



Poulsbo Police Department

Ron Harding, Chief of Police

200 NE Moe Street, Poulsbo, Washington 98370
www.police-admin@cityofpoulsbo.com * 360.779.3113

City of Poulsbo – Police Department Internal Policy Memorandum

Subject: Authorization of LAZ Parking as Designated Agent for Parking Enforcement
From: Chief of Police Ron Harding, City of Poulsbo
To: LAZ Parking
City Administrator Rob Gelder
Poulsbo Municipal Court Administrator Amy Knutsen
Police Administrative Director Kelly Ziemann
Date: October 15, 2025

Purpose

This memorandum establishes internal authorization for LAZ Parking, a contracted parking management services provider, to act as a designated agent of the City of Poulsbo for the purpose of enforcing parking regulations and issuing parking citations within City-designated zones. (See attached contract)

Authority

Pursuant to City of Poulsbo Municipal Code (PMC) Section 10.12.010, and PMC Section 10.12.260, the City of Poulsbo may contract their permit parking program and associated parking enforcement to a third party and the City of Poulsbo Police Department, as a designee of the Public Works Director, is authorized to oversee such contracts.

Policy Statement

Effective immediately, the City of Poulsbo Police Department authorizes LAZ Parking enforcement personnel (Parking Ambassadors) to issue parking citations for violations of local and state parking regulations as identified in the City's parking ordinance and code (PMC Chapter 10.12). These citations will be issued using the Passport citation management platform.

Conditions of Authorization

Geographic Scope: LAZ Parking is authorized to enforce parking only in areas designated by the city, including downtown zones, city-owned lots, and other signed locations.

Training: All LAZ Parking personnel must receive training in relevant Poulsbo parking codes, citation issuance procedures, and other relevant City policies.

Uniform and Identification: Parking Ambassadors shall always wear branded uniforms and City-issued identification while performing enforcement duties.

Citation Standards: All citations will be issued using the Passport citation management platform.

Compliance with Court Systems: LAZ must coordinate with the Poulsbo Municipal Court and City staff to ensure proper citation data transmission via Passport and JINDEX.

Public Interaction: All personnel are expected to act with professionalism, courtesy, and adherence to community policing values.

Oversight and Review

LAZ Parking's enforcement performance will be reviewed monthly by the city.

Any complaints or incidents will be initially reviewed by LAZ. The City of Poulsbo Police Department will receive notification and resolution details from LAZ at a minimum monthly.

The City reserves the right to suspend or revoke enforcement privileges at any time.

Signed:

Signed by:

E4A820849F8B4B1...
Ron Harding
Chief of Police
City of Poulsbo



City of Poulsbo Contractor Services Agreement

YEAR: 2025-2028

COMPANY: LAZ PARKING

(or) INDIVIDUAL:

ADDRESS: Northwest Regional Office, 2724 6th Avenue South, Suite 250 Seattle, WA 98134

PHONE NUMBER: 206-487-0538

EMAIL: Rwilliams@lazparking.com

This Contractor Services Agreement ("Agreement") is made and entered into by the City of Poulsbo ("City") and the above-named company or individual that as a Contractor ("Contractor") is engaged in offering services ("Services"). The City wishes to retain Contractor to provide its Services to the City.

SECTION 1: SCOPE OF WORK

The Contractor shall perform those services described on Exhibit A attached hereto and incorporated herein by this reference as if fully set forth. In performing such services, the Contractor shall at all times comply with all Federal, State, and local statutes, rules and ordinances applicable to the performance of such services and the handling of any funds used in connection therewith. The Contractor shall request and obtain prior written approval from the City if the scope or schedule is to be modified in any way.

SECTION 2: COMPENSATION

A. The City shall pay the Contractor for services rendered according to the rate and method set forth on Exhibit B attached hereto and incorporated herein by this reference. The total amount to be paid shall not exceed **\$1,114,264**. 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 Exhibit A.

B. Contractor shall invoice the City within 30 days of the final services rendered in connection with the above Services. If the invoice is not postmarked or delivered to the City within 90 days final services rendered, the City reserves the right not to pay Contractor for services rendered in connection with the Agreement.

C. This Section 2 shall survive termination of this Agreement and be fully applicable and enforceable thereafter.

SECTION 3: TERM

This Agreement shall be commence on the Effective Date and shall remain in effect through July 31, 2028 unless sooner terminated under the provisions hereinafter specified.

SECTION 4: MATERIALS, SUPPLIES AND EXPENSES

Contractor shall provide at Contractor's expense, such supplies and equipment as it may deem necessary to provide services under this Agreement.

SECTION 5: DAMAGE TO FACILITIES

If public facilities are used by Contractor for Services, Contractor shall be responsible for any and all damage to the public facilities caused by Contractor in connection with providing the Services.

SECTION 6: RELEASE AND INDEMNITY

In and for good and valuable consideration, Contractor hereby (i) assumes the risk and all responsibility for Contractor's, and any subcontractor's or assignee's, health and safety when providing Services for the City; (ii) waives and forever releases the City and its officials, officers, employees, agents and contractors from any and all claims (including those for illness and bodily injury) arising out of or relating in any way whatsoever to Contractor's provision of Services for the City, even though said claims may arise out of the negligence of the City and its employees, agents and Contractors; (iii) limits the City's liability to the limits of the City's insurance policy if the foregoing waiver and release is adjudged to be unenforceable; and (iv) agrees to defend, indemnify and hold the City and its officials, officers, employees, agents and Contractors harmless from and against any and all claims (including those for illness and bodily injury), damages, liabilities and expenses (including attorney fees) arising out of or relating in any whatsoever to Contractor's provision of Services for the City and/or Contractor's breach of this Agreement.

It is further specifically and expressly understood that the indemnification provided herein constitutes the Contractor's waiver of immunity under Industrial Insurance, Title 51 RCW, solely for the purposes of this indemnification. This Section 6 shall survive the termination of this Agreement and be fully applicable and enforceable thereafter.

SECTION 7: INDEPENDENT CONTRACTOR

Contractor understands and acknowledges that in entering into this Agreement it is an independent Contractor and not an employee of the City, and that accordingly it shall not be entitled to benefits of any kind to which an employee of the City is entitled, and further understands and acknowledges that the City does not maintain any worker's compensation, unemployment, accident or any other type of insurance coverage for independent Contractors. The City shall not be liable for any payment or compensation in any form to Contractor except as specifically provided for in this Agreement. Contractor is solely responsible for any and all reporting, filing, withholding and taxes required by law in connection with this Agreement, and warrants that it will pay all taxes owed to governmental entities when and as the same become due.

SECTION 8: INSURANCE

Contractor shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to person or damage to property which may arise from or in connection with the performance of Services by the Contractor, its agents, representatives, employees or sub-contractors. Contractor's maintenance of insurance, its scope of coverage and limits as required herein shall not be construed to limit the liability of the Contractor to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

A. Minimum Scope of Insurance. Contractor shall obtain insurance of the types and with the limits described below:

1. Commercial General Liability insurance with limits no less than \$2,000,000 each occurrence, \$2,000,000 general aggregate and \$2,000,000 products-completed operations aggregate limit. The City shall be named as an insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City.
2. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident. Automobile Liability insurance shall cover all owned, non-owned, hired and leased vehicles. Coverage shall be written on Insurance Services Office (ISO) form CA 00 01 or a substitute form providing equivalent liability coverage. If necessary, the policy shall be endorsed to provide contractual liability coverage.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.

B. Other Insurance Provision. The Contractor's Commercial General Liability insurance policies are to contain, or be endorsed to contain that they 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 Contractor's insurance and shall not contribute with it.

C. Verification of Coverage. The Contractor shall furnish the City with certificates and a copy of the amendatory endorsements, including but not necessarily limited to the additional insured endorsement, evidencing the insurance requirements of the Contractor before commencement of the work.

D. Notice of Cancellation. The Contractor shall provide the City and all Additional Insureds for this work with written notice of any policy cancellation, within two business days of their receipt of such notice.

E. Failure to Maintain Insurance. Failure on the part of the Contractor to maintain the insurance as required shall constitute a material breach of contract, upon which the City may, after giving five business days' notice to the Contractor to correct the breach, immediately terminate the contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, with any sums so expended to be repaid to the City on demand, or at the sole discretion of the City, offset against funds due the Contractor from the City.

SECTION 9: TERMINATION OF SERVICES

A. The Contractor shall provide the City with thirty (30) days written notice of his/her inability to provide the Services. If the Contractor terminates this Agreement pursuant to this section, the City shall only compensate the Contractor for actual Services rendered up through the last date of service, and if any deposit was made by the City to the Contractor, the Contractor shall return the entirety of said deposit to the City.

B. If the Services cannot be provided due to no fault of the Contractor or if the City terminates this Agreement pursuant to Sections C or D below, the Contractor may submit documentation (including but not limited to receipts or invoices) demonstrating the reasonable actual costs incurred in preparation of providing the Services that exceed any applicable deposit already paid by the City. The City may review the documentation and reimburse the Contractor for the reasonable actual costs expended and which exceed any deposit already paid.

C. The City reserves the right to terminate this Agreement immediately upon oral or written notice to Contractor at any time for any of the following reasons:

1. Cancellation of the performance offering.
2. Unavailability of funds or facilities.
3. Misconduct of Contractor, which means, without limitation, violation of law; unexcused failure to attend, conduct; performance of services in a manner which is unsafe or hazardous to Contractor, participants or members of the general public; or breach of any of the terms, representations or warranties of this Agreement.
4. Any other conduct on the part of Contractor that is inappropriate, unbecoming, or reflects poorly on the City.

D. Additionally, the City may terminate this Agreement for any reason upon 15 days written notice to the Contractor.

SECTION 10: PERFORMANCE OF WORK AND COMPLIANCE WITH LAWS

Contractor, in the performance of this Agreement, shall comply with all applicable federal, state or local laws and ordinances, including regulations for licensing, certification and operation of facilities, programs and accreditation, and licensing of individuals, and any other standards or criteria as described in this Agreement to assure quality of services.

SECTION 11: GENERAL PROVISIONS

A. **Subcontract and Assignment.** Contractor may not subcontract nor assign its rights or obligations arising under this Agreement without the prior written consent of the City.

B. **Applicable Law; Venue; Attorney's Fees.** This Agreement will be interpreted and enforced in accordance with the laws of the State of Washington. In the event any suit, arbitration, or other proceeding is instituted to enforce any term of this Agreement, the parties specifically understand and agree that venue shall be properly laid in Kitsap County, Washington. In any dispute arising out of this Agreement, the substantially prevailing party shall recover its costs and reasonable attorney fees from the other party.

C. **Licenses Required.** Contractor shall be responsible for obtaining any and all business licenses and professional licenses which may be required, including a business license from the City of Poulsbo.

D. **Entire Agreement and Modification.** This Agreement may be modified only by a writing signed by the parties. This Agreement represents the entire Agreement, and supersedes any prior Agreements (oral or written), between the parties with respect to the matters herein.

E. **Countersignatures.** This Agreement may be executed in counterparts, and electronic signatures shall be deemed the equivalent of original signatures for all purposes.

F. **Severability and Survival.** If any provision of this Agreement shall be determined by a court of competent jurisdiction to be unenforceable, such determination shall not affect the enforceability of any other provision. This Section 11 shall survive the termination of this Agreement and be fully applicable and enforceable thereafter.

SECTION 12: EFFECTIVE DATE

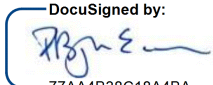
This agreement shall become effective on the latest date it is fully executed by all parties.

CITY OF POULSBO
Authorized Signatory

Name: Rebecca Erickson

Title: Mayor

Phone: (360) 394-9880

Signature: 
77AA4B38C18A4BA...

Date: 8/4/2025

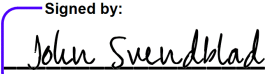
CONTRACTOR
Authorized Signatory

Name: John Svendblad
Print name

Title: President

Phone: 310-7794736

Email: jsvendblad@lazparking.com

Signature: 
BAAB0A72FA3E45E...

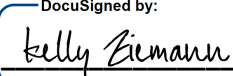
Date: 8/5/2025

Staff Contact

Staff Contact: Kelly Ziemann

Title: Support & Professional Services Manager

Phone: (360) 394-9782

Email: kziemann@cityofpoulsbo.com
Signature: 
71E6FA69E2494D3...

Date: 7/31/2025

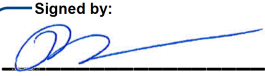
Attestation

Name: Rhiannon Fernandez

Title: Administrative Services Director

Phone: (360) 394-9711

Email: rfernandez@cityofpoulsbo.com

Signature: 
D21DA14DCC754A8...

Date: 8/5/2025

Exhibit A Scope of Services

1.1 Operations Management Overview

The selected Contractor shall adhere to the operational standards outlined in this section, including but not limited to:

1. Operate the City's on-street and off-street parking system, which includes back-office operations, permitting, customer service, maintenance and functionality of payment technologies, enforcement staff who will receive limited commissioning, collection of revenue if any revenue flows into LAZ account, and parking enforcement (ambassador), including first-level customer service.
2. Implement an intelligent, user-friendly, communications-focused Parking System, responding to the current and future needs of residents, visitors, businesses, and service contractors through active planning, management, and communications.
3. Provide necessary technology for the parking and enforcement system, including:
 - a. Systems to support a license plate-based enforcement program
 - b. Handheld enforcement devices
 - c. Back-end parking management system software and hardware to facilitate enforcement activity and an integration with the court's JINDEX software program for submitting citation information electronically
4. Work closely with City designees. The City will maintain all ownership rights and full access to all program management data.
5. Serve as a liaison between the public and the City on public parking matters to ensure a high degree of system performance and customer service.
6. Professionally manage compliance with parking regulations in the designated city rights-of-way, utilizing industry-leading technology.
7. Write and issue citations for vehicles improperly parked in the public right of way or who overstay (or fail to pay for) paid parking periods.
8. Provide supporting documentation for hearings and appeals regarding parking violations.
9. Provide appropriate commissioned and noncommissioned staffing to support the paid and managed parking program during all designated operating hours.
10. Provide online or telephone access to customer service representatives during all parking and enforcement hours of operation.
11. Manage mobile payment and permitting technologies, including softwares and process development. Validation accommodation may be required.
12. Provide a method for the city to collect parking revenues from mobile payment applications, and other parking revenue programs.
13. Manage any event parking operations, as requested by the City.
14. Professionally provide enforcement services. Coordinate any towing needs with the City of Poulsbo Police Department (PD). PD will handle all towing.
15. Furnish all operating reports, spreadsheets, or data sets requested by the City.
16. Provide content to include on the City's website to communicate information about paid and time-limited parking options, payment options, permit options, parking citations, event parking, towing, and complaint procedures.
17. Develop and provide telephone, email, and online complaint procedures prior to the payment of tickets.

18. Collection of and accounting for all payments from any source derived for the use of the on- and off-street parking facilities, including sums payable concerning daily, monthly, event, and validation parking fees.
19. Employment of parking personnel needed to maintain the highest level of customer service and effectively manage and operate the on- and off-street parking facilities for public parking. All staff members must be fluent in English and must be able to understand and be understood when conversing with English-speaking customers, without exception. All employment candidates must pass criminal background and driver's license checks as applicable for limited commissioning.
20. Maintenance of accounting records of all income and expenses related to the management and operation of the Parking System for auditing and financial reporting purposes.
21. Periodic consultation with the City on matters related to the operation of the on- and off-street parking facilities.
22. Provision of parking data to the City in a data visualization and manipulation form acceptable to the City.

1.2 General Service Requirements

1.2.1 Marketing, Communications, Customer Service, and Community Engagement

Contractor shall perform operations according to the following minimum requirements:

1. Contractor must:
 - a. Demonstrate exceptional verbal and written communication and interpersonal skills.
 - b. Foster a superior parking experience for motorists with high levels of customer service.
 - c. Respond to all inquiries, issues, escalations, and recommendations within 48 hours, Monday - Friday.
 - d. Meet regularly and build relationships with City officials, Police Department representatives, business owners, neighborhood and community representatives, and the public.
 - e. Support City initiatives related to parking.
 - f. Stay abreast of current parking technology, best practices, industry trends, processes, and operational excellence, promptly communicating such to City officials.
2. Contractor agrees to work with the City to develop guidance for customers to inform them of best practices to avoid citations, actions to take if a citation is received, and steps necessary for contesting citations. Guidance methodologies may include but are not limited to:
 - a. Informational text
 - b. YouTube videos
 - c. Parking and enforcement website or social media posts
 - d. Emails or texts to customers
 - e. Onsite informational signs
 - f. Press releases
3. Contractor agrees to participate in services intended to enhance customer experience, create and implement a customer service plan, and attend public meetings as requested by the City. The City's top priority is to enhance the customer experience through the on- and off-street parking program. Contractor agrees to participate in community engagement activities relevant to the Parking System and any other meetings as requested by the City.

1.2.2 Customer Complaints

Contractor will implement a methodology for handling customer complaints, completing incident reports, and reporting the nature and reasonable disposition to the City prior to payment of a ticket. Contact information and directions for handling customer complaints and questions will be posted clearly throughout the Parking System and on the parking website, with content updated by the contractor as needed. Contractor will respond to customer complaints or comments within 48 hours of receipt (Monday through Friday) and will provide the City with a record of those complaints as they occur.

Contractors must develop and provide telephone, email, and online complaint procedures.

1. Contractor will respond to all complaints courteously and professionally within two (2) business days.
2. Contractor must maintain a monthly log of all complaints and resolutions, including:
 - a. Dates
 - b. Times
 - c. Names
 - d. Description of issue
 - b. Resolution

1.2.3 Vehicles, Hardware, and Software Needed for System Operations

1. The selected Contractor is expected to furnish, operate, and maintain the necessary tools for system operations, such as in-vehicle, handheld, and back-end enforcement and management hardware and software needed to operate and enforce the City's pay-by-plate parking system. Citation information must be shared timely with the Court.
2. Contractor should assume full responsibility for all enforcement operations (i.e., in all on-street and off-street parking facilities) in their proposals, providing all enforcement staff, hardware, software, uniforms, training, and processes. Provided hardware and software must be fully compatible and integrated with the proposed pay-by-plate approach.
3. Contractor's enforcement vehicle must display graphics clearly identifying the vehicle as a City-related parking enforcement vehicle. Logo is subject to approval by the City.
4. Contractor will be responsible for keeping the City abreast of the latest technology (both hardware and software-related) regarding its parking infrastructure and management.
5. Contractor will advise the City in advance of equipment purchases needed to ensure that the City's parking infrastructure is at or above industry standard.
6. Upon verification of delivery or installation, the City will assume ownership of data generated by the pre-approved software and hardware system purchases, as determined by the nature of the purchase and agreed to by both Contractor and the City.

1.2.4 Event Parking

The Contractor will provide staff for payment collection, appropriate traffic direction, enforcement, and customer service coverage during all designated City events as requested and as agreed upon by both the City and the Contractor. Expenses related to events will be billed separately. Requests for additional event support require a minimum of 30 days' notice. The Contractor's services may not be requested for each City event.

1.2.5 Sign Standards and Communication

Contractor agrees to support City staff in the procurement of time limit signage for Phase 1 enforcement and mobile payment signage for the new paid parking areas in the Phase 2 launch of paid parking. The City will manage, pay for, and maintain all signage and roadway infrastructure.

Contractor, or a third party designated by Contractor, must develop marketing materials and instructions for permit programs. The City reserves the right to approve all marketing materials and formal communications to the public.

1.2.6 Towing

The Contractor will not be responsible for any towing of vehicles. The Contractor and City will establish an agreed-upon plan to address towing of vehicles based on criteria to be established. The Contractor will log events and citations leading to a potential towing activity.

1.2.7 Staffing

Contractor shall provide a manager to manage all Contractor personnel, ensuring that posts are filled with the proper number of trained and qualified personnel and that such personnel effectively implement the City's directives in a way that reflects positively on the City.

Contractor must coordinate background checks and drug screening for all personnel. Effective employment of parking and enforcement personnel is needed to maintain the highest level of customer service and effectively manage and operate the on- and off-street parking and enforcement programs. All staff members must be fluent in English and must be able to understand and be understood when conversing with English-speaking customers, without exception. All employment candidates must pass criminal background and driver's license checks as applicable.

The Contractor must provide supervisor availability during Monday – Friday during normal business hours. The Contractor must provide customer service representative availability during all parking and enforcement operational hours. Manager, Customer service/administrative and enforcement services must be flexible and responsive to the needs of the city and the days and hours are subject to change.

1.2.8 Training

Contractor must require all staff to undergo upon-hire and ongoing operations and customer service training designed by Contractor and approved by the City. Training and testing must occur annually for all Parking Enforcement Officers and will include, but not be limited to:

1. Policies and procedures
2. Municipal law, including related code and ordinance updates
3. Safety and OSHA expectations
4. Sexual harassment
5. Drugs and illegal substances
6. Media relations protocol
7. Customer service and visitor navigation
8. Courtroom testimony and procedures
9. Defensive driving
10. Logbook entry
11. Interpersonal communication skills
12. Conflict management and de-escalation techniques
13. Employee Handbook (job procedures and emergency protocols)
14. Technology and equipment

1.2.9 Designated Representative

The designated representative listed below will manage the Agreement on behalf of the City and act as the primary point of contact with Contractor's designated project representative.

City of Poulsbo's Designation Agreement Representative:

Kelly Ziemann
Administrative Services Manager

City of Poulsbo
200 Moe Street
Poulsbo, WA 98370
Via E-mail: Kziemmann@Cityofpoulsbo.com

1.2.10 Banking

Contractor will be the merchant of record on all revenues associated with parking payments. Contractor shall establish a separate bank account in the name of Contractor and City at a bank located within a reasonable distance from downtown Poulsbo. Any interest earned on funds in the bank account shall belong to the City and shall be included in gross revenues.

1.2.11 Data and Reporting

General

Contractor agrees to provide the City with read-only access to all citation reporting systems it utilizes. The City will be responsible for any costs associated with its requirement to communicate directly into the citation reporting system it utilizes.

The City must receive a breakdown of revenue from the Parking System. The breakdown of revenue shall include but is not limited to, revenue collected in each area, by type, total revenue collected from mobile parking payments and any additional revenue sources that contribute to the Parking System's gross revenue.

Contractor agrees to furnish any and all reports, spreadsheets, or datasets requested by the City.

Dashboard Reporting

Contractor must make all dashboard reports available to the City through Contractor's offering of such dashboards and/or through the capabilities of the parking payment and enforcement technology.

Monthly Reporting

Within ten (10) business days after the end of each accounting month, Contractor will provide a detailed written statement of the gross revenue collected, management fees earned, and operating expenses incurred during the preceding month. Documents accompanying the Monthly Management Statement include but are not limited to the following:

- a. Monthly financial reporting including an income statement (monthly and year-to-date, with comparisons to budget, same month prior year, and prior year-to-date).
- b. Balance sheet.
- c. Monthly operating reports, including permit and transient parker reports by rate.
- d. Daily, monthly, and other reports, including maintenance, customer service, complaints, incidents, accidents, and other reports as may be required by the City.
- e. Detailed list of permit and validation parking accounts receivable, no-charge monthly accounts, and any other management reports reasonably deemed necessary by Contractor and the City in accordance with the Agreement.
- f. General ledger report, with copies of all invoices paid during the prior month.
- g. Payroll register addressing all pay periods covered in the prior month.
- h. Monthly Revenue Summary report, detailing amounts of each business day's deposit, itemized by the form of payment.
- i. Invoice for the month's reported operating expenses, if cost recovery for the month does not exceed operating expenses.

Annual Reporting

- a. Contractor will provide an annual report of the previous contract year's revenue and expenses within 60 days of the end of each contract year. Such report is to be certified as accurate by Contractor's Chief Financial Officer.

- b. Annual report indicating Payment Card Industry Data Security Standards (PCI DSS) compliance.
- c. At least ninety (90) days prior to each contract year, Contractor shall provide an annual projected expense budget.

Data Ownership and Access

The City will be the sole owner of any and all data collected from mobile payment parking zones by Contractor. Data and analytics shall be the property of the City and can be used by Contractor to deliver high-quality service. Data and analytics may also be provided to a third party upon the City's determination and permission.

Data Security Standards (DSS) and Payment Card Industry (PCI) Compliance

Contractor will be required to:

1. Utilize credit card acceptance hardware, software, and other system components that are PCI DSS (Payment Card Industry Data Security Standard) compliant.
2. Maintain PCI Certification for all applicable systems as required for the term of the Agreement with no additional cost to the City.
3. Maintain EMV* (Europay, MasterCard, and Visa) compliant environment.
4. Ensure all parking revenue and citation data are secure via Level 1 PCI compliance.
5. Be prepared to undergo annual PCI audits to ensure transactional data meets and exceeds security protocol.
6. Utilize protocols and passwords that prevent unauthorized access to software and hardware and manipulation of data and reports.
7. Provide physical security of equipment, files, communication networks, and other applicable items. Design data security into the system to safeguard confidentiality and prevent system abuse.
8. Comply with all security measures submitted by the City.
9. The City's failure to provide a partial or complete security plan shall not be construed as relieving Contractor of security responsibilities.
10. Utilize credit card acceptance hardware, software, and other system components that are PCI DSS compliant.

*Europay, MasterCard, and Visa are all global standards for authenticating credit and debit card transactions involving chip-compatible cards and point-of-sale (POS) terminals.

1.2.12 Citation Issuance, Processing, and Collections

The following pertains to the issuance and processing parking citations:

1. Contractor must abide by Local and State requirements concerning parking enforcement activity.
2. Contractor must demonstrate expertise in new technology availability, including valued features such as:
 - a. Handheld citation enforcement units utilizing license plate recognition scanning and hip-mounted printer citation issuance.
 - b. Real-time or scheduled (no less than one time daily) upload of citations into the back-end management system.
 - c. Responsive and available customer service capability, enabling citizens to address concerns and make payments.
 - d. Robust, responsive, and prompt developer support for the citation enforcement system to provide the Court with necessary information via the JINDEX program.
3. Contractor shall exclude all voided citations from billing. Contractor(s) billing software shall be capable of reflecting the accurate count of voided citations, and billing records submitted to the

City shall reflect this count.

4. Collections services are not currently included in the Scope of Services.

1.2.13 Payments to the City

The Contractor shall provide monthly payments to the City of Poulsbo equal to the gross parking revenue less City-approved expenses as reported on the contract's monthly management statement, as detailed in this Scope, ensuring accuracy, transparency, and timeliness.

Contractor must remit payments to the City by the negotiated due date. All monthly payments shall be made electronically to the designated City account to ensure prompt and secure transfers. Contractor shall also email confirmation of each payment to the designated City party immediately after the transaction. The City reserves the right to audit payments.

Payments shall be accompanied by a comprehensive report detailing revenue from mobile parking payment zones, operating expenses, and any other items outlined in the contract, as applicable.

Late Payment Penalty: If Contractor fails to remit payment by the due date, a penalty of the total payment due may be applied. Additional daily penalties may accrue for each day the payment is late beyond the initial penalty.

Revenue Discrepancy Penalty: Should discrepancies be found between reported revenue and actual collections (exceeding negotiated variance standards), Contractor may be required to pay an additional penalty. Discrepancies shall be identified through the monthly reconciliation reports or during audits.

If there is a negative monthly account balance, Contractor will include an invoice for the monthly statement submitted to the City for payment by the City within thirty (30) days.

1.2.14 Prior City Approval

Contractor shall obtain prior City approval of changes to established parking operation procedures prior to implementation. Timing of implementation of paid parking is at the city's discretion and hours of enforcement are to be responsive to the city's needs and shall not exceed 40 hours/week, unless mutually agreed upon and/or for special occasions.

1.2.15 Strategies

Contractor will recommend strategies to improve customer service, reduce costs, and improve efficiency.

1.2.16 Maintenance Requirements

The Contractor will report any maintenance needs to the City's Public Works Director with the ultimate shared goal of keeping facilities in a clean and safe condition with appropriate signage. The Contractor will be responsible for all maintenance of the enforcement vehicle, enforcement devices, and payment technologies. Applicable integrations are the responsibility of the Contractor.

1.2.17 Use of On- and Off-Street Parking System

Contractor will manage, maintain, and administer the Parking System as public or permit-only parking facilities in accordance with the guidelines set forth by the City. Contractor will not use the on- and off-street Parking System for purposes other than those specified under the City-generated agreement. The City reserves the right to use the Parking System for supplementary and complimentary uses, including other revenue-generating activities, at its sole discretion, except as otherwise stated herein.

1.2.18 Payment of Services

LAZ will submit monthly invoices based on the work completed by the 10th of each month. Payment is due from the City within 30 days of receipt of invoice.

EXHIBIT B LAZ 2025 PARKING ENFORCEMENT RATES

All-In Hourly Staffing Rates: (includes all payroll taxes, State W/C, PTO, and Health Insurance)

Poulsbo Patroller Rate - \$34.63/hour

LAZ Poulsbo Site Manager Rate - \$57.92/hour

LAZ Senior Manager Rate - \$81.68/hour

Optional Event Staff Regular Rate - \$37.00/hour

Optional Event Staff O/T Rate - \$56.00/hour

*Event Staff provided upon request. This is not included in enforcement budget and would be invoiced separately

LAZ Flat Monthly Billable Item Rates:

Customer Service Line/Admin Support - \$415.80 Light Enforcement no pay parking

\$779.63 Light Enforcement with pay parking

\$623.70 Robust Enforcement no pay parking

\$1,143.45 Robust Enforcement with pay parking

Power BI Software Reporting - \$200/month/LAZ – permitting with no pay parking

\$250/month – permitting with pay parking

**LAZ Power BI - monthly fee only charged to City if/when LAZ provides monthly BI analytics reports

Monthly Patrol Vehicle Cost – \$1,023

Genetec Mobile LPR Hardware Cost - \$1,426.25

Genetec Annual LPR Software License year - \$1,318

Cell Phone +Poulsbo dedicated Customer Service Line - \$205 Light Enforcement Schedule

\$290 Robust Enforcement Schedule

Recruiting & Hiring Expense - \$375 per new employee (only when new employee hired)

Bank Fees - \$65 Expenses only, no revenue collection

\$95 When LAZ is collecting revenue

LAZ Payroll Processing Fees (ADT) – 2% of payroll wages

Subscription Monthly Permit Software Cost - \$450

IT/PCI Compliance Fee - \$145 w/o pay parking, \$265 with pay parking

Accounting/Audit Fee - \$405 w/o pay parking, \$705 with pay parking

Liability/Auto Insurance - \$830.95 Light Enforcement Schedule

\$878.97 Robust Enforcement Schedule

Management Fee - \$950 Light Enforcement no pay parking

\$1,200 Light Enforcement with pay parking

\$ 1,150 Robust Enforcement no pay parking

\$ 1,400 Robust Enforcement with pay parking