Resolution No. 1545 with respect to purchases made with funds received from the City under this Agreement (**Exhibit D**).

#### B. RESPONSIBILITIES OF CITY

- 1. Fire Insurance: The City shall maintain any and all fire casualty and extended coverage insurance, or self-insurance plan, on the building and its contents in such amount as the City deems appropriate. Any funds derived from such insurance shall be used to repair or replace the damaged items or property; except should said property as a whole be damaged to an extent of over fifty percent (50%) of its value, either party may cancel this Agreement by notice in writing within sixty (60) days of the date of damage. The Washington Center and the City hereby release and discharge each other from and against all liability arising either from fire loss or extended coverage or damage caused by any of the perils covered by insurance policies which are in force and effect at the time of such loss or damage, even though such loss or damage may be due to the negligence, acts, or omissions of either party. It is expressly understood and agreed that it is the intention of the parties that this provision constitutes a waiver and release of any and all subrogation rights which the insurance companies might have under such insurance policies. It is also agreed that the foregoing shall apply to self-insurance or pooled self-insurance.
- 2. Maintenance and Repair: The City shall perform or cause to be performed by contract all other repair, maintenance or upkeep of the Center property premises and equipment not identified in Section A as the responsibility of The Washington Center. While The Washington Center shall be responsible for the operation of the HVAC system, the City shall be responsible for the maintenance and repair of the HVAC system.

3. Maintenance Funding and Payments: On or about January 1 of any year within the term of this Agreement, the City shall allocate an amount equal to Thirty-Six Thousand and no/100 Dollars (\$36,000), and shall deposit this sum in a separate "The Washington Center Maintenance Account," hereinafter referred to as the "Maintenance Account." The City will allocate and reimburse up to Eighteen Thousand and no/100 Dollars (\$18,000) on or around January 1 of any year to The Washington Center for the exclusive use of facility maintenance as defined in Section A of this Agreement.

The City may reimburse itself from the Maintenance Account up to Eighteen Thousand and no/100 Dollars (\$18,000) annually for its general repair and maintenance obligations for the Center. The City shall keep records of repairs and maintenance for which payment is made hereunder and shall report it to The Washington Center annually. Any sum remaining in the Maintenance Account for a fiscal year, after said year concludes, shall return to the Endowment Fund, except when the source of such funding allows for carryover.

The amount allocated to the Maintenance Account under this Section shall be considered a part of the compensation paid by the City to The Washington Center for the same year pursuant to Section (C)(4) of this Agreement. The Washington Center shall keep records of repairs and maintenance for which payment is made hereunder and shall report same to the City.

#### C. MISCELLANEOUS TERMS OF AGREEMENT

- 1. Term/Voluntary Termination: This Agreement shall be in full force and effect until December 31, 2034; provided, however, that the City and The Washington Center shall review this Agreement in 2021 and every five (5) years thereafter. If said review does not result in agreed amendments on or before the anniversary date for which said notice is given, this Agreement shall continue in full force and effect as then written for at least another five-year period. Provided further, that either party may terminate this Agreement during its initial term, or after extension thereof, by giving the other party at least one (1) year's notice thereof. In the event The Washington Center cannot operate the Center within a balanced budget, The Washington Center may terminate this Agreement by giving at least six (6) months advance written notice to the City.
- 2. Termination for default: In the event The Washington Center shall fail to perform the terms and conditions of this Agreement, then and in that event, the City shall be entitled to terminate this Agreement by giving The Washington Center ninety (90) days written notice by registered or certified mail, return receipt required, at the address provided in Section (C)(6) below, of its desire to terminate the Agreement, which notice shall contain a complete and itemized list of all matters in which The Washington Center is in default. During said ninety (90) day period, The Washington Center shall be entitled to reinstate itself by correcting such default.
- 3. Independent Contractor: The Washington Center shall be considered as an independent contractor in the operation of the Center, and this Agreement shall not be construed as creating any form of partnership between the City and The Washington Center. Employees of The Washington Center shall not be employees of the City of Olympia.

4. <u>Compensation:</u> The City and The Washington Center agree that the success of the Center is dependent on the Endowment Fund and that, therefore, only the interest of the Endowment Fund is to be utilized to meet any component of this Agreement, and the principal of the Endowment Fund is to be left intact.

In consideration for the services provided herein, the City shall pay or allocate, as provided herein, to The Washington Center during each calendar year of the agreement an amount equal to the 2% Lodging Tax authorized by RCW 67.28.180 and collected by the City from all lodging establishments located within the City limits. Additionally, the City shall pay to The Washington Center interest earnings of The Washington Center Endowment Fund.

The amount of Lodging Tax and interest earnings of The Washington Center Endowment Fund payable to The Washington Center shall be equal to the amount of tax collected and interest earned thereon for the twelve (12) months ending September 30 of the preceding year.

All payments hereunder shall be paid on a monthly basis, based on vouchers submitted by The Washington Center which outline budgeted expenditures included therein.

Compensation shall be limited to those costs incurred for which The Washington Center has not been reimbursed or paid by another source. Further, in no case shall the City reimburse or pay The Washington Center for donated, pro-bono, in-kind or like services.

The Washington Center shall also seek operating grants, endowment funds and contributions from private and public sources.

- 5. <u>Arbitration:</u> In the event that any dispute shall arise as to the interpretation of this Agreement, or in the event of a notice of default as to whether such default does constitute a breach of the contract and if the parties hereto cannot mutually settle such differences, then either party hereto shall be entitled to submit the determination of such matters to arbitration as provided by the laws of the State of Washington, or to seek such relief as may be available by the laws of the State of Washington in the Superior Court for Thurston County.
- 6. Notices: Any notice herein provided to be given to the City shall be addressed and delivered to Olympia's Administrative Services Director, Olympia City Hall, 601 4<sup>th</sup> Avenue, E, Olympia, Washington 98501. Any notice to be given to The Washington Center shall be addressed and delivered to The Washington Center, 512 Washington Street SE, Olympia, Washington 98501.

#### D. CENTER ASSETS

1. <u>City Assets:</u> The City owns the Center and all equipment not otherwise listed.

2. Washington Center Assets: The Washington Center owns all office equipment and supplies, the Steinway Grand Piano, the Andy Crow Wurlitzer Theatre Organ, and all equipment purchased by The Washington Center since December 1992. Upon termination of this Agreement, all fixtures installed in the Center since December 1992, including any fixtures installed after the effective date of this Agreement, shall become the property of the City. Equipment purchased by The Washington Center not installed in or otherwise made a part of the Center (i.e., that is not a fixture) shall be the property of The Washington Center notwithstanding any termination of this Agreement.

#### E. **RECITALS**

The recitals at the beginning of this Agreement are hereby incorporated into its terms as a part of the Agreement.
Steven R. Hall, City Manager  Date
APPROVED AS TO FORM:
Al-farleses Deputy City Attorney
STATE OF WASHINGTON )
) ss. COUNTY OF THURSTON )
On the day of 2018, before me, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared Steven R. Hall, known to me as the City Manager of the City of Olympia, a municipal corporation, who executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said municipal corporation for the uses and purposes therein mentioned and on oath states that he is authorized to execute the said instrument.
WITNESS my hand and official seal the day and year first above written.
Comme J. Colob
Signature Print Name: CONNIE J. COBB

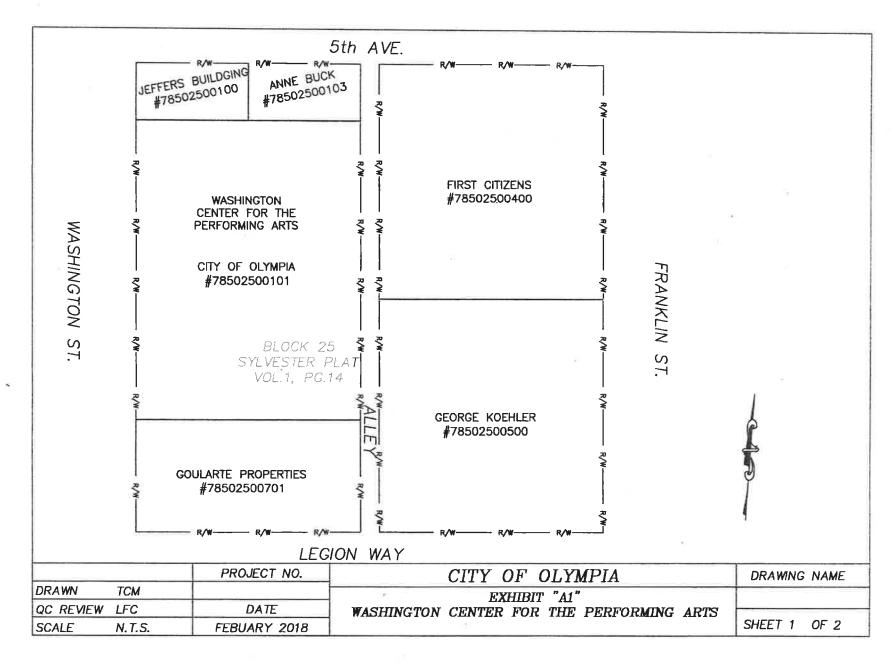
**NOTARY PUBLIC** 

NOTARY PUBLIC in and for the State of

Washington, residing at Quim My commission expires 1013

### THE WASHINGTON CENTER FOR PERFORMING ARTS:

ill Barnes, Executive Director	4.26.18 Date
STATE OF WASHINGTON ) ) ss. COUNTY OF THURSTON )	
Washington, duly commissioned and sworn, per he Executive Director of The Washington Cente corporation, who executed the foregoing instru	2018, before me, a Notary Public in and for the State of rsonally appeared before me Jill Barnes, known to me as er for Performing Arts, a Washington non-profit ment and acknowledged the said instrument to be the offit corporation for the uses and purposes therein rized to execute the said instrument.
WITNESS my hand and official seal the o	day and year first above written.
MATT HARGRAVE COMM. EXPIRES	Signature Print Name: Matt Haggar NOTARY PUBLIC in and for the State of
DEC. 21, 2018	Washington, residing at Olyapia  My commission expires Decal 2018



PROJECT NAME: Washington Center Exhibit

DATE: February 16, 2018

#### **EXHIBIT "A2"**

#### WASHINGTON CENTER FOR THE PERFORMING ARTS LEGAL DESCRIPTION

THAT PART OF LOTS 1 AND 2, BLOCK 25 OF SYLVESTER'S PLAT OF OLYMPIA, ACCORDING TO THE RECORDED PLAT THEREOF IN THE OFFICE OF THE AUDITOR OF THURSTON COUNTY, IN VOLUME 1 OF PLATS, PAGE 14, MORE PARTICULARLY DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE WEST LINE OF SAID LOT 1, 30.0 FEET SOUTHERLY FROM THE NORTHWEST CORNER OF SAID LOT 1; RUNNING THENCE SOUTHERLY ON THE WEST LINE OF SAID LOT 1, A DISTANCE OF 60.20 FEET; RUNNING THENCE EASTERLY ALONG THE SOUTH FACE OF THE SOUTH WALL OF THE OLYMPIA THEATRE BUIDING, 116.44 FEET, MORE OR LESS, TO AN ANGLE IN SAID WALL; THENCE SOUTHERLY 2.05 FEET, MORE OR LESS, TO AN ANGLE POINT IN SAID WALL; THENCE EASTERLY ALONG THE SOUTH FACE OF WALL, 3.67 FEET, MORE OR LESS, TO A POINT ON THE EAST LINE OF SAID LOT 2, 92.15 FEET, MORE OR LESS, SOUTHERLY FROM THE NORTHEAST CORNER OF SAID LOT 2; THENCE RUNNING NORTHERLY ALONG THE EAST LINE OF SAID LOT 2 A DISTANCE OF 62.15 FEET; THENCE RUNNING WESTERLY ALONG THE NORTH FACE OF THE NORTH WALL OF OLYMPIC THEATRE BUILDING A DISTANCE OF 120.11 FEET TO THE POINT OF BEGINNING.

TOGETHER WITH THAT PART OF LOTS 1 AND 2 LYING SOUTHERLY OF A LINE DESCRIBED AS BEGINNING AT A POINT ON THE WEST LINE OF SAID LOT 1, 90.2 FEET SOUTHERLY OF ITS NORTHWEST CORNER AND RUNNING THENCE ALONG THE SOUTH AND WEST FACE OF BUILDING WALL, EASTERLY 116.44 FEET, MORE OR LESS, SOUTHERLY 2.05 FEET, MORE OR LESS, AND EASTERLY 3.67 FEET, MORE OR LESS, TO THE EAST LINE OF SAID LOT 2, AND THE NORTHERLY ONE-HALF OF LOTS 7 AND 8 IN BLOCK 25 OF SYLVESTER PLAT OF OLYMPIA AS RECORDED IN VOLUME 1 OF PLATS, PAGE 14;

**TOGETHER WITH VACATED ALLEY BETWEEN SAID LOTS 1, 2, 7 AND 8.** 

SUBJECT TO: RESTRICTIONS, RESERVATIONS, EASEMENTS, COVENANTS, CONDITIONS, AGREEMENTS AND SLOPE RIGHTS OF RECORD.



### Washington Center Rent Waiver Policy

Exhibit B

# POLICY FOR FREE USE OF THE WASHINGTON CENTER (Rental Fee Waived)

The City of Olympia owns The Washington Center building and has an agreement with the non-profit Washington Center Board to manage the building and its use.

Policy:

It is the policy of the City of Olympia to periodically make The Washington Center available free of charge for events in which the City has a major policy interest, with the following conditions:

- 1. The requesting group is a non-profit organization.
- 2. The event does not occur more frequently than once each year.
- 3. The desired date does not conflict with other events already scheduled for The Center.
- 4. No admission is charged, and the event is not for fund-raising purposes (i.e. no soliciting donations or assessing of fees).
- 5. The group or individual using The Center agrees to hold the City of Olympia and The Washington Center Board harmless for any claims resulting from their use of The Center.
- 6. The City determines there is a general community interest in the proposed event.
- 7. The City determines that the activity constitutes a public use that the City is authorized to sponsor.

If a rent waiver is granted by the City, the sponsoring group must execute a use agreement with The Washington Center, pay Washington Center fees other than the rent cost, provide insurance, and make a deposit if requested by The Washington Center.

To request a rent waiver, please contact:

Kellie Purce Braseth
Strategic Communications Director
City of Olympia
PO Box 1967
Olympia, WA 98507-1967

Phone: 360.753.8361

Email: kbraseth@ci.olympia.wa.us

## Exhibit C EQUAL BENEFITS COMPLIANCE DECLARATION

Contractors on City contracts estimated to cost \$50,000 or more are required to comply with Olympia's Equal Benefits Ordinance, Olympia Municipal Code 3.18, and must complete this Equal Benefits Compliance Declaration. Please note: No City contract can be executed until the contractor has completed this Declaration and submitted it to the City.

e oi i amfractor		Contact Power	
Name of Contractor:			
hone Number: Fax:			
roximate Number of Em	ployees in the U.S.:	Project #:	
Ι,			
(Nan	ne)		
(Cox	ntractor Name)	· · · · · · · · · · · · · · · · · · ·	
١	,	ity of Olympia Municipal Code 3.18 and does n	
		s to Contractor's employees.	
I declare under nens	alty of periury under the l	laws of the State of Washington that the foregoi	
	at I am authorized to bind		
Executed this	day of	20 at	
Executed this	day of	, 20, at(City)	
		, 20, at(City)	
		, 20, at(City)	
		, 20, at(City)	
(State)		:	
(State) Signature			
(State)			

### RESOLUTION NO. M-1545

A RESOLUTION Establishing Guidelines to Address the Purchase of Clothing and Footwear from Responsible and Ethical Contractors.

WHEREAS, it is in the interest of the City of Olympia to purchase clothing and footwear from responsible and ethical contractors who provide quality goods and services at a competitive price; and

WHEREAS, certain manufacturers in these industries in the United States of America and around the world have been found to maintain sweatshop conditions including below-subsistence wages; unhealthy and unsafe working environments; excessively long hours; child, indentured, and prison labor; persistent disregard for local and international labor laws and workplace regulations; and systematic repression of fundamental women's rights, human rights, and workers' rights; and

WHEREAS, the City of Olympia is guided by the philosophy of sustainability, which tasks citizens to consider how today's decisions will affect the quality of life for future generations with the goal of establishing ways of living that can be sustained indefinitely; and

WHEREAS, the City of Olympia resolution of Sustainable City Philosophy states: "The City of Olympia acknowledges its responsibility for leadership in creating a sustainable community locally, regionally, and globally. A sustainable community is one that persists over generations and is far-sighted enough, flexible enough, and wise enough to maintain its natural, economic, social, and political support systems"; and

WHEREAS, standards outlining responsible and ethical practices can be found in: the International Labor Organization's Convention on the Rights of the Child, the United Nations Declaration on Gender Equity, the U.N. General Assembly Universal Declaration of Human Rights; and

WHEREAS, sweatshops threaten the jobs and wages of workers in our region and nation, undermine our goals for a sustainable economy, and exploit workers in developing economies as well as in the United States; and

WHEREAS, appropriate government purchasing practices can be effective in combating sweatshop production practices and ensuring the appropriate expenditure of public funds; and

WHEREAS, information about the manufacturing practices of clothing providers is increasingly available through distributors, union-sponsored organizations such as UNITE, non-profit citizens groups, independent non-profit monitoring organizations, and investment companies that screen for "socially responsible" companies; and

WHEREAS, current vendors for City purchases of clothing and footwear are valued business associates, and the City will inform our current vendors about how to comply with City purchasing requirements.

## NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OLYMPIA THAT:

Section 1. The City will implement sweatshop-free purchasing guidelines in phases. In Phase I, to be implemented by July 1, 2004, City staff making bulk purchases of t-shirts, sweatshirts, and baseball caps shall choose from a list of manufacturers proven to be free of sweatshop working conditions, and offering items at a competitive price. Application of sweatshop-free purchasing guidelines to other items of clothing or footwear shall occur in future phases as directed by the Olympia City Council.

Section 2. All requests for bid or quote on t-shirts, sweatshirts, and baseball caps shall include a copy of this Resolution.

Section 3. To determine whether a bid is responsive in terms of these criteria, the City may consider information obtained independently from the bid from the following: the manufacturer, the distributor from whom the goods are purchased, reputable national and international organizations, well documented media reports, and well-documented information from local citizens groups that are knowledgeable about this topic.

Section 4. City staff shall provide individual employees who receive a clothing or footwear allowance, or who make reimbursable purchases of work clothes or footwear, information on local retailers, wholesalers, or known manufacturers of sweatshop-free items, and encourage those employees to make purchases from those sources.

Section 5. The City Council Budget Committee shall review the progress in implementing this resolution annually through 2006 to determine its effectiveness in assisting the City and its employees in purchasing covered goods from responsible and ethical manufacturers, any impact that this policy may have on the ability of the City to purchase such items at competitive prices, and the timing and means of including additional clothing items under the purchasing guidelines.

PASSED AND APPROVED this 9th day of March \_\_\_\_\_, 2004

MAYOR PRO TEM

ATTEST:

APPROVED AS TO FORM:

CITY ATTORNEY

Y:\Genl Govt\RES\2004\r4507 Clean Clothes Guidelines.doc 2/24/04