



I-18

Receiving # 9114  
(Obtain from City Clerk)

### CONTRACT ROUTING FORM

**DESCRIPTION**

Originator: Cameron Reed  
 Routed by: Cameron Reed  
 Department/Division: Public Works - SWES  
 Date: 06/08/2018  
 Name of Consultant/Contractor: King County Local Hazardous Waste Program (LHWMP)  
 Contract Title: Agreement to participate in King County Local Hazardous Waste Program's Voucher Incentive Program

**CONTRACT CONTENT**

Exec 7/24/2018

Type of Contract:  (GR) Grants  (I) Intergovernmental Agreement  (L) Lease Agreement  
 (S) Purchase of Services  (W) Public Works  (O) Other

Bid/RFP Number:  
 Effective Date:  
 Completion Date: ON-GOING

Has the original boilerplate language been modified?  Yes  No

If yes, specify which sections have been modified: Using King County program agreement

Description of services: This agreement allows City staff to issue reimbursement vouchers from King County's Voucher Incentive Program to small businesses within the City to help them comply with pertinent hazardous waste management regulations.

**FINANCIAL DETAILS**

Total Amount of Contract: (Amount Verification): \$ 0.00

Org Key - Obj #	Amount:	Org Key - Obj #	Amount:
J/L # - Task #		J/L # - Task #	
Org Key - Obj #	Amount:	Org Key - Obj #	Amount:
J/L # - Task #		J/L # - Task #	
Org Key - Obj #	Amount:	Org Key - Obj #	Amount:
J/L # - Task #		J/L # - Task #	

Are there sufficient funds in the current budget to cover this contract?  Yes  No

Remarks:

**FORMS**

**For Public Works / Small Works Contracts:**  
 Selection Form  Business License  
 Contractor Responsibility Form  Certificate of Insurance  
 Contract Bond/In Lieu of Form  W-9 Form

**For Service Contracts:**  
 Selection Form  Business License  
 Certificate of Insurance  
 W-9 Form

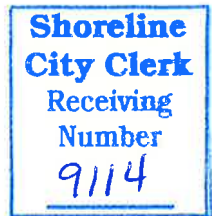
**SIGNATURE**

Authorization Level: Click to select

1. Project Manager C.R.  
 2. Risk Management/Budget/Grants  
 3. City Attorney  
 4. Consultant/Contractor 9/20/18  
 5. Click to select or overwrite

6. City Council (if required) 7/16/18  
 7. City Manager  
 8. City Clerk  
 9. Originating Department

7/24/18  
 10/3/2018  
 consent 7(d)(1)



**AGREEMENT BETWEEN KING COUNTY'S  
LOCAL HAZARDOUS MANAGEMENT PROGRAM  
and CITY OF SHORELINE  
FOR LOCAL HAZARDOUS WASTE MANAGEMENT PROGRAM  
VOUCHER INCENTIVE PROGRAM**

THIS Agreement ("Agreement") is made and entered into by and between King County, as represented by its Local Hazardous Waste Management Program ("King County" or "LHWMP"), and the City of Shoreline ("City"), sometimes collectively referred to herein as the "Parties," or when used to refer to one of the two Parties, "Party".

**I. PURPOSE**

The purpose of this Agreement is to provide the terms and conditions, and to establish a framework and process, whereby field representatives of the City staff ("Staff") will issue reimbursement vouchers ("vouchers") from the LHWMP's Voucher Incentive Program ("VIP") to small businesses within the City to assist them in complying with pertinent hazardous waste management regulations. This participation in the VIP will augment King County's efforts to properly manage regulated hazardous waste on a countywide basis. This Agreement is one of a number of such agreements that King County will be entering into with government agencies in King County that have training and expertise in advising businesses and residents on proper management of hazardous waste. The staff of the City have such training and expertise.

**II. CITY RESPONSIBILITIES:**

- A. The City agrees to work with King County in issuing Small Quantity Generator ("SQG") vouchers pursuant to the terms of this Agreement and King County's Small Quantity Generator Voucher Incentive Program (VIP) Guidelines, attached hereto as Exhibit A. These Guidelines are updated annually. The City agrees to follow the updated Guidelines upon their receipt. Should there exist a conflict or inconsistency between the Guidelines and the terms of this Agreement, the terms of this Agreement shall take precedence and shall control.
- B. The City will obtain Small Quantity Generator Voucher forms from King County and will issue them in accordance with the terms of this Agreement and the VIP Guidelines.
- C. The City will provide trained Staff to advise businesses on the proper management of hazardous waste and keep such Staff updated on current federal, state and local regulations related to such management.
- D. Responsibilities of City Staff

1. Vouchers are one tool which Staff may utilize to positively influence the hazardous material management activities of SQGs. Staff should use best professional judgment in evaluating the appropriateness of providing vouchers to SQGs as an incentive to improve waste management practices. Subject to the terms hereof and the Guidelines, the issuance of a voucher to a particular SQG is in the first instance a matter of discretion to be exercised by Staff through the exercise of best professional judgment. A previously issued voucher may be voided by Staff, provided notice of such voidance is given to the VIP Manager, as more fully identified below. The purposes for which vouchers may be used to reimburse SQGs include but are not limited to:
  - **Waste characterization** by certified laboratories, licensed transporters, or permitted Treatment, Storage, and Disposal (TSD) facilities;
  - **Transportation** by licensed transporters, and only if transported to permitted TSDs;
  - **Treatment, Storage, and Disposal** by permitted TSDs;
  - **Recycling performed** in a manner deemed appropriate by Staff, and by a legitimate recycler;
  - **Secondary containment, spill control, and cleanup equipment and supplies** which conform to best management practices (BMPs) given by Staff; and
  - **Equipment** that reduces the use of hazardous products, the generation of hazardous waste, or, by its use, the hazardous nature of the product used or waste generated.
2. Staff has the authority to recommend the specific action(s) to be taken to qualify for reimbursement cost(s) up to the program maximum regarding a particular SQG or site.
3. Staff, in consultation with the VIP Manager, should recommend whether the handling/management of a given material or other SQG expenditure qualifies for reimbursement from the VIP. The VIP Manager retains final decision-making authority concerning the actual reimbursement of SQG expenditures/costs.
4. Staff may request that the VIP Manager contact them before a voucher is paid, by indicating on the voucher space "Contact Field Rep." in the space "Voucher issued for:" on the Voucher. Such text indicates to the VIP Manager to check with Staff to ensure that the SQG has followed the recommendations made by Staff before approving the reimbursement amount provided on the voucher.
5. Staff has the authority to place any voucher "on hold" and delay further processing, at any time. Vouchers may be put on and taken off hold more than once, at the discretion of Staff. Approval of reimbursement by the VIP Manager should be delayed for any voucher placed on hold until Staff is satisfied that the SQG has complied with and completed the recommendations. Staff shall contact VIP Manager and inform Manager of any vouchers placed on or taken off of hold.

6. In the exercise of its reasonable discretion, and subject to the final authority vested in the VIP Manager, Staff has the authority to void any voucher issued by that Staff person. If Staff determines that sufficient grounds exist to void a voucher, the VIP Manager must be notified immediately in writing. It is within the sole discretion of Staff whether to notify the SQG who received the voucher. In the event of such voidance, the VIP manager will notify the SQG in writing of the voidance. Except for expiration, and subject to the final approval of the VIP Manager, a voucher will only be voided by order of the Staff person who issued the voucher. An example of grounds for voiding a voucher is: Staff has solid grounds for believing that the SQG does not intend to follow the recommendations given as the basis for reimbursement under the voucher. Vouchers not remitted by the SQG to King County within 60 days after the specified expiration date will be automatically void and will no longer serve as the basis for receiving reimbursement of costs from King County. Staff should clearly communicate this deadline to the SQG at the time of issuance of the voucher. Voidance of a voucher constitutes a final disposition and such act is not appealable by the voucher holder.
7. Placing a voucher on hold is considered a temporary action. Voiding a voucher is a final action on a voucher. A voucher, once voided, cannot be reactivated. In cases where Staff thinks that offering another voucher will result in an improvement in hazardous materials management actions by the SQG, a new voucher can be issued to a SQG that has had a previous voucher voided.
8. The effective duration of a voucher shall not exceed a period of six months from the date of issuance. However, Staff in its discretion may extend the effective duration for an additional three six months, not to exceed a total of 9 months for the entire life of the voucher. It is the responsibility of Staff to enter an expiration date on the voucher. If no expiration date is expressed, the voucher will expire six months from the day it was issued. One of the purposes of a voucher is to serve as an incentive for an SQG to make timely improvements in its management of hazardous waste materials. If the actions contemplated and described in the voucher are not entirely completed before the expiration date of the voucher, the voucher becomes null and void upon expiration, and may not be used as the basis for seeking reimbursement of costs from King County.

### **III. KING COUNTY RESPONSIBILITIES**

- A. King County agrees to abide by the terms of this Agreement and to work with the City in administering the VIP in a timely and efficient manner.
- B. Guidelines outlining the terms and conditions of the VIP are attached to this Agreement as Exhibit A. King County will provide Guideline updates to the City on an annual basis. The Guidelines provide specific details regarding how vouchers should be used, provide the necessary forms to be used, and identify the processing protocol for remitted forms and reimbursements.

- C. Periodic reports identifying and itemizing the purpose(s) for the requested reimbursements made and the reimbursement dollar amounts remitted will be provided to the cities and jurisdictions participating in the VIP.
- D. Subject to the availability of appropriated funds, the VIP Manager retains sole discretion to pay the costs/expenses identified in vouchers issued by Staff.

#### **IV. EFFECTIVENESS, DURATION AND GENERAL TERMS**

- A. This Agreement is effective upon signature by both Parties and shall remain in effect for three years from the effective date unless terminated in accordance with the terms of IV.D. below.
- B. This Agreement may be amended only by the written agreement of the Parties.
- C. This Agreement is not assignable by either Party, either in whole or in part.
- D. This Agreement may be terminated by the mutual agreement of the Parties expressed in writing. Either Party may terminate this Agreement upon thirty (30) days' prior written notice to the other Party. If this Agreement is so terminated, the Parties shall be liable only for performance rendered or costs incurred in accordance with the terms of this Agreement prior to the effective date of termination.
- E. Notwithstanding the terms of provision IV.D. above, the VIP Manager may immediately terminate King County's obligations to pay for or reimburse voucher costs upon a determination that appropriated funds are no longer available to pay such costs.
- F. If for any cause, either Party does not fulfill in a timely and proper manner its obligations under this Agreement, or if either Party violates any of these terms and conditions, the aggrieved Party will give the other Party written notice of such failure or violation. The responsible Party will be given the opportunity to correct the violation or failure within fifteen (15) working days. If failure or violation is not corrected, this Agreement may be terminated immediately by written notice of the aggrieved Party to the other.
- G. The employees or agents of each Party who are engaged in the performance of this Agreement shall continue to be employees or agents of that Party and shall not be considered for any purpose to be employees or agents of the other Party.
- H. This Agreement is a complete expression of the intent of the Parties and any oral or written representations or understandings not incorporated herein, are excluded. The Parties recognize that time is of the essence in the performance of the provisions of this Agreement. Waiver of any default shall not be deemed to be waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of

this Agreement unless stated to be such through written approval by the Parties which shall be attached to the original Agreement.

**V. INDEMNIFICATION AND HOLD HARMLESS:**

The City shall protect, defend, indemnify and save harmless King County, its officers, officials, employees and agents, from any and all suits, costs, claims, actions, losses, penalties, judgments, and/or awards of damages, of whatsoever kind arising out of the Agreement, or services provided thereunder, caused by or resulting from the City's own negligent acts or omissions. The City agrees that its obligations under this provision extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees, or agents. King County shall protect, defend, indemnify and save harmless the City, its officers, officials, employees and agents, from any and all suits, costs, claims, actions, losses, penalties, judgments, and/or awards of damages, of whatsoever kind arising out of the Agreement, or services provided thereunder, caused by or resulting from King County's own negligent acts or omissions. King County agrees that its obligations under this provision extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees, or agents. The foregoing indemnity provisions are specifically and expressly intended to constitute a waiver of the Parties' immunity under Washington's Industrial Insurance act, RCW Title 51, as respects the other Party only, and only to the extent necessary to provide each of the Parties with a full and complete indemnity of claims made by each Party's employees or agents. The Parties acknowledge that these provisions were specifically negotiated and agreed upon. This indemnification Article V. shall survive termination of this Agreement.

**VI. CONTRACT MANAGEMENT:**

The Program Manager for each of the Parties shall be responsible for and shall be the contact person for all communications and billings regarding the performance of this Agreement.

The Contract/Program Manager for King County is:

**Patrick Hoermann**

**VIP Manager**

**206.263.1658**

The Contract/Program Manager for the City of Shoreline is:

**Cameron Reed**

**Environmental Programs Specialist**

**206.801.2455**

**VII. DISPUTE RESOLUTION:**

In the event that a dispute arises under this Agreement, the Parties agree that they will attempt to resolve the disputed matter(s) through mutual negotiation. If the Parties are not able to reach an agreement through such informal negotiation, the Parties agree to engage in non-binding mediation in order to resolve the dispute. Mediation may be requested by either Party, and shall be attempted prior to the institution of any lawsuit arising under this Agreement. The Parties agree to equally share the costs of

mediation. Venue for any litigation arising out of or related to this Agreement shall vest in the Superior Court of King County, Washington.

**VIII. GOVERNANCE:**

This Agreement is entered into pursuant to and under the authority granted by the laws of the state of Washington and any applicable federal laws. The provisions of this Agreement shall be construed to conform to those laws.




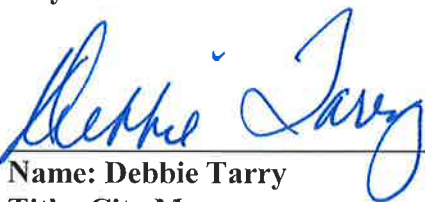
In the event of an inconsistency in the terms of this Agreement, or between its terms and any applicable statute or rule, the inconsistency shall be resolved by giving precedence in the following order:

- a. Applicable state and federal statutes and rules;
- b. Exhibit A.

**IX. SEVERABILITY:**

If any provision of this Agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date shown below.

<p><b>Approved as to Form</b></p> <p></p> <p>Senior Deputy Prosecuting Attorney</p>	<p><b>King County:</b></p> <p></p> <p>Director, Department of Natural Resources and Parks</p>
<p>DATE: 9/19/18</p>	<p>DATE: 9.20.18</p>
<p> </p>	<p> </p>
<p><b>Approved as to Form</b></p> <p></p> <p>Name: Julie Ainsworth-Taylor Title: Shoreline Assistant City Attorney</p>	<p><b>City of Shoreline:</b></p> <p></p> <p>Name: Debbie Tarry Title: City Manager</p>
<p>DATE: 7/18/18</p>	<p>DATE: 7/24/18</p>

## EXHIBIT A

### Financial Incentive Program

#### Guidelines Effective January 1, 2018

The Guidelines are intended to provide guidance for your efforts in using Financial Incentive vouchers as a part of your work with the Local Hazardous Waste Management Program (LHWMP) and the small quantity generator (SQG) business community in King County. Three financial incentive programs are explained in this document: The Voucher Incentive Program (VIP), the Substantial Improvement Reimbursement program (SIR), and in an Addendum the Secondary Containment program.

#### **The Criteria the SQG must meet to be eligible to receive service from the LHWMP**

To be eligible for these financial incentives, the SQG must meet the general eligibility criteria established by the LHWMP, which includes the types and quantities of waste to be managed. The SQG must generate hazardous waste at an SQG rate.<sup>1</sup> The SQG must have a valid business license when required by law. The SQG must be located within the service area of the LHWMP. The SQG may be any entity that generates at the SQG level, whether publicly or privately owned.

#### **The Voucher Incentive Program**

#### **Responsibilities the SQG must accept to receive a VIP voucher**

The SQG must be the generator of the waste to be managed in order to receive reimbursement from the VIP.<sup>2</sup> The business site must be the SQG site, not a site where the SQG provides service to another business.

To receive a voucher, the SQG must agree to cease engaging in practices that:

1. Are obviously contaminating the site;
2. Might allow a discharge of hazardous chemicals to the municipal waste streams;
3. Might cause a significant threat to human health or the environment;
4. Are in apparent violation of environmental regulations;
5. Place the SQG in imminent jeopardy of enforcement actions by criminal investigators of agencies of Federal, State or local government.<sup>3</sup>



1. A SQG must generate less than 100 kg (220 lb.)/month. The SQG rate is defined by State regulations, including, but not limited to Chapter 173-303 WAC, RCW 70.105; and Federal regulations, including, but not limited to 40 CFR Part 260.
2. Although technically businesses that inherit hazardous waste are not the generators, they may qualify for a voucher if they came into possession of the waste through no fault or effort of their own. These businesses must hold a business license where required in order to receive reimbursement from the VIP. An example would be when a property manager had waste abandoned on its property. We do not encourage property managers or others to collect waste and effectively conduct an unlicensed hazardous waste collection operation.
3. A voucher may be used to help a SQG comply with environmental regulations. A voucher cannot be used to help a SQG to avoid an enforcement action, or to reduce the cost of an enforcement action, without the consent and cooperation of the agency taking the enforcement action against the SQG.

The SQG must allow the field representative,<sup>4</sup> sometimes referred in these Guidelines as "staff," to visit its business site if needed. The SQG must agree to implement the improvements recommended by the field representative (improvements). The SQG must agree to allow a follow-up visit by the field representative to ensure that the improvements that were recommended during the original visit have been followed, or that the process of implementing the improvements has begun. The goal of the VIP is to help the SQG permanently change its hazardous waste and waste management behavior. The SQG must show the motivation to make changes in the way it conducts business now, and to maintain those changes permanently. Please see also the section VIP Vouchers are reimbursed are for making improvements, on page 8.

### **Responsibilities the SQG must accept to qualify for reimbursement from the VIP**

A voucher may be issued by the field representative to the SQG during the follow-up visit if the field representative is satisfied that the SQG has begun the process of accomplishing the improvements agreed to by the field representative and the SQG during the original inspection. A voucher may be issued at the time of the original inspection of a site if, in the best professional judgment of the field representative, the SQG will implement the recommended Improvements agreed to by the SQG and the field representative.<sup>5</sup>

The SQG must have, or implement, and maintain an adequate record-keeping system for its hazardous waste management records, as recommended and confirmed by the field representative. An adequate record-keeping system should make it possible for the SQG to make available all of its records related to hazardous waste management for review by the field representative upon request. These record-keeping requirements come from the Local Hazardous Waste Management Plan, which requires that such records be kept by the participating agencies, and by the participating SQGs.

4. In these Guidelines the term field representative is used, but other qualified persons may be authorized by the Financial Incentive program manager to issue vouchers.
5. A voucher may be provided to the SQG by other means than a site visit under circumstances to be determined by the Financial Incentive program manager.

## **Waste Characterization**

The SQG must characterize its wastes for transport or disposal. Waste characterization is required by State and Federal regulations. Waste characterization is required by King County in order for an SQG to receive a voucher for waste recycling or disposal.

1. If the SQG has not already done so, the SQG may use the voucher to help pay for the services of certified laboratories, licensed transporters, or permitted Treatment, Storage, and Disposal (TSD) facilities to characterize the waste.
2. Known non-hazardous municipal solid waste does not qualify for reimbursement under the VIP. Waste characterization to determine if the wastes in question are hazardous does qualify for reimbursement under the VIP, even if the waste are later characterized to be non-hazardous or municipal solid waste.
3. The field representative may make a recommendation on whether characterization is necessary or appropriate for an SQG's waste on a case by case basis. However, the final decision rests with and is the responsibility of the SQG.

The SQG can receive reimbursement for the management of wastes that are not technically characterized as hazardous, (that is, do not formally meet the regulatory definition of hazardous waste) under certain circumstances. If the SQG would have to pay an additional fee for the disposal or removal of said waste, reuse or recycling options are not readily available, and improper management of said waste could pose a health or environmental risk, then reimbursement may be available. The determination of what waste or wastes qualify for reimbursement, and whether improper disposal of said waste or wastes could pose a health or environmental risk will primarily depend upon the best professional judgment of the field representative.

## **Completion of the VIP Voucher Form**

The field representative should assist the SQG in entering the information in the spaces provided for business name, street, city and ZIP code that is the address to which the reimbursement should be mailed. Usually, this is the same as the site address. However, if the mailing address is different from the site address, the site address should be entered in the "Voucher issued for" space provided for entering the purpose for which the voucher was issued. You may enter the project name or number in the "Voucher issued for" space, but it is not required.

Remember that the address that you enter in the upper section of the voucher form should be the address to which you want the reimbursement to be mailed. The field representative should complete this section of the voucher form. Printing your name and providing your email address and your telephone number will facilitate the SQG contacting you to ask and answer questions.

By signing your name to the voucher form, you are entering into an agreement on behalf of King County with the SQG that they will be reimbursed for qualified costs if your recommendations are followed as you have explained them on the voucher form.

The SQG must complete all of the information required of the SQG on the voucher. This information includes providing a signature, its Federal Taxpayer Identification Number, when required, and all required supporting documentation. Depending on circumstances, the SQG may be required to supply King County with a copy of its W-9 form. Please see also Page 10, that a voucher is an agreement between the SQG and King County. As such, all signatures required on the voucher must be provided and a copy of the voucher must be provided to the SQG for the agreement to be completed and the voucher reimbursed.

The documentation required could include any pertinent invoices, receipts, manifests, or bills of lading that the SQG wishes to use as proof of having followed the recommendations given.

If the transporter uses a manifest, a copy of the manifest should be submitted, the transporter's EPA number should be included and that this information has been provided should be indicated in the space provided on the voucher. Remember that it is the transporter's EPA number that should be provided on the voucher, not the SQG's. Also, it is necessary for the transporter to provide its EPA number only when hazardous waste is being managed through the voucher. It is the prerogative of the SQG and the transporter to decide if a manifest is necessary.

The SQG must send the original copy of the voucher form and other documents to the Financial Incentive program manager to receive reimbursement. The SQG should always keep originals of any documentation, and only include copies with the submitted original voucher. The SQG should always keep its copy of the voucher form.

The SQG may be required to provide its Federal Taxpayer Identification Number (TIN) and this number must be entered in the space provided on the voucher. Either an Employer Identification Number (EIN) or a Social Security Number (SSN) may be used as the Federal TIN. A SSN may be used as a Federal TIN for an SQG that does not have employees, and therefore, is not required to possess an EIN. We request the Federal TIN (EIN or SSN) from the SQG to comply with United States Internal Revenue Service (IRS) Section 6109, Internal Revenue Code. King County is responsible for reporting the payment(s) to the IRS. King County must report the payment(s) to the IRS and notify the SQG to avoid having to withhold income taxes for the SQG. Depending on circumstances, the SQG may be required to supply King County with a copy of its W-9 form. We request the TIN if needed for King County to make its required reporting of the payment(s) to the IRS.

The SQG must indicate the Total Invoiced Costs, and the Reimbursement requested in the spaces provided on the voucher. The Reimbursement requested must be no more than 75 percent of the Total Invoiced Costs, up to the maximum allowed per business site. For the usual and customary expenditures covered by the VIP vouchers for Lab Testing, Waste Disposal, Recycling, and Equipment, the maximum reimbursement allowed is \$599 annually. Each business site is considered separately, requiring a separate voucher, and qualifying for separate reimbursement to the maximum reimbursement allowed.

The \$599 limit on reimbursement is in keeping with IRS Internal Revenue Code setting the limit on income threshold for what is reportable income. If the amount provided by King County combined with the value of goods provided by the County is \$600 or more, the SQG must provide you a W-9 form and the County is required to fill out an IRS 1099 form and provide it to the IRS.

The SQG is requested but not required to specify in the space provided on the voucher (Business Type) which category best fits its business: Corporation; Partnership; Sole Proprietor; or Other. This information is not required of the SQG to participate in the VIP.

Vouchers are valid for a specified time, and can be specified for any period deemed appropriate by the issuing field representative. However, the validity period can be no longer than six months. The validity period can be extended, but for no more than three months, and only if both the field representative and the Financial Incentive program manager agree to the extension. It is the responsibility of the field representative to enter an expiration date in the space provided on the voucher. If no expiration date is specified, the voucher will expire six months from the day it was issued. The year determining the annual limit is the year in which the reimbursement is paid.

The purpose of a voucher is to serve as an incentive for an SQG to modify its hazardous waste management behavior. The expiration date can be used not only as an additional incentive to encourage the SQG to improve its behavior, but also to do so in a specified time.

Provide the SQG with these instructions. After receiving their products or services, the SQG should complete and sign at the bottom right side of the middle section of the voucher. The SQG should mark the appropriate box for the purpose for which they are submitting the voucher. We provide two sections in which to make entries. Each section can be used for any one of the purposes indicated. If the SQG contracts with more than two product or service providers, ask them to contact you to provide them with additional forms.

The service provider must supply the SQG with:

1. Their EPA/State identification number if hazardous waste are managed,
2. An invoice or receipt for products or services provided, and
3. The "Return to Generator" copy of the hazardous waste manifest for the waste handled, if managing hazardous waste is the purpose of the voucher. If a manifest is not required for the management services received, other documentation of waste acceptance, such as a Bill of Lading should be provided to the SQG. The SQG may use a copy of the manifest that the transporter leaves with them at the time the waste are collected to submit for reimbursement.<sup>6</sup>

6. The SQG does not have to send a copy of the "Return to Generator" manifest to receive reimbursement, but must obtain and retain a copy of the "Return to Generator" manifest from the transporter for their records. This allows the SQG to submit their documents for reimbursement while waiting to receive their copy of the "Return to Generator" manifest from their transporter.

### **Responsibilities the SQG must accept to receive reimbursement**

The SQG acknowledges that it is solely responsible for arranging the contracts for the management of its hazardous waste, or for arranging purchases of equipment or apparatus for which the SQG requests reimbursement. It is the responsibility of the SQG to insure that those firms with whom it contracts are qualified to fulfill the agreement. The LHWMP assumes no liability of any nature arising from products or services funded through the VIP.

The SQG must accept responsibility for paying 100 percent of its hazardous waste management costs. King County will only reimburse the SQG for costs the SQG incurs while following the Improvements that were agreed to by the SQG and the field representative. King County assumes no liability of any nature for expenditures made by the SQG for any products or services.

Staff can assist an SQG in making the choice of what kind of products or services would be needed to accomplish the changes in hazardous waste management agreed to when a voucher is issued. Staff cannot recommend any one supplier or contractor over another. The VIP does not take responsibility for the quality of product or service the SQG receives from the supplier or contractor, nor does the VIP take responsibility for any expenditure made by the SQG.

### **Reimbursement**

Reimbursement will only be made when the field representative is satisfied that the SQG has implemented the Improvements the field representative and the SQG agreed to when the voucher was issued. The SQG will not be reimbursed for costs associated with the purchasing of products or services that were not included in the voucher form signed by the SQG and the field representative. The SQG will not be reimbursed for costs incurred before the original contact.

All of the information requested on the voucher must be provided for the voucher to be entered into the system. All of the information requested on the voucher must be provided for the original (white) copy of the voucher to be processed and the reimbursement paid. The Federal TIN may be requested for the original copy of the voucher to be entered into the system. Depending on circumstances, the SQG may be required to supply King County with a copy of its W-9 form. See also Page 8, the **Responsibilities of the Staff** section.

Field representatives may issue vouchers to SQGs, and the SQGs may receive reimbursement for any of the purposes that can be documented and that serves to accomplish the goals of the program. Documentation may include:

1. Invoices, receipts, manifests, and bills of lading for services provided to the SQG by permitted, licensed contracted service providers;
2. Receipts or invoices for the leasing or purchasing of specified apparatus, equipment, or waste;
3. Follow-up visits by field representatives; or by other means specified by the field representative on the field form, Observations and Recommendations (O&R) form, or on the voucher itself.

The amount of reimbursement available to a qualified SQG for vouchers issued under the VIP is 75 percent of the Total Invoiced Costs, up to the maximum allowed per business site. For the usual and customary expenditures covered by the VIP vouchers for Lab Testing, Waste Disposal, Recycling, and Equipment, the maximum reimbursement allowed is \$599 annually. Each business site is considered separately, requiring a separate voucher. For an SQG that operates more than one business site, each site is considered separately, and each site is eligible for reimbursement up to the maximum; however each site requires a separate voucher. Multiple vouchers may be issued to a given business site; however, no reimbursement in excess of the maximum allowed will be paid. The limitation is the amount of reimbursement, not the number of vouchers. Multiple receipts may be accumulated from vendors over the time period for which the voucher is valid.

The SQG should not unnecessarily accumulate the hazardous waste itself, but rather, recycle or dispose of the material periodically, and retain only the associated supporting documentation for submittal. Please ensure that the SQG understands that the goal of the VIP is to help the SQG properly manage its hazardous wastes, including properly disposing of any accumulated wastes the SQG might have. Please ensure that the SQG understands that it is not necessary to retain the waste itself until it has accumulated enough waste to qualify for the maximum reimbursement.

**VIP Vouchers may be used to reimburse SQGs for costs including, but not limited to:**

1. Waste characterization - by certified laboratories, licensed transporters, or permitted Treatment, Storage, and Disposal (TSD) facilities;
2. Transportation - by licensed transporters, and only if transported to permitted TSD facilities;
3. Treatment, Storage, and Disposal - by permitted TSD facilities;
4. Recycling - recycled in a manner deemed appropriate by the field representative, and recycled by a legitimate recycler;
5. Secondary containment, spill control, and cleanup equipment and supplies - which conform to Improvements recommended by the field representative;
6. Equipment that reduces the use of hazardous products, the generation of hazardous waste or by its use, the hazardous nature of the product used or waste generated;
7. Equipment that helps to protect personnel from exposure to hazardous products or wastes (PPE).

Reimbursement is a final fate of a voucher, and is of course, the desired one.

**VIP Vouchers are reimbursed for making improvements**

Vouchers are intended to serve as an incentive for an SQG to improve its hazardous waste management behavior. Therefore, vouchers can only be reimbursed for improvements in hazardous waste management behavior.

1. An SQG is eligible for a voucher only if the means and methods by which the SQG is managing its hazardous waste improve because of contact by the field representative. If the SQG already has in place a routine disposal mechanism, and the amount and type of waste they dispose remains the same, then the SQG is not eligible for a voucher. If the SQG begins a new service, one that has not been a routine disposal mechanism for the SQG, then the SQG qualifies for the maximum reimbursement allowed.
2. If the amount of waste disposed changes due to recommendations made by the field representative, then a voucher can be issued to reimburse the SQG for those costs incurred for following those recommendations. This includes either increase by disposing of accumulated waste, or decrease through new efficiency in the use of hazardous waste. In this type of situation, the SQG can only be reimbursed for the one shipment that reflects the behavior change. After that one shipment, this new behavior becomes the SQG's routine management mechanism.
3. If the SQG purchases equipment, the purchase must be made after contact with the field representative. Purchases made previous to contact are not eligible for reimbursement.

## Responsibilities of the Staff

Vouchers are one tool which field representatives may utilize to increase their effectiveness in positively influencing the hazardous material management behavior of SQGs. As a part of that utilization of the vouchers, a relationship is established between the field representative using best professional judgment and the SQG. It is at the discretion of the field representative, utilizing these Guidelines as a guide, whether to issue a voucher to a particular SQG, to specify the purpose for which a voucher is issued, to specify an expiration date for a voucher, to place a voucher on hold, or to void a voucher. The purposes for which an SQG can be reimbursed under the VIP are stated on Page 7 under the section **Vouchers may be used to reimburse SQGs for costs including, but not limited to**. The decision as to what specific actions will be taken and what costs will be reimbursed in regards to a particular SQG or site is within the best professional judgment of the field representative, exercised in accordance with the terms of these Guidelines.

It is at the discretion of the field representative and ultimately the Financial Incentive program manager to determine whether the management of a given material or other expenditure qualifies for reimbursement from the VIP. The decision as to what qualifies for reimbursement in general is finally within the authority of the Financial Incentive program manager.

A voucher is successfully terminated when it is submitted by the SQG for reimbursement in accordance with the Guidelines, the recommendations are agreed to by the field representative and the SQG, and the reimbursement is paid. The field representative may request to be contacted by the Financial Incentive program manager before any reimbursement is paid.

The field representative may place any voucher "on hold", and delay further processing at any time by notifying the Financial Incentive program manager and the SQG. Vouchers may be put on and taken off hold more than once, at the discretion of the field representative. This gives the field representatives greater control over the use of a voucher, and allows additional contact with the SQG to insure that the recommendations are being followed. Reimbursement will be delayed for any voucher placed on hold until the field representative is satisfied that the SQG has accomplished the recommendations. This option of placing a voucher on hold is offered as another tool for the field representative to use to accomplish his or her work with the SQG. By being able to place a voucher on hold, the field representative can choose to be contacted by the Financial Incentive program manager before any reimbursement is paid.

The field representative may void any voucher he or she has issued for any sound reason. If the field representative decides to void a voucher, the Financial Incentive program manager must be notified in writing. It is at the sole discretion of the field representative whether to notify the SQG who received the voucher. In the event of such voidance, the Financial Incentive program manager will notify the SQG in writing of the voidance. Except for expiration, a voucher will only be voided by order of the field representative who issued the voucher or by the Financial Incentive program manager.



A voucher can be voided in instances when the field representative has reason to believe that the SQG does not intend to follow the recommendations given, and that there is no chance that the SQG will change its behavior, regardless of any additional contact. Vouchers not submitted by the SQG will be automatically voided 60 days after the specified expiration date. Voiding is also a final fate of a voucher.

The difference between placing a voucher on hold and voiding a voucher is that placing a voucher on hold is considered a temporary action, while voiding a voucher is a final fate of a voucher. A voucher, once voided, cannot be made active again. In cases where the field representative thinks that offering another voucher will result in an improvement in hazardous waste management behavior by the SQG, a new voucher can be issued to an SQG that has had its voucher voided.

Expiration of a voucher is at the discretion of the field representative. However, the valid period should be no longer than six months and in any event shall not exceed nine months. It is the responsibility of the field representative to enter an expiration date on the voucher. If no expiration date is expressed, the voucher will expire six months from the day it was issued. The purpose of a voucher is to serve as an incentive for an SQG to improve its hazardous waste management behavior. The expiration date can be used not only as an additional incentive to encourage the SQG to improve its behavior, but also to do so in a specified time. Expiration is also a final fate of a voucher.

### **Distribution and issuing of vouchers**

1. The Financial Incentive program manager is responsible for the distribution of voucher forms to field representatives.
2. Field representatives are responsible for the issuance of vouchers to the SQGs.
3. There may be situations where certain amounts of funding are allotted to various projects. In those situations, the rate of expenditure of the funds allotted to the projects is at the discretion of the project teams.

### **Responsibility for the vouchers**

1. A voucher is, in effect, a blank check from King County, and it should be managed as any other negotiable instrument would be. Vouchers should be managed using a chain-of-custody procedure much like laboratory samples.
  - a. Vouchers until distributed are the responsibility of the Financial Incentive program manager.
  - b. Once distributed, the vouchers become the responsibility of the field representative to whom they were distributed.
  - c. Once issued to an SQG, a voucher becomes the joint responsibility of the field representative and the SQG.
  - d. If a voucher is placed on hold, this joint responsibility shared by the field representative and the SQG continues until the final fate of the voucher is determined by the field representative.

2. For the voucher to be processed, the voucher must be completed with all required information provided.

The original (white) copy of the voucher must have all required spaces completed by the SQG before it is submitted for reimbursement. Any missing information could delay the processing and reimbursement of the voucher. It is the responsibility of the field representative and SQG to ensure that all spaces on the voucher are completed correctly. The SQG should always keep its copy of the voucher form.

A voucher is an agreement between the SQG and King County, and as such, all signatures required on the voucher must be provided for the agreement to be completed, and the voucher reimbursed.

3. Responsibility for a voucher ends as far as the field representative is concerned when a voucher achieves its final fate. This final fate is achieved when one of three things occurs:
  - a. The voucher is voided by the field representative;
  - b. The voucher expires;
  - c. The voucher is submitted by the SQG for reimbursement in accordance with the Guidelines, and the recommendations agreed to by the field representative and the SQG, and the reimbursement paid.

If the SQG submits a voucher, but does not fulfill all that is required to receive reimbursement, it will be the joint responsibility of the SQG, the field representative who issued the voucher, and the Financial Incentive program manager to reconcile the problem. Once the voucher is submitted for reimbursement, and all of the requirements have been met, it is the responsibility of the Financial Incentive program manager to complete the reimbursement process. Only when a voucher is voided by the issuing field representative, expires, or is paid, does staff and King County responsibility for that voucher end. Every effort should be made to assist the SQG business in completing the process.

## **Substantial Improvement Reimbursement Program**

Because we recognize the value of financial incentives, and realize that there are special circumstances where the financial assistance provided by the VIP should be expanded, we offer greater reimbursement for certain expenditures. The purpose of this expansion of the VIP would be to provide funding to the SQG community that might not otherwise be available. These increased reimbursements would be allowed only under certain criteria established by the program manager. These reimbursements are referred to as Substantial Improvement Reimbursement or SIR.

The requirements that an SQG business would have to meet in order to qualify for greater reimbursement would include:

- As with all LHWMP reimbursements, the applicant must be an SQG business licensed (where required) to operate in King County;
- The applicant must meet all of the requirements of the VIP;
- The SQG must provide its Federal Taxpayer Identification Number, see also Page 4 regarding Federal Taxpayer Identification Number;
- The SQG must prove that the expenditure would be used for making substantial, significant improvements in the management of hazardous wastes and/or protecting the environment, and must demonstrate what environmental benefits would be achieved by making the improvements;
- The improvements would have to be equipment and durable in nature.

Criteria by which the SIR applications will be judged:

- The expenditures made were for substantial improvements in the way the SQG manages its hazardous waste, not routine expenditures, and were for durable equipment;
- The financial incentive was an important motivator for the SQG to make the improvements, and the SQG would probably not have made these improvements without the opportunity for the reimbursement;
- The SQG demonstrated in the application that it has made a long-term commitment to maintain the improvements in its hazardous waste management behavior;
- The improvements made were not required of the SQG by regulation, i.e., were voluntary, and were made because of the motivation on the part of the SQG to protect the environment.

The maximum dollar amount of reimbursement allowed per site would be 75% reimbursement up to a maximum of \$2,500. These reimbursements would be allowed for the SQG to make a larger expenditure than would be covered by the limits of the regular VIP. The maximum reimbursement allowed for a given SQG business site will remain \$599 for all expenditures other than these purchases of equipment to make substantial improvements in the way the SQG manages its hazardous waste.

The SIR forms are similar to the VIP forms and must be completed in order for an SQG to apply. Additionally, application instructions will be provided to the SQG by the field representatives during their regular field visits. The application will consist of an SIR form and a letter of nomination written by the SQG business owner and the field representative. This letter will be reviewed by the field representative, the SIR program manager, and a representative from LHWMP management. Approval will be based on funding availability, appropriateness of the improvements made, and its worth as compared to other applications. Reimbursement will be paid only upon approval of this application.

The SIR follows procedures found in the VIP part of these Guidelines. SQG businesses receiving SIR vouchers are required to meet requirements for eligibility and qualification to participate, as found in the VIP part of these Guidelines.

### **Completion of the SIR Voucher Form**

The field representative should assist the SQG in entering the information in the spaces provided for business name, street, city and ZIP code that is the address to which the payment should be mailed. Usually, this is the same as the site address. However, if the mailing address is different from the site address, the site address should be entered in the “Voucher issued for” space provided for entering the purpose for which the voucher was issued. You may enter the project name or number in the Voucher issued for space, but it is not required.

Remember that the address that you enter in the upper section of the voucher form should be the address to which you want the SIR reimbursed. The field representative should complete this section of the voucher form. Printing your name and providing your email address and your telephone number will facilitate the SQG contacting you to ask and answer questions.

By signing your name to the voucher form, you are entering into an agreement on behalf of King County with the SQG that they will be reimbursed if your recommendations are followed as you have explained them on the voucher form. Please see also in these Guidelines, Page 10, that a voucher is an agreement between the SQG and King County. As such, all signatures required on the voucher must be provided for the agreement to be completed, and the voucher paid.

The field representative and SQG must complete all of the information required on the voucher. Depending on circumstances, including if total payment to a site exceeds \$599; the SQG may be required to supply King County with a copy of its W-9 form. When the SQG is required to provide its Federal Taxpayer Identification Number (TIN) this number must be entered in the space provided on the voucher. Please see also in these Guidelines, page 4 for more information on requirements for the Federal TIN.

The field representative and the SQG must indicate the Total Invoiced Costs, and the Reimbursement requested in the spaces provided on the voucher. For SIR vouchers, the payment requested must be no more than the maximum allowed of 75% of Total Invoiced Costs up to \$2500 per business site.

The SQG is requested but not required to specify in the space provided on the voucher (Business Type) which category best fits its business: Corporation; Partnership; Sole Proprietor; or Other. This information is not required of the SQG to participate in the VIP.

Like VIP vouchers, SIR vouchers are valid for a specified time. See Page 5 of these Guidelines for more information on expiration dates.

Provide the SQG with these instructions. After receiving their products or services, the SQG should complete and sign at the bottom right side of the middle section of the voucher. We provide two sections in which to make entries. If the SQG contracts with more than two product or service providers, ask them to contact you to provide them with additional forms.

The SIR program follows all of the Criteria and Responsibilities found in the VIP part of these Guidelines. These include the criteria the SQG must meet to be eligible to receive service from the LHWMP, the responsibilities the SQG must accept to receive a voucher and to qualify for and to receive reimbursement, and the responsibilities of the staff. The reimbursement process is similar. SIR vouchers are only reimbursed for durable equipment, and only equipment purchased after contact with field representative.

As with all reimbursements, these SIR special circumstances reimbursements are limited by the funds available. We may also limit the total number of expanded reimbursements paid in a given budget year in order to retain funds for the reimbursement of the regular VIP reimbursements.

As with the VIP vouchers, responsibility for SIR vouchers ends only when a voucher is voided by the issuing field representative, expires, or is paid.

### **Responsibilities of the Financial Incentive Program Manager**

The Financial Incentives program manager is responsible for understanding the State and Federal regulations and requirements underlying the Financial Incentives. The program manager is responsible for preparing these Guidelines, and communicating the Guidelines to the field representatives and the SQG community. Also, it is the responsibility of the program manager to work with the Office of the Prosecuting Attorney and the Executive Auditor to ensure that all legal and fiduciary responsibilities are met.

**Caveat**

All commitments made by the VIP and the LHWMP are subject to appropriation of sufficient funds by the King County Council to meet these commitments. To the extent that provision of these services or reimbursement of costs requires future appropriations beyond current appropriation authority, King County's obligations under these financial incentives are contingent upon the appropriation of sufficient funds to pay for these services and costs.

These guidelines are not intended to be all-inclusive. They are only given as general guidelines to help staff provide better service to the community.

If you have questions or comments, please contact the Financial Incentive program manager