



# City Council, Regular Meeting

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## AGENDA

June 18, 2012

6:30 pm – 10:00 pm  
Council Chambers

### Call to Order

### Roll Call

### Pledge of Allegiance

### Approval of Agenda

### Presentations/Proclamations

- Presentation: GFOA Award
- Economic Development Assessment Tool Report

### Public Comment

**Note:** *This is an opportunity for the public to address the Council. Three-minutes limit per person or 5 minutes if representing the official position of a recognized community organization.*

### Consent Agenda

- Payroll for the period ending May 31, 2012 for pay date June 5, 2012 in the amount of \$265,384.71
1. Approval: Claims for period ending June 18, 2012 in the amount of \$1,303,777.11 for Check No. 32243 through No. 32376
  2. Interlocal: Animal Control
  3. Contract: FCS Group/Surface Water Rates Study
  4. Approval: Minutes for the June 5, 2012 Regular Meeting

### Public Hearings

5. Public Hearing: Resolution- 6 Year Transportation Improvement Program

### Unfinished Business

6. Resolution - Fire Service Options

City Council meetings are wheelchair accessible. American Sign Language (ASL) interpretation is available upon request. Please phone (425) 295-0500 at least 48 hours in advance. Assisted Listening Devices are also available upon request.

## **New Business**

7. Bid Award: NE 8<sup>th</sup> Street/233<sup>rd</sup> Avenue Roundabout

## **Council Reports**

## **Committee Reports**

## **City Manager Report**

## **Executive Session**

## **Adjournment**

**AGENDA CALENDAR**

<b>June 2012</b>			
Mon. 6/18	6:30 pm	Regular Meeting	Presentation: GFOA Award Economic Development Assessment Tool Report Public Hearing: Resolution- 6 Year Transportation Improvement Program Resolution - Fire Service Options Interlocal: Animal Control (consent) Contract: FCS Group/Surface Water Rates Study (consent) Bid Award: NE 8 <sup>th</sup> Street/233 <sup>rd</sup> Avenue Roundabout
<b>July 2012</b>			
Tues. 7/3	6:30 pm	Regular/Study Session	Presentation: Community Survey Presentation: Employee Committee Public Hearing: First Reading Collective Garden Moratorium Extension Resolution: Final Acceptance King County Sheriff's Office/Parking Lot (consent) Resolution: Final Acceptance King County Sheriff's Office/Fencing (consent)
Tues. 7/10	6:30 pm	Study Session	2013-2014 Budget Revenue Forecast (Study Session) 2013-2014 Budget Affirm City Council List of Projects (Study Session) Non- Motorized Transportation (Study Session)
Mon. 7/16	6:30 pm	Regular Meeting	Bid Award: Inglewood Hill Non-motorized project
<b>Sept 2012</b>			
Tues. 9/4	6:30 pm	Regular	
Tues. 9/11	6:30 pm	Study Session	State Legislator Session 2013-2014 Budget - Public Works, Parks and Rec
Mon. 9/17	5:30 pm	Regular Meeting/Joint Study Session Planning Commission	2013-2014 Budget – Finance, Admin Services, Police, Community Development (Study Session) Planning Commission Handoff ECA Regulations (study Session)
<b>Oct. 2012</b>			
Tues. 10/2	6:30 pm	Study Session/Reg Meeting	Transportation Level of Service
Tues. 10/9	6:30 pm	Study Session	2013-2014 Budget - City Manager, City Council, Fire Cable TV Franchise
Mon. 10/15	6:30 pm	Regular Meeting	Ordinance Environmentally Critical Areas First Reading Budget Discussion Additions and Deletions from Council Ordinance SWM Fees First Reading
<b>Nov. 2012</b>			
Tues. 11/6	6:30 pm	Regular	Initiatives & Referendums 2013-2014 Budget Public Hearing 2013-2014 Budget Ordinance First Reading Public Hearing Property Tax Ordinance Property Tax First Reading Level Of Service/ Transportation Improvement Plan Ordinance SWM Fees Second Reading Ordinance Critical Area Second Reading
Tues. 11/13	6:30 pm	Study Session	



If you are looking for facility rentals, please click [here](#).

<< May

## June 2012

July >>

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5 6:30 p.m. City Council Meeting	6 3 p.m. Sammamish Farmers Market 5:30 p.m. City Council Council Office Hour 6:30 p.m. Parks and Recreation Commission Meeting	7	8	9
10	11	12 6:30 p.m. City Council Special Meeting	13 3 p.m. Sammamish Farmers Market 6 p.m. Sammamish Youth Board Meeting	14 6 p.m. Planning Commission Meeting 6:30 p.m. Community Garden Steering Committee Meeting <b>Canceled</b>	15 3 p.m. Teen Fest	16 10 a.m. Sammamish Walks
17	18 5:30 p.m. Finance Committee Meeting 6:30 p.m. City Council Meeting 6:30 p.m. Arts Commission Meeting <b>Canceled</b>	19	20 3 p.m. Sammamish Farmers Market	21 4 p.m. Public Safety Committee Meeting	22	23
24	25 6:30 p.m. Arts Commission Meeting	26	27 3 p.m. Sammamish Farmers Market	28 6 p.m. Planning Commission Meeting	29 6 p.m. RECEPTION & Art Exhibit - "The Journey"	30

If you are looking for facility rentals, please click [here](#).

<< June

## July 2012

August >>

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3 6:30 p.m. City Council Meeting	4 12 a.m. Independence Day City offices closed 5:30 p.m. City Council Council Office Hour 6 p.m. Fourth on the Plateau City offices closed	5	6	7
8	9	10 12 p.m. KidsFirst! Performance Series 6:30 p.m. City Council Study Session	11 3 p.m. Sammamish Farmers Market 6:30 p.m. Parks and Recreation Commission Meeting 7 p.m. Beaver Lake Management District Meeting	12 10 a.m. Volunteer Event - Meet & Greet 6 p.m. Planning Commission Meeting 6:30 p.m. Concert in the Park	13	14
15	16 5:30 p.m. Finance Committee Meeting 5:30 p.m. Finance Committee Meeting 6:30 p.m. Arts Commission Meeting 6:30 p.m. City Council Meeting	17 12 p.m. KidsFirst! Performance Series	18 3 p.m. Sammamish Farmers Market	19 4 p.m. Public Safety Committee Meeting 6:30 p.m. Concert in the Park	20	21 10 a.m. Sammamish Walks 7 p.m. Wooden O Shakespeare Play
22	23	24 12 p.m. KidsFirst! Performance Series	25 3 p.m. Sammamish Farmers Market	26 6 p.m. Planning Commission Meeting 6:30 p.m. Concert in the Park	27	28 7 p.m. Wooden O Shakespeare Play
29	30	31 12 p.m. KidsFirst! Performance Series				



# MEMORANDUM

**TO:** Melonie Anderson/City Clerk  
**FROM:** Marlene/Finance Department  
**DATE:** June 14, 2012  
**RE:** Claims for June 18, 2012

\$ 144,602.33  
 35,505.00  
 3,617.31  
 1,111,927.09  
 8,125.38

### Top 5 Expense Items in Packet

Dept of Commerce	\$560,000.00	Public Works Trust Loan
Santana Trucking	\$287,824.53	244th Ave Phase 2
FCS Group	\$27,170.00	Fire Services Evaluation
Issaquah School District	\$25,332.00	Impact Fees - May 2012
Puget Sound Energy	\$21,896.86	Various Street Lights & Traffic Signals

**TOTAL: \$ 1,303,777.11**  
 Check # 32243 through # 32376

144,602.33 +  
 35,505.00 +  
 3,617.31 +  
 1,111,927.09 +  
 8,125.38 +  
 1,303,777.11 \*

# Accounts Payable

## Check Register Totals Only

User: mdunham  
 Printed: 6/4/2012 - 1:55 PM



Check	Date	Vendor No	Vendor Name	Amount	Voucher
32243	06/05/2012	ANI	ANI Administrators NW Inc	1,566.73	0
32244	06/05/2012	AWCMED	AWC Employee BenefitsTrust	100,630.99	0
32245	06/05/2012	CHAP13	Chapter 13 Trustee	1,100.00	0
32246	06/05/2012	ICMA401	ICMA 401	33,521.58	0
32247	06/05/2012	ICMA457	ICMA457	7,679.43	0
32248	06/05/2012	PREPAIDL	LegalShield	103.60	0
				144,602.33	
Check Total:				144,602.33	

# Accounts Payable

## Check Register Totals Only

User: mdunham  
 Printed: 6/4/2012 - 3:54 PM



Check	Date	Vendor No	Vendor Name	Amount	Voucher
32249	06/05/2012	ISD	Issaquah School District	25,332.00	0
32250	06/05/2012	LWSD	Lake Washington School Dist	10,173.00	0
Check Total:				35,505.00	

Accounts Payable  
Computer Check Register

User: mdunham  
 Printed: 06/12/2012 - 12:13PM  
 Bank Account: APPR  
 Batch: 003.06.2012



Check	Vendor No	Vendor Name	Date	Invoice No	Amount
32251	MILLENAU	Millen Autoboady	6/12/2012		3,617.31
				Check 32251 Total:	3,617.31
				Report Total:	3,617.31

## Accounts Payable

## Check Register Totals Only

User: mdunham  
 Printed: 6/13/2012 - 4:44 PM



Check	Date	Vendor No	Vendor Name	Amount	Voucher
32252	06/18/2012	A&L	A&L Supply	2,797.57	0
32253	06/18/2012	ABHIMANY	Abhimanyu	60.00	0
32254	06/18/2012	ACE	Ace Hardware, LLC	1,478.54	0
32255	06/18/2012	ACTIONAP	Action Apparel	534.96	0
32256	06/18/2012	ADVANTAG	Advantage Building Services	9,057.91	0
32257	06/18/2012	AMEC	AMEC Environment & Infrastructure,	16,991.53	0
32258	06/18/2012	ANI	ANI Administrators NW Inc	348.00	0
32259	06/18/2012	APEXPRES	Richard Miller	2,463.75	0
32260	06/18/2012	AWC	Association of Wa Cities	325.00	0
32261	06/18/2012	BACKGROU	Background Source Intl	517.00	0
32262	06/18/2012	BEAVERWO	Joseph W. McConnell	1,360.00	0
32263	06/18/2012	BELLCITY	City Of Bellevue	11,547.00	0
32264	06/18/2012	BEST	Best Parking Lot Cleaning, Inc	2,149.66	0
32265	06/18/2012	BLUELNGR	The Blue Line Group, LLC	18,247.83	0
32266	06/18/2012	BMC	BMC Select	586.77	0
32267	06/18/2012	BOHANAN	Martin Bohanan	158.21	0
32268	06/18/2012	BRAUN	Ted Braun	50.00	0
32269	06/18/2012	BRICKMAN	Brickman Group Ltd LLC	4,553.20	0
32270	06/18/2012	BUILDERS	Builders Exchange of WA	159.25	0
32271	06/18/2012	CENTURY	Century Link	275.39	0
32272	06/18/2012	CERTIFIE	Certified Backflow Testing,Inc	200.00	0
32273	06/18/2012	CHINOOK	Chinook Lumber	46.76	0
32274	06/18/2012	CODEPUB	Code Publishing Inc	446.27	0
32275	06/18/2012	COMCAST2	COMCAST	107.34	0
32276	06/18/2012	COMPOFF	The Complete Office	88.65	0
32277	06/18/2012	COSTCO	Costco Wholesale	1,229.61	0
32278	06/18/2012	DAILY	Daily Journal of Commerce	377.40	0
32279	06/18/2012	DANTULUR	Jagannatha Dantuluri	30.00	0
32280	06/18/2012	DEERE	John Deere Landscapes	121.78	0
32281	06/18/2012	DEJONG	Cory de Jong & Son Inc	1,566.50	0
32282	06/18/2012	DENT	Dent National, Inc	600.00	0
32283	06/18/2012	deSimas	Carl deSimas	837.50	0
32284	06/18/2012	EASTEQ	Eastside Equipment & Marine	969.43	0
32285	06/18/2012	EASTFIRE	Eastside Fire & Rescue	1,105.00	0
32286	06/18/2012	EASTPLUM	Eastside Plumbing Services	611.02	0
32287	06/18/2012	EMFENCE	Emerald City Fence Rentals LLC	481.80	0
32288	06/18/2012	EVANSSCO	Barbara or Scott Evans	20.00	0
32289	06/18/2012	EWINGIRR	Ewing Irrigation	1,110.11	0
32290	06/18/2012	FASTENAL	Fastenal Industrial Supplies	222.37	0
32291	06/18/2012	FCS	FCS Group Inc.	27,170.00	0
32292	06/18/2012	FIREPROT	Fire Protection, Inc.	225.47	0
32293	06/18/2012	FRAME	Scott Frame	50.00	0
32294	06/18/2012	FRONTIR2	Frontier	332.78	0
32295	06/18/2012	GALT	John E. Galt	495.00	0
32296	06/18/2012	GRANGE	Grange Supply, Inc.	41.13	0
32297	06/18/2012	GUARDIAN	Guardian Security	72.00	0
32298	06/18/2012	HDFOWL	H. D. Fowler Company	815.54	0
32299	06/18/2012	HOWARD	Lyman Howard	104.96	0
32300	06/18/2012	IMPACT	Nathan Boessler	600.00	0
32301	06/18/2012	IPS	Integrated Print Solutions, Inc	3,285.00	0

Check	Date	Vendor No	Vendor Name	Amount	Voucher
32302	06/18/2012	IRONMT	Iron Mountain	78.91	0
32303	06/18/2012	ISSAQ1	Issaquah Press, Inc.	759.00	0
32304	06/18/2012	ISSCITY	City Of Issaquah	12,060.75	0
32305	06/18/2012	ISSLACRO	Issaquah S D Women's Lacrosse	552.50	0
32306	06/18/2012	JACOBSON	Jacobson Law Group PLLC	200.00	0
32307	06/18/2012	JBLAWN	JB Instant Lawn	234.34	0
32308	06/18/2012	KEENEY	Keeney's Office Plus	62.06	0
32309	06/18/2012	KENYON2	Kenyon Disend PLLC	13,698.80	0
32310	06/18/2012	KINGDD	King County DDES	714.00	0
32311	06/18/2012	KINGFI	King County Finance A/R	6,890.00	0
32312	06/18/2012	KINGPET	King County Pet Licenses	305.00	0
32313	06/18/2012	LESSCHWA	Les Schwab Tire Center	1,089.16	0
32314	06/18/2012	LEXIS	Lexis Nexis Risk Data Mgmt	123.41	0
32315	06/18/2012	MASSENGI	Danielle Massengill	50.00	0
32316	06/18/2012	MAUNE	Buell Maune	50.00	0
32317	06/18/2012	MICRO	Microflex, Inc.	20.54	0
32318	06/18/2012	MINUTE	Mike Immel	58.58	0
32319	06/18/2012	MOBERLY	Lynn Moberly	14,428.00	0
32320	06/18/2012	NAIR	Jyothish Nair	250.00	0
32321	06/18/2012	NANDA	Arun Nanda	250.00	0
32322	06/18/2012	NAPA	Genunine Parts Company/Issaquah	160.55	0
32323	06/18/2012	NAPA/RED	Woodinville Auto Parts	596.67	0
32324	06/18/2012	NESAM	NE Sammamish Sewer & Water	198.74	0
32325	06/18/2012	NVL	NVL Laboratories, Inc	750.00	0
32326	06/18/2012	NWCASC	Northwest Cascade, Inc.	392.72	0
32327	06/18/2012	NWNUISAN	John R. Consolini	200.00	0
32328	06/18/2012	OILCAN	Oil Can Henry's	52.75	0
32329	06/18/2012	PACE	Pace Engineers, Inc.	1,210.00	0
32330	06/18/2012	PACPLANT	Pacific Plants	1,470.04	0
32331	06/18/2012	PACSOIL	Pacific Topsoils, Inc	262.10	0
32332	06/18/2012	PAETEC	PAETEC Integrated Solutions Group,	2,251.42	0
32333	06/18/2012	PIEDMONT	Piedmont Directional Signs	700.00	0
32334	06/18/2012	PLANTSCA	Plantscapes, Inc	1,552.05	0
32335	06/18/2012	POA	Pacific Office Automation	225.04	0
32336	06/18/2012	PROTH	Prothman Company	4,108.68	0
32337	06/18/2012	PSE	Puget Sound Energy	21,896.86	0
32338	06/18/2012	PWBOARD	Department of Commerce	560,000.00	0
32339	06/18/2012	RAINBOW	Rainbow Valley Music Inc	500.00	0
32340	06/18/2012	RAVISHIN	Ravishing Handicrafts	175.00	0
32341	06/18/2012	RED-E	Red-E Topsoil	730.27	0
32342	06/18/2012	REDSIGNS	Redmond Signs	64.61	0
32343	06/18/2012	RH2	RH2 Engineering Inc	442.80	0
32344	06/18/2012	ROTARSAM	Rotary Club of Sammamish	52.00	0
32345	06/18/2012	SAM	Sammamish Plateau Water Sewer	1,221.17	0
32346	06/18/2012	SAMCHAMB	Sammamish Chamber of Commerce	5,075.00	0
32347	06/18/2012	SANTANA	Santana Trucking & Excavating Inc	287,824.53	0
32348	06/18/2012	SB&MAC	Stewart Beall & MacNichols	2,845.00	0
32349	06/18/2012	SEATIM	Seattle Times	106.11	0
32350	06/18/2012	SERVICE	Service Paper Co	75.34	0
32351	06/18/2012	SHANNONW	Shannon & Wilson Inc	366.08	0
32352	06/18/2012	SIGNARAM	Doran Signs LLC	219.21	0
32353	06/18/2012	SNOHOMIS	Snohomish County Treasurer	1,995.78	0
32354	06/18/2012	SOUNDPUB	Sound Publishing, Inc	352.45	0
32355	06/18/2012	SPATIAL	Spatial Development Int LLC	11,340.00	0
32356	06/18/2012	SPEEDMES	Speedy Messenger, Inc	34.70	0
32357	06/18/2012	STAPLES	Staples Advantage	1,816.67	0
32358	06/18/2012	STOECKL	Jane C. Stoeklin	120.00	0
32359	06/18/2012	STVIN	St Vincent DePaul Society	1,375.00	0
32360	06/18/2012	SUBPROPA	Suburban Propane	836.83	0

Check	Date	Vendor No	Vendor Name	Amount	Voucher
32361	06/18/2012	SWIFTTRE	Swift Tree Care	1,095.00	0
32362	06/18/2012	TUBBSCHR	Chris Tubbs	50.00	0
32363	06/18/2012	UNITRENT	United Rentals NW, Inc	3,782.40	0
32364	06/18/2012	VERIZON	Verizon Wireless	2,433.02	0
32365	06/18/2012	VOYAGER	Voyager	9,107.70	0
32366	06/18/2012	WATERMAR	Watermark Assets	500.00	0
32367	06/18/2012	WESTERNE	Western Entrance Tech LLC	9,685.48	0
32368	06/18/2012	WINFREY	David Winfrey	50.00	0
32369	06/18/2012	ZEE	Zee Medical Service	370.71	0
32370	06/18/2012	ZUMAR	Zumar Industries, Inc.	2,356.57	0
Check Total:				1,111,927.09	

# Accounts Payable

## Check Register Totals Only

User: mdunham  
 Printed: 6/14/2012 - 8:54 AM



Check	Date	Vendor No	Vendor Name	Amount	Voucher
32371	06/18/2012	ALLIEDWA	Allied Waste Services #172	473.01	0
32372	06/18/2012	CENTURY	Century Link	81.00	0
32373	06/18/2012	REDMOND	City Of Redmond	30.14	0
32374	06/18/2012	ICOP	ICOP	32.79	0
32375	06/18/2012	MOBERLY	Lynn Moberly	7,214.00	0
32376	06/18/2012	SNOHOMIS	Snohomish County Treasurer	294.44	0
				<hr/> <hr/>	
Check Total:				8,125.38	
				<hr/> <hr/>	



# City Council Agenda Bill

**Meeting Date:** June 18, 2012

**Date Submitted:** June 13, 2012

**Originating Department:** Admin Services

**Clearances:**

<input checked="" type="checkbox"/> City Manager	<input type="checkbox"/> Community Development	<input type="checkbox"/> Parks & Recreation
<input checked="" type="checkbox"/> Attorney	<input type="checkbox"/> Finance & IT	<input type="checkbox"/> Police
<input checked="" type="checkbox"/> Admin Services	<input type="checkbox"/> Fire	<input type="checkbox"/> Public Works

**Subject:** Animal Services Interlocal Agreement.

**Action Required:** Authorize the City Manager to sign the Animal Services Interlocal Agreement

**Exhibits:**

1. Animal Services Interlocal Agreement
2. Animal Services Cost Allocation Model
3. Animal Services District Map

**Budget:** 2013 Estimated Cost \$00.00

**Summary Statement:**

This is an Interlocal Agreement for Animal Services between King County and Cities within the County.

**Background:**

In 2010 the City of Sammamish entered into an Interlocal Agreement with King County and 25 other Cities to establish a regional animal services system. The system includes three core service areas: animal control (field services); shelter; and licensing. The Interlocal Agreement will expire December 31, 2012.

In 2011 a joint City County Workgroup was formed to review and potentially revise the Interlocal Agreement. The proposed new Interlocal Agreement would extend services through December 31, 2015.

**Proposed Interlocal Agreement**

The Agreement includes the following provisions:



## City Council Agenda Bill

**Animal Control** – The County has been divided into 3 Animal Control Districts, (see attached map). Our District will have an Animal Control Officer assigned 40 hours per week. King County will have a total of 6 Animal Control Officers on Staff.

**Animal Shelter** – The Kent Shelter will remain open 7 days a week and have a capacity of 7,000 animals per year.

**Pet Licensing** – King County will continue to be responsible for administration of the licensing program, including marketing, education, and outreach.

**Length of Agreement** – 3 ½ years, July 1, 2012 – December 31, 2015, with the option for a 2 year extension.

**Animal Services Committee** – Cities and the County would continue to collaborate and explore options for system improvements through a joint City-County Animal Services Committee.

### Financial Impact:

The proposed Interlocal Agreement includes a cost allocation model which is detailed on the attached spreadsheet.

Each jurisdiction's (Cities and unincorporated areas) costs for animal control, shelter, and licensing administration are allocated 80% based on usage of the service and 20% based on population. In addition, King County is contributing \$869,776 in transitional funding to Cities whose cost per capita is above the median for all participating Cities and/or participating Cities with low per capita licensing revenue.

### **Sammamish's Allocation**

The City of Sammamish has a relatively low rate of animal control and sheltering costs and a relatively high rate of compliance with pet licensing regulations.

Sammamish's Allocation for Animal Control	\$ 35,341
Sammamish's Allocation for Animal Shelter	\$ 44,214
Sammamish's Allocation for Pet Licensing Administration	<u>\$ 31,129</u>
<b>Sammamish's Cost for Animal Services</b>	<b>\$110,684</b>
Sammamish's 2011 Estimated Licensing Revenue	<u>\$117,649</u>
<b>Sammamish's Annualized Net Cost for 2013 (Revenue exceeds Cost)</b>	<b>\$ 6,965</b>

### **Enhanced Control Services**



## City Council Agenda Bill

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The proposed Interlocal Agreement gives Cities the option of contracting for an Animal Control Officer to provide dedicated service to that City, (see Interlocal Agreement Exhibit E page 61). The 2012 rate for this service is \$51.00 per hour + mileage. As part of the 2013-2014 Budget, Staff will be requesting funding for a dedicated Animal Control Officer 10-15 hours per month.

**Recommended Motion:**

Move to authorize the City Manager to sign the Animal Services Interlocal Agreement.



**Animal Services Interlocal Agreement for 2013 Through 2015**

This AGREEMENT is made and entered into effective as of this 1<sup>st</sup> day of July, 2012, by and between KING COUNTY, a Washington municipal corporation and legal subdivision of the State of Washington (the “County”) and the City of Sammamish, a Washington municipal corporation (the “City”).

WHEREAS, the provision of animal control, sheltering and licensing services protects public health and safety and promotes animal welfare; and

WHEREAS, providing such services on a regional basis allows for enhanced coordination and tracking of regional public and animal health issues, consistency of regulatory approach across jurisdictional boundaries, economies of scale, and ease of access for the public; and

WHEREAS, the Contracting Cities are partners in making regional animal services work effectively, and are customers of the Animal Services Program provided by the County; and

WHEREAS, in light of the joint interest among the Contracting Parties in continuing to develop a sustainable program for regional animal services, including achievement of sustainable funding resources, the County intends to include cities in the process of identifying and recommending actions to generate additional revenues through the Joint City-County Committee, and further intends to convene a group of elected officials with a representative from each Contracting City to discuss and make recommendations on any potential countywide revenue initiative for animal services requiring voter approval, the implementation of which would be intended to coincide with the end of the term of this Agreement; and

WHEREAS, by executing this Agreement, the City is not implicitly agreeing to or supportive of any potential voter approved levy initiative in support of animal services; and

WHEREAS, the City and the County are parties to an Animal Services Interlocal Agreement dated July 1, 2010, which will terminate on December 31, 2012 (the “2010 Agreement”); and

WHEREAS, the City and County have negotiated a successor agreement to the 2010 Agreement in order to extend delivery of Animal Services to the City for an additional three years beginning January 1, 2013; and

## Exhibit 1

WHEREAS, certain notification and other commitments under this successor Agreement arise before January 2013, but the delivery of Animal Services under this Agreement will not commence until January 1, 2013; and

WHEREAS, nothing in this Agreement is intended to alter the provision of service or manner and timing of compensation and reconciliation specified in the 2010 Agreement for services provided in 2012; and

WHEREAS, the City pursuant to the Interlocal Cooperation Act (RCW Chapter 39.34) , is authorized and desires to contract with the County for the performance of Animal Services; and

WHEREAS, the County is authorized by the Interlocal Cooperation Act, Section 120 of the King County Charter and King County Code 11.02.030 to render such services and is willing to render such services on the terms and conditions hereinafter set forth; and

WHEREAS, the County is offering a similar form of Animal Services Interlocal Agreement to cities in King County listed in Exhibit C-1 to this Agreement, and has received a non-binding statement of intent to sign such agreement from those cities;

NOW THEREFORE, in consideration of the promises, covenants and agreements contained in this Agreement, the parties agree as follows:

1. **Definitions.** Unless the context clearly shows another usage is intended, the following terms shall have these meanings in this Agreement:
  - a. **"Agreement"** means this Animal Services Interlocal Agreement for 2013 Through 2015 between the Parties including any and all Exhibits hereto, unless the context clearly indicates an intention to reference all such Agreements by and between the County and other Contracting Cities.
  - b. **"Animal Services"** means Control Services, Shelter Services and Licensing Services combined, as these services are described in **Exhibit A**. Collectively, "Animal Services" are sometimes referred to herein as the **"Program."**
  - c. **"Enhanced Control Services"** are additional Control Services that the City may purchase under certain terms and conditions as described in **Exhibit E** (the "Enhance Control Services Contract").
  - d. **"Contracting Cities"** means all cities that are parties to an Agreement.
  - e. **"Parties"** means the City and the County.
  - f. **"Contracting Parties"** means all Contracting Cities and the County.
  - g. **"Estimated Payment"** means the amount the City is estimated to owe to the County for the provision of Animal Services over a six month period per the

formulas set forth in **Exhibit C**. The Estimated Payment calculation may result in a credit to the City payable by the County.

- h. **“Pre-Commitment Estimated 2013 Payment”** means the preliminary estimate of the amount that will be owed by (or payable to) each Contracting Party for payment June 15, 2013 and December 15, 2013 as shown on **Exhibit C-1**.
- i. **“Preliminary Estimated 2013 Payment”** means the amount estimated by the County on or before August 1, 2012 per Section 5, to be owed by each Contracting Party on June 15, 2013 and December 15, 2013 based on the number of Contracting Cities with respect to which the Agreement goes into effect per Section 15. This estimate will also provide the basis for determining whether the Agreement meets the “2013 Payment Test” in Section 15.
- j. The **“Final Estimated 2013 Payment”** means the amount owed by each Contracting Party on June 15, 2013 and December 15, 2013, notice of which shall be given to the City by the County no later than December 15, 2012.
- k. **“Control District”** means one of the three geographic areas delineated in **Exhibit B** for the provision of Animal Control Services.
- l. **“Reconciliation Adjustment Amount”** means the amount payable each August 15 by either the City or County as determined per the reconciliation process described in **Exhibit D**. **“Reconciliation”** is the process by which the Reconciliation Adjustment Amount is determined.
- m. **“Service Year”** means the calendar year in which Animal Services are or were provided.
- n. **“2010 Agreement”** means the Animal Services Agreement between the Parties effective July 1, 2010, and terminating at midnight on December 31, 2012.
- o. **“New Regional Revenue”** means revenue received by the County specifically for support of Animal Services generated from regional marketing campaigns (excluding local licensing canvassing efforts by Contracting Cities or per Section 7), and new foundation, grant, donation and entrepreneurial activities, except where revenues from these sources are designated for specific purposes within the Animal Services program; *provided that* New Regional Revenue does not include Licensing Revenue, Non-Licensing Revenue or Designated Donations, as defined in **Exhibit C**. The manner of estimating and allocating New Regional Revenue is prescribed in **Exhibit C-4** and **Exhibit D**.
- p. **“Latecomer City”** means a city receiving animal services under an agreement with the County executed after July 1, 2012, per the conditions of Section 4.a.

2. **Services Provided.** Beginning January 1, 2013, the County will provide the City with Animal Services described in **Exhibit A**. The County will perform these services consistent with governing City ordinances adopted in accordance with Section 3. In providing such Animal Services consistent with **Exhibit A**, the County will engage in good faith with the Joint City-County Committee to develop potential adjustments to field protocols; provided that, the County shall have sole discretion as to the staffing assigned to receive and dispatch calls and the manner of handling and responding to calls for Animal Service. Except as set forth in Section 9 (Indemnification and Hold Harmless), services to be provided by the County pursuant to this Agreement do not include services of legal counsel, which shall be provided by the City at its own expense.
  - a. Enhanced Control Services. The City may request Enhanced Control Services by completing and submitting **Exhibit E** to the County. Enhanced Services will be provided subject to the terms and conditions described in **Exhibit E**, including but not limited to a determination by the County that it has the capacity to provide such services.
  
3. **City Obligations.**
  - a. Animal Regulatory Codes Adopted. To the extent it has not already done so, the City shall promptly enact an ordinance or resolution that includes license, fee, penalty, enforcement, impound/ redemption and sheltering provisions that are substantially the same as those of Title 11 King County Code as now in effect or hereafter amended (hereinafter "the City Ordinance"). The City shall advise the County of any City animal care and control standards that differ from those of the County.
  - b. Authorization to Act on Behalf of City. Beginning January 1, 2013, the City authorizes the County to act on its behalf in undertaking the following:
    - i. Determining eligibility for and issuing licenses under the terms of the City Ordinance, subject to the conditions set forth in such laws.
    - ii. Enforcing the terms of the City Ordinance, including the power to issue enforcement notices and orders and to deny, suspend or revoke licenses issued thereunder.
    - iii. Conducting administrative appeals of those County licensing determinations made and enforcement actions taken on behalf of the City. Such appeals shall be considered by the King County Board of Appeals unless either the City or the County determines that the particular matter should be heard by the City.
    - iv. Nothing in this Agreement is intended to divest the City of authority to independently undertake such enforcement actions as it deems appropriate to respond to violations of any City ordinances.

- c. Cooperation and Licensing Support. The City will assist the County in its efforts to inform City residents regarding animal codes and regulations and licensing requirements and will promote the licensing of pets by City residents through various means as the City shall reasonably determine, including but not limited to offering the sale of pet licenses at City Hall, mailing information to residents (using existing City communication mechanisms such as bill inserts or community newsletters) and posting a weblink to the County's animal licensing program on the City's official website. The City will provide to the County accurate and timely records regarding all pet license sales processed by the City. All proceeds of such sales shall be remitted to the County by the City on a quarterly basis (no later than each March 31, June 30, September 30, and December 31).
4. **Term.** Except as otherwise specified in Section 15, this Agreement will take effect as of July 1, 2012 and, unless extended pursuant to Subparagraph 4.b below, shall remain in effect through December 31, 2015. The Agreement may not be terminated for convenience.
    - a. Latecomers. The County may sign an agreement with additional cities for provision of animal services prior to the termination or expiration of this Agreement, but only if the later agreement will not cause an increase in the City's costs payable to the County under this Agreement. Cities that are party to such agreements are referred to herein as "Latecomer Cities."
    - b. Extension of Term. The Parties may agree to extend the Agreement for an additional two-year term, ending on December 31, 2017. For purposes of determining whether the Agreement shall be extended, the County will invite all Contracting Cities to meet in September 2014, to discuss both: (1) a possible extension of the Agreement under the same terms and conditions; and (2) a possible extension with amended terms.
      - i. Either Party may propose amendments to the Agreement as a condition of an extension.
      - ii. Nothing in this Agreement shall be construed to compel either Party to agree to an extension or amendment of the Agreement, either on the same or different terms.
      - iii. The County agrees to give serious consideration to maintaining the various credits provided to the Contracting City under this Agreement in any extension of the Agreement.
    - c. Notice of Intent to Not Extend. No later than March 1, 2015, the Parties shall provide written notice to one another of whether they wish to extend this Agreement on the same or amended terms. The County will include a written reminder of this March 1 deadline when providing the City notice of

its 2015 Estimated Payments (notice due December 15, 2014 per Section 5). By April 5, 2015, the County will provide all Contracting Cities with a list of all Contracting Parties submitting such notices indicating which Parties do not seek an extension, which Parties request an extension under the same terms, and which Parties request an extension under amended terms.

- d. Timeline for Extension. If the Contracting Parties wish to extend their respective Agreements (whether under the same or amended terms) through December 31, 2017, they shall do so in writing no later than July 1, 2015. Absent such an agreed extension, the Agreement shall terminate on December 31, 2015.
- e. Limited Reopener and Termination. If a countwide, voter approved property tax levy for funding some or all of the Animal Services program is proposed that would impose new tax obligations before January 1, 2016, this Agreement shall be re-opened for the limited purposes of negotiating potential changes to the cost and revenue allocation formulas herein. Such changes may be made in order to reasonably ensure that the Contracting Cities are receiving equitable benefits from the proposed new levy revenues. Re-opener negotiations shall be initiated by the County no later than 60 days before the date of formal transmittal of such proposal to the County Council for its consideration. Notwithstanding anything in this Agreement to the contrary, if the re-opener negotiations have failed to result in mutually agreed upon changes to the cost and revenue allocation formulas (as reflected in either an executed amendment to this Agreement or a memorandum of understanding signed between the chief executive officers of the Parties) within 10 days of the date that the election results confirming approval of such proposal are certified, either Party may terminate this Agreement by providing notice to the other Party no sooner than the date the election results are certified and no later than 15 days following the end of such 10-day period. Any termination notice so issued will become effective 180 days following the date of the successful election, or the date on which the levy is first imposed, whichever is sooner.
- f. The 2010 Agreement remains in effect through December 31, 2012. Nothing in this Agreement shall limit or amend the obligation of the County to provide Animal Services under the 2010 Agreement as provided therein and nothing in this Agreement shall amend the obligations therein with respect to the calculation, timing, and reconciliation of payment of such services.

5. **Compensation**. The County will develop an Estimated Payment calculation for each Service Year using the formulas described in **Exhibit C**, and shall transmit the payment information to the City according to the schedule described below. The

County will also calculate and inform the City as to the Reconciliation Adjustment Amount on or before June 30 of each year, as described in Section 6 below and **Exhibit D**, in order to reconcile the Estimated Payments made by the City in the prior Service Year. The City (or County, if applicable) will pay the Estimated Payment, and any applicable Reconciliation Adjustment Amounts as follows (a list of all payment-related notices and dates is included at **Exhibit C-7**):

- a. Service Year 2013: The County will provide the City with a calculation of the Preliminary Estimated Payment amounts for Service Year 2013 on or before August 1, 2012, which shall be derived from the Pre-Commitment Estimated 2013 Payment Amount set forth on **Exhibit C-1**, adjusted if necessary based on the Contracting Cities and other updates to Calendar Year 2011 data in **Exhibit C-2**. The County will provide the City with the Final Estimated Payment calculation for Service Year 2013 by December 15, 2012. The City will pay the County the Preliminary Estimated Payment Amounts for Service Year 2013 on or before June 15, 2013 and December 15, 2013. If the calculation of the Preliminary Estimated Payment shows the City is entitled to receive a payment from the County, the County will pay the City such amount on or before June 15, 2013 and December 15, 2013. The Reconciliation Adjustment Amount for Service Year 2013 shall be paid on or before August 15, 2014, as described in Section 6.
- b. Service Years after 2013.
  - i. Initial Estimate by September 1. To assist the City with its budgeting process, the County will provide the City with a non-binding, preliminary indication of the Estimated Payments for the upcoming Service Year on or before each September 1.
  - ii. Estimated Payment Determined by December 15. The Estimated Payment amounts for the upcoming Service Year will be determined by the County following adoption of the County's budget and applying the formulas in **Exhibit C**. The County will by December 15 provide written notice to all Contracting Parties of the schedule of Estimated Payments for the upcoming Service Year.
  - iii. Estimated Payments Due Each June 15 and December 15. The City will pay the County the Estimated Payment Amount on or before each June 15 and December 15. If the calculation of the Estimated Payment shows the City is entitled to receive a payment from the County, the County will pay the City such amount on or before each June 15 and December 15.
  - iv. The Reconciliation Adjustment Amount for the prior Service Year shall be paid on or before August 15 of the following calendar year, as described in Section 6.

- v. If a Party fails to pay an Estimated Payment or Reconciliation Adjustment Amount within 15 days of the date owed, the Party owed shall notify the owing Party that they have ten (10) days to cure non-payment. If the Party fails to cure its nonpayment within this time period following notice, the amount owed shall accrue interest thereon at the rate of 1% per month from and after the original due date and, if the nonpaying Party is the City, the County at its sole discretion may withhold provision of Animal Services to the City until all outstanding amounts are paid. If the nonpaying Party is the County, the City may withhold future Estimated Payments until all outstanding amounts are paid. Each Party may examine the other's books and records to verify charges.
  - vi. Unless the Parties otherwise direct, payments shall be submitted to the addresses noted at Section 14.g.
  - c. Payment Obligation Survives Expiration or Termination of Agreement. The obligation of the City (or as applicable, the County), to pay an Estimated Payment Amount or Reconciliation Adjustment Amount for a Service Year included in the term of this Agreement shall survive the Expiration or Termination of this Agreement. For example, if this Agreement terminates on December 31, 2015, the Final Estimated 2015 Payment is nevertheless due on or before December 15, 2015, and the Reconciliation Adjustment Amount shall be payable on or before August 15, 2016.
  - d. The Parties agree the payment and reconciliation formulas in this Agreement (including all Exhibits) are fair and reasonable.
6. **Reconciliation of Estimated Payments and Actual Costs and Revenues.** In order that the Contracting Parties share costs of the regional Animal Services Program based on their actual, rather than estimated, licensing revenues, there will be an annual reconciliation. Specifically, on or before June 30 of each year, the County will reconcile amounts owed under this Agreement for the prior Service Year by comparing each Contracting Party's Estimated Payments to the amount derived by recalculating the formulas in **Exhibit C** using actual revenue data for such Service Period as detailed in **Exhibit D**. There will also be an adjustment if necessary to account for annexations of areas with a population of 2,500 or more and for changes in relative population shares of Contracting Parties' attributable to Latecomer Cities. The County will provide the results of the reconciliation to all Contracting Parties in writing on or before June 30. The Reconciliation Adjustment Amount will be paid on or before August 15 of the then current year, regardless of the prior termination of the Agreement as per Section 5.c.

**7. Regional Revenue Generation and Licensing Revenue Support**

- a. The Parties intend that the provision of Animal Services becomes significantly more financially sustainable over the initial three year term of this Agreement through the development of New Regional Revenue and the generation of additional Licensing Revenue. The County will develop proposals designed to support this goal. The County will consult with the Joint City-County Committee before proceeding with efforts to implement proposals to generate New Regional Revenue.
- b. The Parties do not intend for the provision of Animal Services or receipt of such Services under this Agreement to be a profit-making enterprise. Where a Contracting Party receives revenues in excess of its costs under this Agreement (including costs of PAWS shelter service and Enhanced Control Service, if applicable), they will be reinvested in the Program to reduce the costs of other Contracting Parties and to improve service delivery: the cost allocation formulas of this Agreement are intended to achieve this outcome.
- c. Licensing Revenue Support.
  - i. In 2013, the County will provide licensing revenue support to the nine Contracting Cities identified on **Exhibit C-5** (the "Licensing Revenue Support Cities").
  - ii. The City may request licensing revenue support from the County in 2014 and 2015 by executing **Attachment A** to **Exhibit F**. The terms and conditions under which such licensing revenue support will be provided are further described at **Exhibit C-5** and **Exhibit F**. Except as otherwise provided in **Exhibit C-5** with respect to Licensing Revenue Support Cities with a Licensing Revenue Target of over \$20,000 (per Table 1 of **Exhibit C-5**), provision of licensing revenue support in 2014 and 2015 is *subject to* the County determining it has capacity to provide such services, with priority allocation of any available services going first to Licensing Revenue Support Cities on a first-come, first-served basis and thereafter being allocated to other Contracting Cities requesting service on a first-come, first-served basis. Provision of licensing revenue support is further subject to the Parties executing a Licensing Support Contract (**Exhibit F**).
  - iii. In addition to other terms described in **Exhibit F**, receipt of licensing revenue support is subject to the recipient City providing in-kind services, including but not limited to: assisting in communication with City residents; publicizing any canvassing efforts the Parties have agreed should be implemented; assisting in the recruitment of canvassing staff, if applicable; and providing information to the County to assist in targeting its canvassing activities, if applicable.

8. **Mutual Covenants/Independent Contractor.** The Parties understand and agree that the County is acting hereunder as an independent contractor with the intended following results:

- a. Control of County personnel, standards of performance, discipline, and all other aspects of performance shall be governed entirely by the County;
- b. All County persons rendering service hereunder shall be for all purposes employees of the County, although they may from time to time act as commissioned officers of the City;
- c. The County contact person for the City staff regarding all issues arising under this Agreement, including but not limited to citizen complaints, service requests and general information on animal control services is the Manager of Regional Animal Services.

9. **Indemnification and Hold Harmless.**

- a. City Held Harmless. The County shall indemnify and hold harmless the City and its officers, agents, and employees, or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any negligent act or omission of the County, its officers, agents, and employees, or any of them relating to or arising out of performing services pursuant to this Agreement. In the event that any such suit based upon such a claim, action, loss, or damages is brought against the City, the County shall defend the same at its sole cost and expense; provided that the City reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment in said suit be rendered against the City, and its officers, agents, and employees, or any of them, or jointly against the City and the County and their respective officers, agents, and employees, or any of them, the County shall satisfy the same.
- b. County Held Harmless. The City shall indemnify and hold harmless the County and its officers, agents, and employees, or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any negligent act or omission of the City, its officers, agents, and employees, or any of them relating to or arising out of performing services pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damages is brought against the County, the City shall defend the same at its sole cost and expense; provided that the County reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment be rendered against the County, and its officers, agents, and

employees, or any of them, or jointly against the County and the City and their respective officers, agents, and employees, or any of them, the City shall satisfy the same.

- c. Liability Related to City Ordinances, Policies, Rules and Regulations. In executing this Agreement, the County does not assume liability or responsibility for or in any way release the City from any liability or responsibility that arises in whole or in part as a result of the application of City ordinances, policies, rules or regulations that are either in place at the time this Agreement takes effect or differ from those of the County; or that arise in whole or in part based upon any failure of the City to comply with applicable adoption requirements or procedures. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, policy, rule or regulation is at issue, the City shall defend the same at its sole expense and, if judgment is entered or damages are awarded against the City, the County, or both, the City shall satisfy the same, including all chargeable costs and reasonable attorney's fees.
- d. Waiver Under Washington Industrial Insurance Act. The foregoing indemnity is specifically intended to constitute a waiver of each party's immunity under Washington's Industrial Insurance Act, Chapter 51 RCW, as respects the other party only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the indemnitor's employees. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

10. **Dispute Resolution.** Whenever any dispute arises between the Parties or between the Contracting Parties under this Agreement which is not resolved by routine meetings or communications, the disputing parties agree to seek resolution of such dispute in good faith by meeting, as soon as feasible. The meeting shall include the Chief Executive Officer (or his/her designee) of each party involved in the dispute and the Manager of the Regional Animal Services Program. If the parties do not come to an agreement on the dispute, any party may pursue mediation through a process to be mutually agreed to in good faith by the parties within 30 days, which may include binding or nonbinding decisions or recommendations. The mediator(s) shall be individuals skilled in the legal and business aspects of the subject matter of this Agreement. The parties to the dispute shall share equally the costs of mediation and assume their own costs.

11. **Joint City-County Committee and Collaborative Initiatives.** A committee composed of 3 county representatives (appointed by the County) and one

representative from each Contracting City that chooses to appoint a representative shall meet upon reasonable request of a Contracting City or the County, but in no event shall the Committee meet less than twice each year. Committee members may not be elected officials. The Committee shall review service issues and make recommendations regarding efficiencies and improvements to services, and shall review and make recommendations regarding the conduct and findings of the collaborative initiatives identified below. Subcommittees to focus on individual initiatives may be formed, each of which shall include membership from both county and city members of the Joint City-County Committee. Recommendations of the Joint City-County Committee are non-binding. The collaborative initiatives to be explored shall include, but are not necessarily limited to:

- a. Proposals to update animal services codes, including fees and penalties, as a means to increase revenues and incentives for residents to license, retain, and care for pets.
- b. Exploring the practicability of engaging a private for-profit licensing system operator.
- c. Pursuing linkages between County and private non-profit shelter and rescue operations to maximize opportunities for pet adoption, reduction in homeless pet population, and other efficiencies.
- d. Promoting licensing through joint marketing activities of Contracting Cities and the County, including recommending where the County's marketing efforts will be deployed each year.
- e. Exploring options for continuous service improvement, including increasing service delivery efficiencies across the board.
- f. Studying options for repair and/or replacement of the Kent Shelter.
- g. Reviewing the results of the County's calculation of the Reconciliation Adjustment Amounts.
- h. Reviewing preliminary proposed budgets for Animal Services.
- i. Providing input into the formatting, content and details of periodic Program reports as per Section 12 of this Agreement.
- j. Reviewing and providing input on proposed Animal Services operational initiatives.
- k. Providing input on Animal Control Services response protocols with the goal of supporting the most appropriate use of scarce Control Services resources.
- l. Establishing and maintaining a marketing subcommittee with members from within the Joint City-County committee membership and additional staff as may be agreed.
- m. Collaborating on response and service improvements, including communication with 911 call centers.

- n. Developing alternative dispute mechanisms that may be deployed to assist the public in resolving low-level issues such as barking dog complaints.
- o. Working with Contracting Cities to plan disaster response for animal sheltering and care.
- p. Ensuring there is at least one meeting each year within each Control District between the County animal control officer representatives and Contracting Cities' law enforcement representatives.
- q. Identifying, discussing and where appropriate recommending actions to implement ideas to generate additional revenue to support operation and maintenance of the Animal Services Program, including but not limited to providing input and advice in shaping the terms of any proposed Countywide voted levy to provide funding support for the Animal Services Program.

12. **Reporting.** The County will provide the City with an electronic report not less than monthly summarizing call response and Program usage data for each of the Contracting Cities and the County and the Animal Services Program. The formatting, content and details of the report will be developed in consultation with the Joint City-County Committee.

13. **Amendments.** Any amendments to this Agreement must be in writing. This Agreement shall be deemed to incorporate amendments to Agreements between the Contracting Parties that are approved by the County and at least two thirds (66%) of the legislative bodies of all other Contracting Parties (in both number and in the percentage of the prior total Estimated Payments owing from such Contracting Parties in the then current Service Year), evidenced by the authorized signatures of such approving Parties as of the effective date of the amendment; *provided that* this provision shall not apply to any amendment to this Agreement affecting the Party contribution responsibilities, hold harmless and indemnification requirements, provisions regarding duration, termination or withdrawal, or the conditions of this Section.

14. **General Provisions.**

- a. Other Facilities. The County reserves the right to contract with other shelter service providers for housing animals received from within the City or from City residents, whose levels of service meet or exceed those at the County shelter for purposes of addressing shelter overcrowding or developing other means to enhance the effectiveness, efficiency or capacity of animal care and sheltering within King County.

- b. Survivability. Notwithstanding any provision in this Agreement to the contrary, the provisions of Section 9 (Indemnification and Hold Harmless) shall remain operative and in full force and effect, regardless of the withdrawal or termination of this Agreement.
- c. Waiver and Remedies. No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the Party claimed to have waived or consented. Failure to insist upon full performance of any one or several occasions does not constitute consent to or waiver of any later non-performance nor does payment of a billing or continued performance after notice of a deficiency in performance constitute an acquiescence thereto. The Parties are entitled to all remedies in law or equity.
- d. Grants. Both Parties shall cooperate and assist each other toward procuring grants or financial assistance from governmental agencies or private benefactors for reduction of costs of operating and maintaining the Animal Services Program and the care and treatment of animals in the Program.
- e. Force Majeure. In the event either Party's performance of any of the provisions of this Agreement becomes impossible due to war, civil unrest, and any natural event outside of the Party's reasonable control, including fire, storm, flood, earthquake or other act of nature, that Party will be excused from performing such obligations until such time as the Force Majeure event has ended and all facilities and operations have been repaired and/or restored.
- f. Entire Agreement. This Agreement represents the entire understanding of the Parties and supersedes any oral representations that are inconsistent with or modify its terms and conditions.
- g. Notices. Except as otherwise provided in this Agreement, any notice required to be provided under the terms of this Agreement shall be delivered by E-mail (deemed delivered upon E-mail confirmation of receipt by the intended recipient), certified U.S. mail, return receipt requested or by personal service to the following person (or to any other person that the Party designates in writing to receive notice under this Agreement):

For the City:

For the County:      Caroline Whalen, Director  
King County Dept. of Executive Services  
401 Fifth Avenue, Suite 135  
Seattle WA. 98104

- h. Assignment. No Party may sell, transfer or assign any of its rights or benefits under this Agreement without the approval of the other Party.
- i. Venue. The Venue for any action related to this Agreement shall be in Superior Court in and for King County, Washington.
- j. Records. The records and documents with respect to all matters covered by this Agreement shall be subject to inspection and review by the County or City for such period as is required by state law (Records Retention Act, Ch. 40.14 RCW) but in any event for not less than 1 year following the expiration or termination of this Agreement.
- k. No Third Party Beneficiaries. This Agreement is for the benefit of the Parties only, and no third party shall have any rights hereunder.
- l. Counterparts. This Agreement and any amendments thereto, shall be executed on behalf of each Party by its duly authorized representative and pursuant to an appropriate motion, resolution or ordinance. The Agreement may be executed in any number of counterparts, each of which shall be an original, but those counterparts will constitute one and the same instrument.

15. **Terms to Implement Agreement.** Because it is unknown how many parties will ultimately approve the Agreement, and participation of each Contracting Party impacts the costs of all other Contracting Parties, the Agreement will go into effect as of July 1, 2012, only if certain “Minimum Contracting Requirements” are met or waived as described in this section. These Minimum Contracting Requirements will not be finally determined until August 15, 2012. If it is determined on or about August 15 that Minimum Contracting Requirements are **not** met and not waived, then the Agreement will be deemed to have never gone into effect, regardless of the July 1, 2012 stated effective date. If the Minimum Contracting Requirements are met or waived, the Agreement shall be deemed effective as of July 1, 2012. The Minimum Contracting Requirements are:

a. **For both the City and the County:**

- 1. **2013 Payment Test:** The Preliminary Estimated 2013 Payment, calculated on or before August 1, 2012, to include the County and all cities that have executed the Agreement on or prior to July 1, 2012, does not exceed the Pre-Commitment Estimated 2013 Payment as set forth in **Exhibit C-1** by more than five percent (5%) or \$3,500, whichever is greater. **If the 2013 Payment Test is not met**, either Party may waive this condition and allow the Agreement to go into effect, provided that such waiver must be exercised by giving notice to the other Party (which notice shall meet the requirements of Section 14.g) no later than August 15, 2012.

- b. **For the County:** The **Minimum Contiguity of Service Condition** must be met, such that the County is only obligated to enter into the Agreement if the County will be providing Animal Services in areas contiguous to the City, whether by reason of having an Agreement with another City or due to the fact that the City is contiguous to unincorporated areas (excluding unincorporated islands within the City limits). The Minimum Contiguity of Service Condition may be waived by the County in its sole discretion. The County shall provide the City notice meeting the requirements of Section 14.g no later than July 21, 2012 if the Minimum Contiguity of Service Condition has not been met.
- c. On or before August 21, 2012, the County shall send all Contracting Cities an informational email notice confirming the final list of all Contracting Cities with Agreements that have gone into effect.

16. **Administration.** This Agreement shall be administered by the County Administrative Officer or his/her designee, and by the City Manager, or his/her designee.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed effective as of July 1, 2012.

**King County**

**City of Sammamish**

\_\_\_\_\_  
Dow Constantine  
King County Executive

\_\_\_\_\_  
City Manager/Mayor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Approved as to Form:

Approved as to Form:

\_\_\_\_\_  
King County  
Deputy Prosecuting Attorney

\_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

## List of Exhibits

**Exhibit A: Animal Services Description**

**Exhibit B: Control Service District Map Description**

**Exhibit B-1: Map of Control Service District**

**Exhibit C: Calculation of Estimated Payments**

**Exhibit C-1: Pre-Commitment Estimated 2013 Payment** (*showing participation only by jurisdictions that have expressed interest in contracting for an additional 3 year term*)

**Exhibit C-2: Estimated Population, Calls for Service, Shelter Use and Licensing Data for Jurisdictions, Used to Derive the Pre-Commitment Estimated 2013 Payment**

**Exhibit C-3: Calculation of Budgeted Total Allocable Animal Services Costs, Budgeted Total Non-Licensing Revenue and Budget Net Allocable Animal Services Costs for 2013**

**Exhibit C-4: Calculation and Allocation of Transition Credit, Shelter Credit, and Estimated New Regional Revenue**

**Exhibit C-5: Licensing Revenue Support**

**Exhibit C-6: Summary of Calculation Periods for Use and Population Components**

**Exhibit C-7: Payment and Calculation Schedule**

**Exhibit D: Reconciliation**

**Exhibit E: Enhanced Control Services Contract (Optional)**

**Exhibit F: Licensing Support Contract (Optional)**

**Exhibit A**  
**Animal Service Description**

**Part I: Control Services**

Control Services include the operation of a public call center, the dispatch of animal control officers in response to calls, and the handling of calls in the field by animal control officers, including the collection and delivery of animals to the Kent Shelter (or such other shelters as the County may utilize in accordance with this Agreement).

**1. Call Center**

- a. The County will operate an animal control call center five days every week (excluding holidays and County-designated furlough days, if applicable) for a minimum of eight hours per day (normal business hours). The County will negotiate with applicable unions with the purpose of obtaining a commitment for the five day call center operation to include at least one weekend day. The County may adjust the days of the week the call center operates to match the final choice of Control District service days.
- b. The animal control call center will provide callers with guidance, education, options and alternative resources as possible/appropriate.
- c. When the call center is not in operation, callers will hear a recorded message referring them to 911 in case of emergency, or if the event is not an emergency, to either leave a message or call back during regular business hours.

**2. Animal Control Officers**

- a. The County will divide the area receiving Control Services into three Control Districts as shown on **Exhibit B**. Subject to the limitations provided in this Section 2, Control Districts 200 and 220 will be staffed with one Animal Control Officer during Regular ACO Service Hours and District 500 will be staffed with two Animal Control Officers (ACOs) during Regular ACO Service Hours. Regular ACO Service Hours is defined to include not less than 40 hours per week. The County will negotiate with applicable unions with the intention of obtaining a commitment for Regular ACO Service Hours to include service on at least one weekend day. Regular ACO Service Hours may change from time to time.
  - i. Except as the County may in its sole discretion determine is necessary to protect officer safety, ACOs shall be available for responding to calls within their assigned Control District and will not be generally available to respond to calls in other Control Districts. **Exhibit B-1** shows the map of Control Districts.

- ii. Countywide, the County will have a total of not less than 6 ACOs (Full-Time Equivalent employees) on staff to maximize the ability of the County to staff all Control Districts notwithstanding vacation, sick-leave, and other absences, and to respond to high workload areas on a day-to-day basis. While the Parties recognize that the County may at times not be able to staff all Control Districts as proposed given unscheduled sick leave or vacancies, the County will make its best efforts to establish regular hourly schedules and vacations for ACOs in order to minimize any such gaps in coverage. In the event of extended absences among the 6 ACOs, the County will re-allocate remaining ACOs as practicable in order to balance the hours of service available in each Control District. In the event of ACO absences (for any causes and whether or not such absences are extended as a result of vacancies or other issues), the first priority in allocating ACOs shall be to ensure there is an ACO assigned in each Control District during Regular ACO Service Hours.
- b. Control District boundaries have been designed to balance work load, correspond to jurisdictional boundaries and facilitate expedient transportation access across each district. The County will arrange a location for an Animal Control vehicle to be stationed overnight in Control Districts (“host sites”) in order to facilitate service and travel time improvements or efficiencies.
- c. The County will use its best efforts to ensure that High Priority Calls are responded to by an ACO during Regular ACO Service Hours on the day such call is received. The County shall retain full discretion as to the order in which High Priority calls are responded. High Priority Calls include those calls that pose an emergent danger to the community, including:
  - 1. Emergent animal bite,
  - 2. Emergent vicious dog,
  - 3. Emergent injured animal,
  - 4. Police assist calls—(police officer on scene requesting assistance from an ACO),
  - 5. Emergent loose livestock or other loose or deceased animal that poses a potential danger to the community, and
  - 6. Emergent animal cruelty.
- d. Lower priority calls include all calls that are not High Priority Calls. These calls will be responded to by the call center staff over the telephone, referral to other resources, or by dispatching of an ACO as necessary or available, all as determined necessary and appropriate in the sole discretion of the

County. Particularly in the busier seasons of the year (spring through fall), lower priority calls may only receive a telephone response from the Call Center. Lower Priority calls are non-emergent requests for service, including but not limited to:

1. Non-emergent high priority events,
  2. Patrol request – (ACO requested to patrol a specific area due to possible code violations),
  3. Trespass,
  4. Stray Dog/Cat/other animal confined,
  5. Barking Dog,
  6. Leash Law Violation,
  7. Deceased Animal,
  8. Trap Request,
  9. Female animal in season, and
  10. Owner’s Dog/Cat/other animal confined.
- e. The Joint-City County Committee is tasked with reviewing response protocols and recommending potential changes to further the goal of supporting the most appropriate use of scarce Control Service resources countywide. The County will in good faith consider such recommendations but reserves the right to make final decisions on response protocols. The County will make no changes to its procedures that are inconsistent with the terms of this **Exhibit A**, *except that* upon the recommendation of the Joint City-County Committee, the County may agree to modify response with respect to calls involving animals other than horses, livestock, dogs and cats.
- f. In addition to the ACOs serving specific districts, the following Control Service resources will be available on a shared basis for all Parties and shall be dispatched as deemed necessary and appropriate by the County.
1. An animal control sergeant will provide oversight of and back-up for ACOs five days per week at least 8 hours/day (subject to vacation/sick leave/training/etc.).
  2. Staff will be available to perform animal cruelty investigations, to respond to animal cruelty cases, and to prepare related reports (subject to vacation/sick leave/training/etc.).
  3. Not less than 1 ACO will be on call every day at times that are not Regular ACO Service Hours (including the days per week that are not included within Regular ACO Service Hours), to respond to High Priority Calls posing an extreme life and safety danger, as determined by the County.
- g. The Parties understand that rural areas of the County will generally receive a less rapid response time from ACOs than urban areas.

- h. Contracting Cities may contract with King County for “Enhanced Control Services” through separate agreement (as set forth in **Exhibit E**); *provided that* a City may not purchase Enhanced Control Services under Option 1 as described in **Exhibit E** if such City is receiving a Transition Funding Credit, Shelter Credit, or licensing revenue support the cost of which is not reimbursed to the County.

## **Part II: Shelter Services**

Shelter services include the general care, cleaning and nourishment of owner-released, lost or stray dogs, cats and other animals. Such services shall be provided 7-days per week, 365 days per year at the County’s animal shelter in Kent (the “Shelter”) or other shelter locations utilized by the County, including related services described in this section. The County’s Eastside Pet Adoption Center in the Crossroads area of Bellevue will be closed to the public.

During 2013-2015, major maintenance of the Shelter will continue to be included in the Program costs allocated under this Agreement (as part of the central County overhead charges allocated to the Program), but no major renovation, upgrades or replacements of the Shelter established as a capital project within the County Budget are anticipated nor will any such capital project costs be allocated to the Contracting Cities in Service Years 2013-2015.

### **1. Shelter Services**

- a. Services provided to animals will include enrichment, exercise, care and feeding, and reasonable medical attention.
- b. The Public Service Counter at the Shelter will be open to the public not less than 30 hours per week and not less than 5 days per week, excluding holidays and County designated furlough days, for purposes of pet redemption, adoption, license sales services and (as may be offered from time to time) pet surrenders. The Public Service Counter at the shelter may be open for additional hours if practicable within available resources.
- c. The County will maintain a volunteer/foster care function at the Shelter to encourage use of volunteers working at the shelter and use of foster families to provide fostering/transitional care between shelter and permanent homes for adoptable animals.
- d. The County will maintain an animal placement function at the Shelter to provide for and manage adoption events and other activities leading to the placement of animals in appropriate homes.
- e. Veterinary services will be provided and will include animal exams, treatment and minor procedures, spay/neuter and other surgeries. Limited

emergency veterinary services will be available in non-business hours, through third-party contracts, and engaged if and when the County determines necessary.

- f. The County will take steps through its operating policies, codes, public fee structures and partnerships to reduce the number of animals and their length of stay in the Shelter, and may at times limit owner-surrenders and field pick-ups, adjust fees and incentivize community-based solutions.
2. **Other Shelter services**
    - a. Dangerous animals will be confined as appropriate/necessary.
    - b. Disaster/emergency preparedness for animals will be coordinated regionally through efforts of King County staff.
  3. **Shelter for Contracting Cities contracting with PAWS (Potentially including Woodinville, Shoreline, Lake Forest Park, Kenmore (“Northern Cities”)).** For so long as a Northern City has a contract in effect for sheltering dogs and cats with the Progressive Animal Welfare Society in Lynnwood (PAWS), the County will not shelter dogs and cats picked up within the boundaries of such City(s), except in emergent circumstances and when the PAWS Lynnwood shelter is not available. Dogs and cats picked up by the County within such City(s) will be transferred by the County to the PAWS shelter in Lynnwood for shelter care, which will be provided and funded solely through separate contracts between each Northern City and PAWS, and the County will refer residents of that City to PAWS for sheltering services. The County will provide shelter services for animals other than dogs and cats that are picked up within the boundaries of Northern Cities contracting with PAWS on the same terms and conditions that such shelter services are provided to other Contracting Parties. Except as provided in this Section, the County is under no obligation to drop animals picked up in any Contracting City at any shelter other than the County shelter in Kent.
  4. **County Contract with PAWS.** Nothing in this Agreement is intended to preclude the County from contracting with PAWS in Lynnwood to care for animals taken in by County ACOs.
  5. **Service to Persons who are not Residents of Contracting Cities.** The County will not provide routine shelter services for animals brought in by persons who are not residents of Contracting Cities, but may provide emergency medical care to such animals, and may seek to recover the cost of such services from the pet owner and/or the City in which the resident lives.

### **Part III: Licensing Services**

Licensing services include the operation and maintenance of a unified system to license pets in Contracting Cities.

## Exhibit 1

1. The public will be able to purchase pet licenses in person at the County Licensing Division public service counter in downtown Seattle (500 4<sup>th</sup> Avenue), King County Community Service Centers and the Kent Animal Shelter during regular business hours. The County will maintain on its website the capacity for residents to purchase pet licenses on-line.
2. The County may seek to engage and maintain a variety of private sector partners (e.g. veterinary clinics, pet stores, grocery stores, city halls, apartment complexes) as hosts for locations where licenses can be sold or promoted in addition to County facilities.
3. The County will furnish licenses and application forms and other materials to the City for its use in selling licenses to the public at City facilities and at public events.
4. The County will publicize reminders and information about pet licensing from time to time through inserts in County mailings to residents and on the County's public television channel.
5. The County will annually mail or E-mail at least one renewal form, reminder and late notice (as applicable) to the last known addresses of all City residents who purchased a pet license from the County within the previous year (using a rolling 12-month calendar).
6. The County may make telephone reminder calls in an effort to encourage pet license renewals.
7. The County shall mail pet license tags or renewal notices as appropriate to individuals who purchase new or renew their pet licenses.
8. The County will maintain a database of pets owned, owners, addresses and violations.
9. The County will provide limited sales and marketing support in an effort to maintain the existing licensing base and increase future license sales. The County reserves the right to determine the level of sales and marketing support provided from year to year in consultation with the Joint City-County Committee. The County will work with any City in which door-to-door canvassing takes place to reach agreement with the City as to the hours and locations of such canvassing.
10. The County will provide current pet license data files (database extractions) to a Contracting City promptly upon request. Data files will include pets owned, owners, addresses, phone numbers, E-mail addresses, violations, license renewal status, and any other relevant or useful data maintained in the County's database on pets licensed within the City's limits. A City's database extraction will be provided in electronic format agreed to by both parties in a timely fashion and in a standard data release format that is easily usable by the City.

## Exhibit B: Control Service District Map

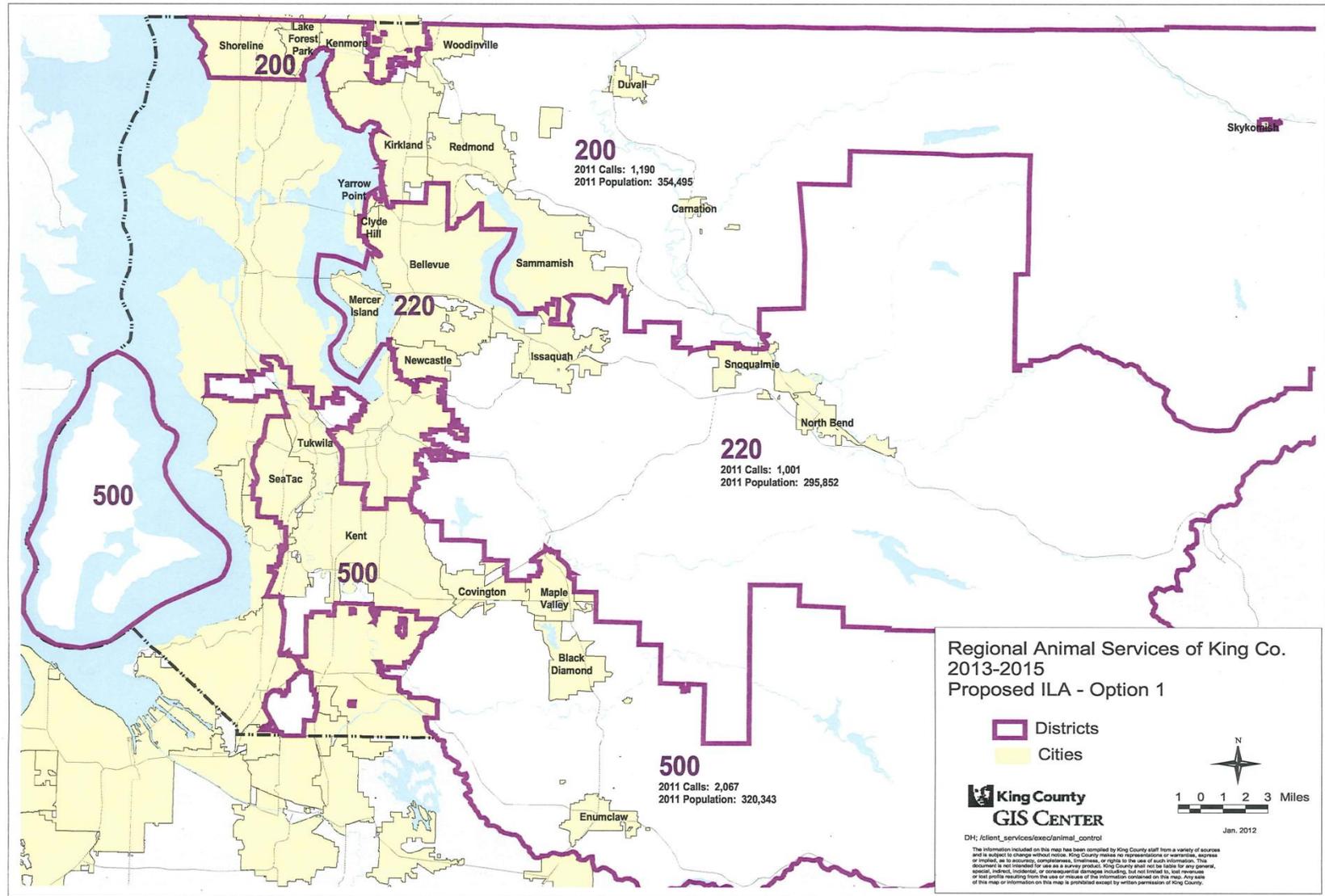
The attached map (**Exhibit B-1**) shows the boundaries of the 3 Control Service Districts as established at the commencement of this Amended and Restated Agreement.

The cities and towns included in each Control District are as follows:

<u>District 200 (Northern District)</u> Shoreline Lake Forest Park Kenmore Woodinville Kirkland Redmond Sammamish Duvall Carnation	<u>District 220 (Eastern District)</u> Bellevue Mercer Island Yarrow Point Clyde Hill Town of Beaux Arts Issaquah Snoqualmie North Bend Newcastle
<u>District 500 (Southern District)</u> Tukwila SeaTac Kent Covington Maple Valley Black Diamond Enumclaw	

The Districts shall each include portions of unincorporated King County as illustrated on **Exhibit B-1**.

## Exhibit B-1 Control District Map



## **Exhibit C**

### **Calculation of Estimated Payments**

The Estimated Payment is the amount, before reconciliation, owed by the City to the County (or owed by the County to the City if the amount calculated is less than \$0) for the provision of six months of Animal Services, based on the formulas below.

**In summary and subject to the more detailed descriptions below**, an initial cost allocation is made for Service Year 2013 based on the cost factors described in **Part 1** below; costs are offset by various revenues as described in **Part 2**. An annual reconciliation is completed as described in **Part 3**. In Service Years 2014 and 2015, the Contracting Parties' allocable costs are adjusted based on: (1) the actual change in total allocable costs over the previous Service Year (subject to an inflator cap), (2) changes in revenues, and (3) to account for annexations (in or out of the Program service area) of areas with a population of 2,500 or more, and for changes in relative population share of all Contracting Parties due to any Latecomer Cities. If the Agreement is extended past 2015, the cost allocation in 2016 will be recalculated in the same manner as for Service Year 2013 and adjusted in 2017 per the process used for Service Years 2014 and 2015.

Based on the calculation process described in **Parts 1 and 2**, an "Estimated Payment" amount owed by each City for each Service Year is determined. Each Estimated Payment covers six months of service. Payment for service is made by each City every June 15 and December 15.

#### **Part 1: Service Year 2013 Cost Allocation Process**

- Control Services costs are to be shared among the 3 geographic Control Districts; one quarter of such costs are allocated to Control District 200, one quarter to Control District 220, and one half are allocated to Control District 500. Each Contracting Party located within a Control District is to be allocated a share of Control District costs based 80% on the Party's relative share of total Calls for Service within the Control District and 20% on its relative share of total population within the Control District.
- Shelter Services costs are to be allocated among all Contracting Parties based 20% on their relative population and 80% on the total shelter intake of animals attributable to each Contracting Party, except that cities contracting for shelter services with PAWS will pay only a population-based charge.

## Exhibit 1

- Licensing Services costs are to be allocated among all Contracting Parties, based 20% on their relative population and 80% on the number of licenses issued to residents of each Contracting Party.

### **Part 2: Revenue and Other Adjustments to the 2013 Cost Allocation.**

In 2013 and each Service Year thereafter, the costs allocable to each Contracting Party are reduced by various revenues and credits:

- Licensing revenue will be attributed to each Contracting Party based on the residency of the individual purchasing the license (see **Part 3** for reconciliation of Licensing Revenues). As Licensing Revenue and Non-Licensing Revenues change from year to year, the most recent historical actual data for these amounts will be incorporated to offset costs (See **Exhibit C-6** for calculation periods).
- Two credits are applicable to various Contracting Cities to reduce the amount of their Estimated Payments: a Transition Funding Credit (fixed at 2013 level, payable annually through 2015) for cities with high per-capita costs and a Shelter Credit (for Contracting Cities with the highest per capita intakes (usage)) (also fixed at a 2013 level, payable annually through 2015). Application of these Credits is limited such that the Estimated Payment cannot fall below zero (before or after the annual Reconciliation calculation).
- In addition to the Transition Funding and Shelter credits, in 2013 the County will provide Licensing Revenue Support to nine identified Contracting Cities (selected based on the general goal of keeping 2013 costs the same or below 2012 costs). In exchange for certain in-kind support, these “Licensing Revenue Support Cities” are assured in 2013 of receiving an identified amount of additional licensing revenue or credit equivalent (the “Licensing Revenue Target”). In 2014 and 2015, all Contracting Cities may request licensing revenue support by entering into a separate licensing support contract with the County (**Exhibit F**): this support is subject to availability of County staff, with priority going to the nine Licensing Revenue Support Cities, *provided that*, Licensing Revenue Support Cities with a Licensing Revenue Target over \$20,000/year will be assured such service in 2013-2015 by entering into a licensing support contract by September 1, 2012.
- As New Regional Revenues are received by the County to support the Animal Services Program, those Revenues shall be allocated as follows:

- Half of New Regional Revenues shall be applied to reduce allocable Control Services Costs, Shelter Services Costs, and Licensing Services Costs (in 2013, by 17%, 27% and 6%, respectively, of total New Regional Revenues; in 2014 and 2015 the 50% reduction is simply made against Total Allocable Costs).
- The remaining half of New Regional Revenues shall be applied in the following order of priority:
  - (a) to offset amounts expended by the County as Transition Funding Credits, Shelter Credits and unreimbursed licensing revenue support;
  - (b) to offset other County Animal Services Program costs that are not allocated in the cost model;
  - (c) to reduce on a *pro-rata* basis up to 100% of the costs allocated to each Contracting Party by the population factor of the cost allocation formulas (20%) with the intent of reducing or eliminating the population-based cost allocation; and
  - (d) if any funds remain thereafter, as an offset against each Contracting Party's final reconciled payment obligation. Items(c) and (d) above are unlikely to arise during the 3 year term of the Agreement and shall be calculated only at Reconciliation.
- In Service Years 2014 and 2015, allocable costs are adjusted for each Contracting Party based on the actual increase or decrease in allocable costs from year to year for the whole Program. Total Budgeted Allocable Costs cannot increase by more than the Annual Budget Inflator Cap. The Annual Budget Inflator Cap is the rate of inflation (based on the annual change in the September CPI-U for the Seattle-Tacoma-Bremerton area over the rate the preceding year) plus the rate of population growth for the preceding year for the County (including the unincorporated area and all Contracting Cities).
- In all Service Years, costs are also adjusted for annexations (in or out of the Program service area) of areas with a population greater of 2,500 or more and the shift in relative population shares among all Contracting Parties as a result of any Latecomer Cities.

### **Part 3: Reconciliation**

- Estimated Payments are reconciled to reflect actual revenues as well as changes in population attributable to annexations of areas with a population of 2,500 or more (in or out of the Program) and the shifts in relative population among all Contracting Parties as a result of any Latecomer Cities. The Reconciliation occurs

by June 30 of the following calendar year. The Reconciliation calculation and payment process is described in **Exhibit D**.

- The receipt of Transition Funding Credits or Shelter Credits can never result in the amount of the Estimated Reconciliation Adjustment Payment falling below \$0.
- If a jurisdiction's licensing revenues exceed its net costs payable under this Agreement, then in the annual reconciliation process, the excess licensing revenue is reallocated *pro rata* amongst all Contracting Parties which will otherwise incur net costs; *provided that*, the determination of net costs shall be adjusted as follows: (1) for a Contracting City purchasing shelter services from PAWS, net costs includes consideration of the amounts paid by such City to PAWS; and (2) for a Contracting City purchasing Enhanced Control Services per Exhibit E, net costs includes consideration of the amounts paid for such services.

#### **Part 4: Estimated Payment Calculation Formulas**

##### **For Service Year 2013:<sup>1</sup>**

$$EP = [(EC + ES + EL) - (ER + T + V)] \div 2$$

##### **For Service Years 2014 and 2015:**

$$EP = [(B \times LF) - (ER + T + V)] \div 2$$

Where:

“EP” is the Estimated Payment. For Contracting Cities receiving a Transition Credit or Shelter Credit, the value of EP may not be less \$0.

“EC” or “Estimated Control Services Cost” is the City’s estimated share of the Budgeted Net Allocable Control Services Cost for the Service Year. See formula below for deriving “EC.”

“ES” or “Estimated Shelter Services Cost” is the City’s estimated share of the Budgeted Net Allocable Shelter Services Cost for the Service Year. See formula below for deriving “ES.”

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<sup>1</sup> This formula also applies to Service Year 2016 if the Agreement is extended. The EP formula for Years 2014 and 2015 would apply to Service Years after 2016.

“**EL**” or “Estimated Licensing Services Cost” is the City’s estimated share of the Budgeted Net Allocable Licensing Services Cost for the Service Year. *See formula below for deriving “EL.”*

“**ER**” is Estimated Licensing Revenue attributable to the City. For purposes of determining the Estimated Payment in Year 2013, ER is based on the number of each type of active license issued to City residents in years 2011 (the “Calculation Period”). **Exhibit C-2** shows a preliminary estimate of 2011 Licensing Revenue; the numbers in this exhibit are subject to Reconciliation by June 30, 2012. For Licensing Revenue Support Cities identified in **Exhibit C-5**, or other Contracting Cities which have entered into a Licensing Support Contract per **Exhibit F**, **ER** is increased by adding the amount of revenue, if any, estimated to be derived as a result of licensing revenue support provided to the City (the “Licensing Revenue Target” or “**RT**”); this amount is also shown in the column captioned “Estimated Revenue from Proposed Licensing Support” on **Exhibit C-1**). License Revenue that cannot be attributed to a specific Party (e.g., License Revenue associated with incomplete address information), which generally represents a very small fraction of overall revenue, is allocated amongst the Parties based on their respective percentages of ER as compared to Total Licensing Revenue. Notwithstanding the foregoing, “**ER**” may be based on a *estimated* amount of licensing for the Service Year for the City if, in the reasonable judgment of the County, an estimated Licensing Revenue amount can be proposed that is likely to more closely approximate the actual Licensing Revenue for the Service Year than the data from the Calculation Period; *provided that* the use of any estimates shall be subject to the conditions of this paragraph. The County shall work with the Joint City-County Committee to develop estimated Licensing Revenue amounts for all Contracting Cities for the upcoming Service Year. If the Joint City County Committee develops a consensus proposal (agreement shall be based on the consensus of those Contracting Cities present at the Joint City/County meeting in which Licensing Revenue estimates are presented in preparation for the September 1 Preliminary Estimated Payment Calculation notification), it shall be used in developing the September 1 Preliminary Estimated Payment Calculation. If a consensus is *not* reached, the County shall apply the actual Licensing Revenue from the Calculation Period for the Service Year to determine the Preliminary Estimated Payment. For the Final Estimated Payment Calculation (due December 15), the County may revisit the previous estimate with the Joint City-County Committee and seek to develop a final consensus revenue estimate. If a consensus is not reached, the County shall apply the Actual Licensing Revenue from the applicable Calculation Period in the calculation of the Final Estimated Payment.

“**T**” is the **Transition Funding Credit**, if any, allocable to the City for each Service Year calculated per **Exhibit C-4**.

“V” is the **Shelter Credit**, if any, allocable to the City for each Service Year calculated per **Exhibit C-4**.

“B” is the “**Budgeted Total Net Allocable Costs**” estimated for the Service Year for the provision of Animal Services which are allocated among all the Contracting Parties for the purposes of determining the Estimated Payment. The Budgeted Total Net Allocable Costs are calculated as the **Budgeted Total Allocable Costs** (subject to the **Annual Budget Inflation Cap**) *less Budgeted Total Non-Licensing Revenue* and *less 50% of Estimated New Regional Revenues*. The Budgeted Total Allocable Costs *exclude* any amount expended by the County as Transition Funding Credits, or Shelter Credits (described in **Exhibit C-4**), or to provide Licensing Revenue Support (described in **Section 7** and **Exhibit C-5**). A preliminary calculation (by service area—Control, Shelter, Licensing) of Budgeted Total Net Allocable Costs, Budgeted Total Allocable Costs and Budgeted Total Non-Licensing Revenue for purposes of calculating the Pre-Commitment Estimated 2013 Payments is set forth in **Exhibit C-3**.

“LF” is the “**Program Load Factor**” attributable to the City. LF has two components, one fixed, and one subject to change each Service Year and at Reconciliation. The first, fixed component relates to the City’s share of Budgeted Total Net Allocable Costs: it is the City’s 2013 Service Year Total Animal Services Cost Allocation (See Column 6 of **Exhibit C-1**) *expressed as a percentage* of the Budgeted Total Net Allocable Costs for 2013. The pre-commitment estimate of LF appears in column 7 of **Exhibit C-1**. This component of LF (as determined based on the Final 2013 Estimated Payment) remains constant for Service Years 2014 and 2015. The second component of LF relates to annexations of areas with a population of 2,500 or more or to Latecomer Cities. This second component is calculated as described in the definition of “**Population**,” below.

“**Total Licensing Revenue**” means all revenue received by the County’s Animal Services Program attributable to the sale of pet licenses excluding late fees. With respect to each Contracting Party, the amount of “**Licensing Revenue**” is the revenue generated by the sale of pet licenses to residents of the jurisdiction. (With respect to the County, the jurisdiction is the unincorporated area of King County.)

“**Total Non-Licensing Revenue**” means all revenue from fine, forfeitures, and all other fees and charges imposed by the County’s Animal Services program in connection with the operation of the Program, *but excluding Total Licensing Revenue, Estimated New Regional Revenues* and **Designated Donations**.

**“Estimated New Regional Revenues”** (“ENR”) are revenues projected to be received by the County specifically for support of Animal Services which result from regional marketing campaigns (thus excluding local licensing canvassing efforts pursuant to **Section 7**), and new foundation, grant, donation and entrepreneurial activities, except where revenues from these sources are designated for specific purposes within the Animal Services Program. Calculation and allocation of Estimated and Actual New Regional Revenues are further described in **Exhibit C-4**. For Service Year 2013, Estimated New Regional Revenues are assumed to be zero. If New Regional Revenues are received in 2013, they will be accounted for in the reconciliation of 2013 Payments. **ENR** excludes **Designated Donations, Total Non-Licensing Revenue** and **Total Licensing Revenue**.

**“Designated Donations”** mean donations from individuals or other third parties to the County made for the purpose of supporting specific operations, programs or facilities within the Animal Services Program.

**“Licensing Revenue Support”** means activities or funding to be undertaken in specific cities to enhance licensing revenues, per **Section 7, Exhibit C-5** and **Exhibit F**.

**“Annual Budget Inflator Cap”** means the maximum amount by which the Budgeted Total Allocable Costs may be increased from one Service Year to the next Service Year, and year to year, which is calculated as the rate of inflation (based on the annual change in the September CPI-U for the Seattle-Tacoma-Bremerton area over the rate the preceding year) plus the rate of population growth for the preceding year for the County (including the unincorporated area and all Contracting Cities), as identified by comparing the two most recently published July OFM city and county population reports. The cost allocations to individual services (e.g. Control Services, Shelter Services or Licensing Services) or specific items within those services may be increased or decreased from year to year in so long as the Budgeted Total Annual Allocable Costs do not exceed the Annual Budget Inflator Cap.

**“Service Year”** is the calendar year in which Animal Services are/were provided.

**“Calculation Period”** is the time period from which data is used to calculate the Estimated Payment. The Calculation Period differs by formula component and Service Year. **Exhibit C-6** sets forth in table form the Calculation Periods for all formula factors for Service Years 2013, 2014 and 2015.

**“Population”** with respect to any Contracting Party for Service Year 2013 means the population number derived from the State Office of Financial Management (OFM) most recent annually published report of population used for purposes of allocating state shared revenues in the subsequent calendar year (typically published by OFM each July,

reflecting final population estimates *as of April of the same calendar year*). For each Service Year, the OFM reported population will be adjusted for annexations of 2,500 or more residents known to be occurring after April, 2012 and before the end of the Service Year. *For example*, when the final Estimated Payment calculation for 2013 is provided on December 15, 2012, the population numbers used will be from the OFM report issued in July 2012 and will be adjusted for all annexations of 2,500 or more residents that occurred (or are known to be occurring) between April 2012 and December 31, 2013. In any Service Year, if: (1) annexations of areas with a population of 2,500 or more people occurs to impact the population within the jurisdiction of a Contracting Party; or (2) a Latecomer City is brought under contract with the County, these changes shall be accounted for in the calculation of the Estimated Payment for such Service Year by adjusting the “**Program Load Factor**” (or “**LF**”) for each Contracting Party. Such adjustment shall be made at the next occurring possibility (e.g., at calculation of the Preliminary Estimated Payment, Final Estimated Payment, or Reconciliation, whichever is soonest). The adjustment in **LF** will be made on a *pro rata* basis to reflect the portion of the year in which the population change was in effect.

- In the case of an annexation, the **LF** calculation will consider the time the annexed area was in the Contracting Party’s jurisdiction and the portion of the year in which the area was not in such Party’s jurisdiction, as well as the relative shift in population (if any) *attributable solely to the annexation* as between all Contracting Parties, by adding (or subtracting) to the **LF** for each Contracting Party an amount that is 20% (reflecting the general allocation of cost under the Agreement based on population) of the *change in population* for each Contracting Party (*expressed as a percentage* of the Contracting Party’s population as compared to the total population for all Contracting Parties) derived by comparing the Final 2013 Estimated Payment population percentage (**LF**) to the population percentage after considering the annexation. The population of an annexed area will be as determined by the Boundary Review Board, in consultation with the annexing city. The population of the unincorporated area within any District will be determined by the County’s demographer.
- In the case of a Latecomer City, the population shall be similarly adjusted among all Contracting Parties in the manner described above for annexations, by considering the change in population between all Contracting Parties *attributable solely* to the Latecomer City becoming a Contracting Party.

**Exhibit C-1** shows the calculation of Pre-Commitment **EP** for Service Year 2013, assuming that the County and all Cities that have expressed interest in signing this Agreement as of May 16, 2012, do in fact approve and sign the Agreement and as a result the Minimum Contract Requirements with respect to all such Cities and the County are met per **Section 15**.

**Component Calculation Formulas (used in Service Year 2013):**

EC is calculated as follows:

$$EC = \{(C \times .5) \times .8\} \times CFS + \{(C \times .5) \times .2\} \times D\text{-Pop}$$

Where:

“C” is the **Budgeted Net Allocable Control Services Cost** for the Service Year, which equals the County’s Budgeted Total Allocable Costs for Control Services in the Service Year, *less* the Budgeted Total Non-Licensing Revenue attributable to Control Services in the Service Year (for example, fines issued in the field) *and less 17%* of Estimated New Regional Revenues (“ENR”). For purposes of determining the Pre-Commitment Estimated Payments for 2013, the Budgeted Net Allocable Control Services Cost is \$1,690,447, calculated as shown on **Exhibit C-3**, and shall be similarly derived to determine the Preliminary and Final Estimated Payment for 2013 and for Service Year 2016 if the Agreement is extended beyond December 31, 2015.

“CFS” is the total annual number of Calls for Service for the Service Year for Control Services originating within the City *expressed as a percentage* of the CFS for all Contract Parties within the same Control District. A Call for Service is defined as a request from an individual, business or jurisdiction for a control service response to a location within the City, or a response initiated by an Animal Control Officer in the field, which is entered into the County’s data system (at the Animal Services call center or the sheriff’s dispatch center acting as back-up to the call center) as a request for service. Calls for information, hang-ups and veterinary transfers are not included in the calculation of Calls for Service. A response by an Animal Control Officer pursuant to an Enhanced Control Services Contract will not be counted as a Call for Service. For purposes of determining the Estimated Payment in 2013, the Calculation Period for CFS is calendar year 2011 actual data. **Exhibit C-2** shows a preliminary estimate of 2011 CFS used to determine the Pre-Commitment Estimated 2013 Payment; the numbers in this Exhibit C-2 are subject to Reconciliation by June 30, 2012.

“D-Pop” is the **Population** of the City, *expressed as a percentage* of the Population of all jurisdictions within the applicable Control District.

**ES for Service Year 2013 is calculated as follows:**

If, as of the effective date of this Agreement, the City has entered into a contract for shelter services with the Progressive Animal Welfare Society (PAWS) in Lynnwood, WA, then, for so long as such contract remains in effect, the City will not pay a share of shelter costs associated with shelter usage (“A” as defined below) and instead the Estimated Payment will include a **population-based charge only**, reflecting the regional shelter benefits nonetheless received by such City, calculated as follows (the components of this calculation are defined as described below).

$$ES = (S \times .2 \times Pop)$$

If the City **does not** qualify for the population-based shelter charge only, ES is determined as follows:

$$ES = (S \times .2 \times Pop) + (S \times .8 \times A)$$

Where:

“S” is the Budgeted Net Allocable Shelter Services Cost for the Service Year, which equals the County’s Budgeted Total Allocable Costs for Shelter Services *less* Budgeted Total Non-Licensing Revenue attributable to Shelter operations (i.e., adoption fees, microchip fees, impound fees, owner-surrender fees, from all Contracting Parties) *and less* 27% of Estimated New Regional Revenues (ENR) in the Service Year. For purposes of determining the Pre-Commitment Estimated Payments for 2013, the Budgeted Net Allocable Shelter Services Cost is \$2,707,453, calculated as shown on **Exhibit C-3**, and shall be similarly derived to determine the Preliminary and Final Estimated Payments for 2013 and for Service Year 2016 if the Agreement is extended beyond December 31, 2015.

“Pop” is the population of the City expressed as a percentage of the Population of all Contracting Parties.

“A” is the total number of animals that were: (1) picked up by County Animal Control Officers from within the City, (2) delivered by a City resident to the County shelter, or (3) delivered to the shelter that are owned by a resident of the City *expressed as a percentage* of the total number of animals in the County Shelter during the Calculation Period. For purposes of the 2013 Estimated Payment, the Calculation Period for “A” is calendar year 2011. **Exhibit C-2** shows a preliminary estimate of “A” for 2011 used to determine the Pre-Commitment Estimated 2013 Payments; the numbers in this exhibit are subject to Reconciliation by June 30, 2012.

**EL for Service Year 2013 is calculated as follows:**

$$EL = (L \times .2 \times Pop) + (L \times .8 \times I)$$

Where:

**“L”** is the Budgeted Net Licensing Services Cost for the Service Year, which equals the County’s Budgeted Total Allocable Costs for License Services in the Service Year *less* Budgeted Total Non-Licensing Revenue attributable to License Services (for example, pet license late fees) in the Service Year *and less* 6% of Estimated New Regional Revenues (ENR) in the Service Year. For purposes of determining the Pre-Commitment Estimated Payments for 2013, the Budgeted Net Licensing Cost is \$660,375, calculated as shown on **Exhibit C-3**, and shall be similarly derived to determine the Preliminary and final Estimated Payments for 2013 and for Service Year 2016 if the Agreement is extended beyond December 31, 2015.

**“Pop”** is the Population of the City expressed as a percentage of the population of all Contracting Parties.

**“I”** is the number of active paid regular pet licenses (e.g., excluding ‘buddy licenses’ or temporary licenses) issued to City residents during the Calculation Period. For purposes of calculating the Estimated Payment in 2013, the Calculation Period for **“I”** is calendar year 2011. **Exhibit C-2** shows a preliminary estimate of **“I”** to be used for calculating the Pre-Commitment Estimated 2013 Payments; the numbers in this Exhibit are subject to reconciliation by June 30, 2012.

**Regional Animal Services of King County  
Pre-Commitment Estimated 2013 Payment Calculation (Annualized)**

Allocation Method: Population = 20%, Usage = 80%, Three (3) Control Districts: 200, 220, with Control Districts 240 and 260 combined into one (500), costs to districts 25%, 25%, 50%. Usage and Licensing Revenue based on 2011 Preliminary Year End.

	Control	Shelter	Licensing	Total Allocated Costs (1)	2011 Licensing Revenue (est)	Estimated Net Cost						
<b>Budgeted Total Allocable Costs</b>	\$1,770,487	\$2,819,960	\$673,640	\$5,264,087								
<b>Budgeted Non-Licensing Revenue</b>	\$80,040	\$112,507	\$13,265	\$205,812								
<b>Budgeted New Regional Revenue (50%)</b>	\$0	\$0	\$0	\$0								
<b>Budgeted Net Allocable Costs</b>	\$1,690,447	\$2,707,453	\$660,375	\$5,058,275	\$2,480,689	-\$2,577,586						

Animal Control District Number	Jurisdiction	Estimated Animal Control Cost Allocation (2)	Estimated Sheltering Cost Allocation (3)	Estimated Licensing Cost Allocation (4)	Estimated Total Animal Services Cost Allocation	Program Load Factor (9)	2011 Licensing Revenue (Estimated)	Estimated Net Cost Allocation	2013-2015 Transition Funding (Annual) (5)	2013 - 2015 Shelter Credits (Annual) (6)	Estimated Net Costs with Transition Funding and Credits	Estimated Revenue from Proposed Licensing Support (7)	Estimated Net Final Cost (8)	
200	Carnation	\$4,118	\$3,497	\$1,239	\$8,854	0.1750%	\$4,752	-\$4,102	\$552	\$0	-\$3,550	\$966	-\$2,584	
	Duwall	\$11,261	\$15,264	\$5,351	\$31,876	0.6302%	\$21,343	-\$10,533		\$0	-\$10,533	\$7,658	-\$2,875	
	Estimated Unincorporated King County	\$83,837	(see total below)	(see total below)	(see total below)		(see total below)	(see total below)	NA	NA	NA	NA	NA	
	Kenmore	\$37,911	\$11,592	\$15,423	\$64,926	1.2836%	\$58,602	-\$6,324	\$0	\$0	-\$6,324	\$0	-\$6,324	
	Kirkland	\$84,595	\$99,626	\$59,940	\$244,162	4.8270%	\$208,000	-\$36,162	\$0	\$0	-\$36,162	\$23,853	-\$12,309	
	Lake Forest Park	\$22,894	\$7,034	\$12,099	\$42,027	0.8309%	\$48,504	\$6,477	\$0	\$0	\$6,477	\$0	\$6,477	
	Redmond	\$37,867	\$54,303	\$32,308	\$124,478	2.4809%	\$116,407	-\$8,071	\$0	\$0	-\$8,071	\$0	-\$8,071	
	Sammamish	\$35,341	\$44,214	\$31,129	\$110,684	2.1882%	\$117,649	\$6,965	\$0	\$0	\$6,965	\$0	\$6,965	
	Shoreline	\$92,519	\$29,677	\$38,194	\$160,391	3.1709%	\$145,689	-\$14,702	\$0	\$0	-\$14,702	\$0	-\$14,702	
	Woodinville	\$12,268	\$6,103	\$7,708	\$26,079	0.5156%	\$29,220	\$3,141	\$0	\$0	\$3,141	\$0	\$3,141	
<b>SUBTOTAL FOR CITIES IN 200 (excludes unincorporated area)</b>		<b>\$338,775</b>	<b>\$271,310</b>	<b>\$203,392</b>	<b>\$813,477</b>		<b>\$750,166</b>	<b>-\$63,311</b>	<b>\$552</b>	<b>\$0</b>	<b>-\$62,759</b>	<b>\$32,477</b>	<b>-\$30,282</b>	
220	Beaux Arts	\$86	\$167	\$246	\$500	0.0099%	\$930	\$430	\$0	\$0	\$430	\$0	\$430	
	Bellevue	\$142,322	\$161,486	\$75,249	\$379,056	7.4938%	\$273,931	-\$105,125	\$0	\$0	-\$105,125	\$34,449	-\$70,676	
	Clyde Hill	\$1,866	\$3,168	\$1,952	\$6,985	0.1381%	\$7,170	\$185	\$0	\$0	\$185	\$0	\$185	
	Estimated Unincorporated King County	\$166,199	(see total below)	(see total below)	(see total below)		(see total below)	(see total below)	NA	NA	NA	NA	NA	
	Issaquah	\$53,351	\$46,167	\$16,279	\$115,797	2.2893%	\$55,947	-\$59,850	\$0	\$0	-\$59,850	\$0	-\$59,850	
	Mercer Island	\$13,581	\$18,177	\$13,853	\$45,611	0.9017%	\$49,962	\$4,351	\$0	\$0	\$4,351	\$0	\$4,351	
	Newcastle	\$16,484	\$12,318	\$4,657	\$33,459	0.6615%	\$15,271	-\$18,188	\$0	\$0	-\$18,188	\$2,599	-\$15,589	
	North Bend	\$15,851	\$16,273	\$4,128	\$36,252	0.7167%	\$15,694	-\$20,558	\$1,376	\$596	-\$18,596	\$6,463	-\$12,133	
	Snoquemie	\$12,246	\$11,116	\$6,737	\$30,101	0.5951%	\$25,065	-\$5,036	\$0	\$0	-\$5,036	\$0	-\$5,036	
	Yarrow Point	\$625	\$561	\$760	\$1,945	0.0385%	\$2,700	\$755	\$0	\$0	\$755	\$0	\$755	
<b>SUBTOTAL FOR CITIES IN 220 (excludes unincorporated area)</b>		<b>\$256,413</b>	<b>\$269,432</b>	<b>\$123,862</b>	<b>\$649,707</b>		<b>\$446,670</b>	<b>-\$203,037</b>	<b>\$1,376</b>	<b>\$586</b>	<b>-\$201,075</b>	<b>\$43,511</b>	<b>-\$157,564</b>	
500	Kent	\$263,232	\$794,101	\$69,400	\$1,126,733	22.2750%	\$253,944	-\$872,788	\$110,495	\$495,870	-\$266,424	\$0	-\$266,424	
	SeaTac	\$79,732	\$184,894	\$13,311	\$277,938	5.4947%	\$47,232	-\$230,706	\$7,442	\$116,611	-\$106,653	\$0	-\$106,653	
	Tukwila	\$49,635	\$110,787	\$9,229	\$169,652	3.3639%	\$32,705	-\$136,947	\$5,255	\$61,987	-\$69,705	\$0	-\$69,705	
	Black Diamond	\$8,084	\$14,340	\$2,685	\$25,108	0.4964%	\$10,185	-\$14,923	\$1,209	\$3,263	-\$10,451	\$2,001	-\$8,450	
	Covington	\$52,490	\$82,456	\$12,634	\$147,580	2.9176%	\$48,982	-\$98,598	\$5,070	\$36,409	-\$57,119	\$0	-\$57,119	
	Enumclaw	\$41,747	\$56,672	\$6,920	\$105,340	2.0825%	\$25,307	-\$80,033	\$11,188	\$28,407	-\$40,438	\$5,973	-\$34,465	
	Estimated Unincorporated King County	\$309,089	(see total below)	(see total below)	(see total below)		(see total below)	(see total below)	NA	NA	NA	NA	NA	
	Maple Valley	\$41,215	\$68,380	\$15,080	\$124,675	2.4648%	\$56,628	-\$68,047	\$6,027	\$6,867	-\$55,153	\$6,956	-\$48,197	
	<b>SUBTOTAL FOR CITIES IN 500 (excludes unincorporated area)</b>		<b>\$536,135</b>	<b>\$1,311,631</b>	<b>\$129,259</b>	<b>\$1,977,025</b>		<b>\$474,983</b>	<b>-\$1,502,042</b>	<b>\$146,686</b>	<b>\$749,414</b>	<b>-\$605,942</b>	<b>\$14,930</b>	<b>-\$591,012</b>
	<b>TOTAL FOR CITIES</b>		<b>\$1,131,322</b>	<b>\$1,852,373</b>	<b>\$456,514</b>	<b>\$3,440,209</b>		<b>\$1,671,819</b>	<b>-\$1,768,390</b>	<b>\$148,614</b>	<b>\$750,000</b>	<b>-\$869,776</b>	<b>\$90,918</b>	<b>-\$778,858</b>
<b>Total King County Unincorporated Area Allocation</b>		<b>\$559,125</b>	<b>\$855,080</b>	<b>\$203,861</b>	<b>\$1,618,065</b>	31.9885%	<b>\$808,870</b>	<b>-\$809,195</b>					<b>-\$809,195</b>	
		\$1,690,447	\$2,707,453	\$660,375	\$5,058,275	100.00%	\$2,480,689	-\$2,577,586						

Source: Regional Animal Services of King County

Date: Jan 30, 2012 (Draft) Updated 5-25-12

Numbers are estimates only for the purpose of negotiation discussions. The numbers and allocation methodology are subject to change while negotiations are underway.

# Exhibit 1

## *Exhibit C-1, cont'd.*

Notes:

1. Based on various efficiencies and changes to the RASKC operating budget, adjustments for reduced intakes overall, reduced usage with Auburn out, and shifting two positions out of the model (county sponsored), the 2013 Estimated Budgeted Total Allocable Cost has been reduced to \$5,264,087.
2. One quarter of control services costs are allocated to control districts 200 and 220, and one half of control costs are allocated to district 500, then costs are further allocated 80% by total call volume (2011 Calls - Preliminary year end) and 20% by 2011 population.
3. This excludes the cost to northern cities of sheltering their animals at PAWS under separate contracts. Shelter costs are allocated 80% by King County shelter volume intake (2011 Preliminary year end) and 20% by 2011 population.
4. Licensing costs are allocated 20% by population (2011) and 80% by total number of Pet Licenses issued (2011) less \$0.00 Sr. Lifetime Licenses.
5. Transition funding is allocated per capita in a two tier formula to cities with certain per capita net cost allocations. For additional detail, see 2010 Interlocal Agreement Exhibit C-4 (2013 column) for more information. Transition Funding does not change for years 2013 - 2015.
6. Credits are allocated to those jurisdictions whose shelter intakes per capita exceeded the system average (.0043) and are intended to help minimize the impact of changing the cost allocation methodology from 50% population/50 usage to the new 20% population/80% usage model. See Interlocal Agreement Exhibit C-4 for more detail.
7. New Transition License Funding has been included for certain jurisdictions to help limit the Estimated Net Final Cost to the 2012 estimated level. Receipt of support is contingent on city providing in-kind services and county ability to provide resources and/or recover costs
8. Net Final Costs greater than \$0 will be reallocated to remaining jurisdictions with a negative net final cost, northern cities Net Final Costs shall be inclusive of their PAWS Sheltering costs.
9. Program Load Factor (LF) , per ILA Exhibit C, Part 4, Estimated Payment Calculation Formula, is the City's share of Budgeted Total Net Allocable Costs: it is the City's 2013 Service Year Total Animal Services Cost Allocation expressed as a percentage of the Budgeted Total Net Allocable Costs for 2013. Refer to the ILA for additional details.

## Exhibit C-2

**Population, Calls for Service, Shelter Use and Licensing Data for Jurisdictions,  
Used to Derive the Pre-Commitment 2013 Estimated**

*Source: Wash. St. Office of Financial Management, KC Office of Management and Budget, Regional Animal Services of KC  
Date: February 22, 2012*

Proposed District	Jurisdiction	2011 Population	Estimated 2013 Calls	Estimated 2013 Intakes	Estimated 2013 Licenses
200	Bothell				
	Carnation	1,780	13	5	160
	Duvall	6,715	34	23	712
	Estimated Unincorporated King County	65,642	240	(see total below)	(see total below)
	Kenmore	20,780	116	0	2,021
	Kirkland	80,738	230	109	7,855
	Lake Forest Park	12,610	70	0	1,666
	Redmond	55,150	87	47	3,980
	Sammamish	46,940	85	36	3,970
	Shoreline	53,200	281	0	4,967
Woodinville	10,940	34	0	998	
220	Beaux Arts	300	0	0	33
	Bellevue	123,400	317	185	9,380
	Clyde Hill	2,985	3	3	248
	Estimated Unincorporated King County	87,572	418	(see total below)	(see total below)
	Issaquah	30,690	132	58	1,942
	Mercer Island	22,710	21	11	1,727
	Newcastle	10,410	40	13	520
	North Bend	5,830	42	26	535
	Snoqualmie	10,950	27	10	842
Yarrow Pt	1,005	1	0	100	
500	Kent (Includes Panther Lake Annexation)	118,200	614	1,454	8,555
	SeaTac	27,110	200	339	1,544
	Tukwila	19,050	121	200	1,065
	Auburn	0	0	0	0
	Black Diamond	4,160	18	24	340
	Covington	17,640	132	145	1,642
	Enumclaw	10,920	110	101	872
	Estimated Unincorporated King County	100,333	783	(see total below)	(see total below)
Maple Valley	22,930	89	111	1,919	
<b>City Totals</b>	<b>782,785</b>	<b>2,817</b>	<b>2,900</b>	<b>57,593</b>	
King County Unincorporated Area Totals	187,905	1,441	1,425	27,175	
<b>TOTALS</b>	<b>970,690</b>	<b>4,258</b>	<b>4,325</b>	<b>84,768</b>	

Note: Usage data from 2011 activity. License count excludes Senior Lifetime Licenses

## Exhibit C-3

**Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs**

This Exhibit Shows the Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs to derive Pre-Commitment Estimated 2013 Payments. All values shown are based on annualized costs and revenues. The staffing levels incorporated in this calculation are for year 2013 only and except as otherwise expressly provided in the Agreement may change from year to year as the County determines may be appropriate to achieve efficiencies, etc.

**Control Services: Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs**

The calculation of Pre-Commitment Estimated 2013 Control Services Costs is shown below (all costs in 2012 dollars).

		Cost Methodology
1	Direct Service Management Staff Costs	\$148,361
2	Direct Service Field Staff Costs	\$725,879
3	Call Center Direct Service Staff Costs	\$229,697
4	Overtime, Duty, Shift Differential and Temp Costs	\$80,891
5	Facilities Costs	\$8,990
6	Office and Other Operational Supplies and Equipment	\$17,500
7	Printing, Publications, and Postage	\$34,000
8	Medical Costs	\$22,500
9	Other Services	\$80,000
10	Transportation	\$141,904
11	Communications Costs	\$38,811
12	IT Costs and Services	\$50,626
13	Misc Direct Costs	\$41,900
14	General Fund Overhead Costs	\$15,842
15	Division Overhead Costs	\$110,490
16	Other Overhead Costs	\$23,096
	2010 Budgeted Total Allocable Control Services Cost	\$1,770,487
17	Less 2010 Budgeted Total Non-Licensing Revenue Attributable to Control Services	\$80,040
18	Less 17% of Estimated New Regional Revenues for 2013	0
	2010 Budgeted Net Allocable Control Services Cost	\$1,690,447

## Exhibit 1

### NOTES:

- 4 These additional salary costs support complete response to calls at the end of the day, limited response to emergency calls after hours, and extra help during peak call times.
- 5 Facilities costs include maintenance and utilities for a portion (5%) of the Kent Shelter (which houses the call center staff operations and records retention as well as providing a base station for field officers). Excludes all costs associated with the Crossroads facility.
- 6 This item includes the office supplies required for both the call center as well as a wide variety of non-computer equipment and supplies related to animal control field operations (e.g., uniforms, tranquilizer guns, boots, etc.).
- 7 This cost element consists of printing and publication costs for various materials used in the field for animal control.
- 8 Medical costs include the cost for ambulance and hospital care for animals requiring emergency services.
- 9 Services for animal control operations vary by year but consist primarily of consulting vets and laboratory costs associated with cruelty cases.
- 10 Transportation costs include the cost of the maintenance, repair, and replacement of the animal care and control vehicles and cabs, fuel, and reimbursement for occasional job-related use of a personal vehicle.
- 11 Communication costs involve the direct service costs for telephone, cell phone, radio, and pager use.
- 12 Information technology direct costs include IT equipment replacement as well as direct services costs. Excludes approximately \$50,000 in service costs associated with mainframe systems.
- 13 Miscellaneous direct costs consist of all animal control costs not listed above including but not limited to contingency, training, certification, and bad checks.
- 14 General fund overhead costs included in this model include building occupancy charges and HR/personnel services. No other General Fund overhead costs are included in the model.
- 15 Division overhead includes a portion of the following personnel time as well as a portion of division administration non-labor costs, both based on FTEs: division director, assistant division director, administration, program manager, finance officer, payroll/accounts payable, and human resource officer.
- 16 Other overhead costs include IT, telecommunications, finance, and property services.
- 17 Non-licensing revenue attributable to field operations include animal control violation penalties, charges for field pickup of deceased/owner relinquished animals, and fines for failure to license.

Exhibit 1

**Shelter Services: Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs**

The calculation of Pre-Commitment Estimated 2013 Shelter Services Costs is shown below (all costs in 2012 dollars).

		Cost Methodology
1	Direct Service Management Staff Costs	\$214,815
2	Direct Service Shelter Staff Costs	\$1,168,436
3	Direct Service Clinic Staff Costs	\$286,268
4	Overtime, Duty, Shift Differential and Temp Costs	\$159,682
5	Facilities Costs	\$170,814
6	Office and Other Operational Supplies and Equipment	\$94,200
7	Printing, Publications, and Postage	\$20,000
8	Medical Costs	\$127,500
9	Other Services	\$122,500
10	Transportation	\$10,566
11	Communications Costs	\$6,200
12	IT Costs and Services	\$51,360
13	Misc Direct Costs	\$60,306
14	General Fund Overhead Costs	\$113,614
15	Division Overhead Costs	\$176,572
16	Other Overhead Costs	\$37,124
	2010 Budgeted Total Allocable Shelter Services Cost	\$2,819,960
17	Less 2010 Budgeted Total Non-Licensing Revenue Attributable to Shelter Services	\$112,507
18	Less 27% of Estimated New Regional Revenues for 2013	0
	2010 Budgeted Net Allocable Shelter Services Cost	\$2,707,453

NOTES:

- 5 Facilities costs include maintenance and utilities for the majority (95%) of the Kent Shelter (which also houses the call center staff operations and records retention as well as providing a base station for field officers). It excludes all costs associated with the Crossroads facility.
- 6 This item includes the office supplies as well as a wide variety of non-computer equipment and supplies related to animal care (e.g., uniforms, food, litter, etc.).
- 7 This cost element consists of printing and publication costs for various materials used at the shelter.
- 8 Medical costs include the cost for ambulance and hospital care for animals requiring emergency services as well as the cost for consulting vets, laboratory costs, medicine, and vaccines.

## Exhibit 1

- 9 Services for animal control operations vary by year but include costs such as shipping of food provided free of charge and sheltering of large animals.
- 10 Transportation costs include the cost of the maintenance, repair, and replacement of and fuel for the animal care and control vehicles used by the shelter to facilitate adoptions, as well as reimbursement for occasional job-related use of a personal vehicle.
- 11 Communication costs involve the direct service costs for telephone, cell phone, radio, and pager use.
- 12 Information technology direct costs include IT equipment replacement as well as direct services costs.
- 13 Miscellaneous direct costs consist of all animal care costs not listed above including but not limited to contingency, training, certification, and bad checks.
- 14 General fund overhead costs included in this model include building occupancy charges and HR/personnel services. No other General Fund overhead costs are included in the model.
- 15 Division overhead includes a portion of the following personnel time as well as a portion of division administration non-labor costs, both based on FTEs: division director, assistant division director, administration, program manager, finance officer, payroll/accounts payable, and human resource officer.
- 16 Other overhead costs include IT, telecommunications, finance, and property services.
- 17 Non-licensing revenue attributable to sheltering operations include impound fees, microchip fees, adoption fees, and owner relinquished euthanasia costs.

Exhibit 1

**Licensing Services: Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs**

The calculation of Pre-Commitment Estimated 2013 Licensing Services Costs is shown below (all costs in 2012 dollars).

		Cost Methodology
1	Direct Service Management Staff Costs	\$52,917
2	Direct Service Licensing Staff Costs	\$346,523
3	Overtime, Duty, Shift Differential and Temp Costs	\$26,295
4	Facilities Costs	\$13,100
5	Office and Other Operational Supplies and Equipment	\$3,300
6	Printing, Publications, and Postage	\$74,600
7	Other Services	\$14,500
8	Communications Costs	\$2,265
9	IT Costs and Services	\$77,953
10	Misc Direct Costs	\$2,000
11	General Fund Overhead Costs	\$9,884
12	Division Overhead Costs	\$39,280
13	Other Overhead Costs	\$11,023
	2010 Budgeted Total Allocable Licensing Services Cost	\$673,640
14	Less 2010 Budgeted Total Non-Licensing Revenue Attributable to Licensing Services	\$13,265
15	Less 6% of Estimated New Regional Revenue	-0-
	2010 Budgeted Net Allocable Licensing Services Cost	\$660,375

NOTES:

- 4 Facilities costs include maintenance and utilities for the portion of the King County Administration building occupied by the pet licensing staff and associated records.
- 5 This item includes the office supplies required for the licensing call center.
- 6 This cost element consists of printing, publication, and distribution costs for various materials used to promote licensing of pets, including services to prepare materials for mailing.
- 7 Services for animal licensing operations include the purchase of tags and monthly fees for online pet licensing hosting.
- 8 Communication costs involve the direct service costs for telephone, cell phone, radio, and pager use.
- 9 Information technology direct costs include IT equipment replacement as well as direct services costs. Excludes approximately \$120,000 in service costs associated with mainframe systems.
- 10 Miscellaneous direct costs consist of all pet licensing costs not listed above including but not limited to training, certification, transportation, and bad checks.

## Exhibit 1

- 11 General fund overhead costs included in this model include building occupancy charges and HR/personnel services. No other General Fund overhead costs are included in the model.
- 12 Division overhead includes a portion of the following personnel time as well as a portion of division administration non-labor costs, both based on FTEs: division director, assistant division director, administration, program manager, finance officer, payroll/accounts payable, and human resource officer.
- 13 Other overhead costs include IT, telecommunications, finance, and property services.
- 14 Non-licensing revenue attributable to licensing operations consists of licensing late fees.

## Exhibit C-4

**Calculation and Allocation of Transition Funding Credit ("T"), Shelter Credit ("V"),  
and Estimated New Regional Revenue ("ENR")**

**A. Transition Funding Credit**

The Transition Funding Credit as originally calculated in the 2010 Agreement offset costs to certain Contracting Cities that would have otherwise paid the highest per capita costs for Animal Services in 2010. The credit was scheduled on a declining basis over four years (2010-2013). In this Agreement, the Contracting Cities qualifying for this credit are listed in Table 1 below; these cities will receive the credit at the level calculated for 2013 in the 2010 Agreement for Service Years 2013, 2014 and 2015, provided that, application of the credit can never result in the Estimated Payment Amount being less than zero (\$0) (i.e., cannot result in the County owing the City an Estimated Payment). The allocation of the Transition Funding Credit is shown in **Table 1** below.

**Table 1: Transition Funding Credit – Annual Amount to be allocated each year in the period from 2013-2015**

Jurisdiction	Transition Funding Credit
Carnation	\$552
North Bend	\$1,376
Kent	\$110,495
SeaTac	\$7,442
Tukwila	\$5,255
Black Diamond	\$1,209
Covington	\$5,070
Enumclaw	\$11,188
Maple Valley	\$6,027

Note: The Transitional Funding Credit is the same regardless of which cities sign the Agreement.

**B. Shelter Credit**

The Shelter Credit is designed to offset costs for those Contracting Cities whose per capita shelter intakes ("A") exceed the average for all Contracting Parties. A total of \$750,000 will be applied as a credit in each of the Service Years 2013-2015 to Contracting Cities whose per capita average shelter intakes ("A") exceeds the average for all Contracting Parties; *provided that* application of the Shelter Credit can never result in the Estimated Payment amount being less than zero (\$0) (i.e., cannot result in the County owing the City an Estimated Payment.) The 2013 Shelter Credit was determined based on estimated animal

intakes (“A”) for Calendar Year 2011 as shown on **Exhibit C-2**. The \$750,000 was allocated between every Contracting City with animal intakes over the estimated 2011 Program average, based on each Contracting City’s relative per capita animal intakes in excess of the average for all Contracting Parties. The Shelter Credit will be paid at the 2013 level in Service Years 2014 and 2015. The County will consider providing the Shelter Credit in Service Years 2016 and 2017 at the same level as for Service Year 2013.

**Table 3: Annual Shelter Credit Allocation—2013 through 2015**

City	Shelter Credit
North Bend	\$586
Kent	\$495,870
SeaTac	\$116,611
Tukwila	\$61,987
Black Diamond	\$3,263
Covington	\$36,409
Enumclaw	\$28,407
Maple Valley	\$6,867

**C. New Regional Revenue: Estimation and Allocation**

***Goal***

New Regional Revenue for each Service Year shall be estimated as part of the development of the Estimated Payment calculations for such Service Year. The goal of the estimate shall be to reduce the amount of Estimated Payments where New Regional Revenue to be received in the Service Year can be calculated with reasonable certainty. The Estimated New Regional Revenue will be reconciled annually to account for actual New Regional Revenue received, per **Exhibit D**.

***Calculation of Estimated New Regional Revenue (ENR)***

1. The value of the Estimated New Regional Revenue for Service Year 2013 is zero.
2. For Service Years after 2013, the Estimated New Regional Revenue will be set at the amount the County includes for such revenue in its adopted budget for the Service Year. For purposes of the Preliminary Estimated Payment calculation, the County will include its best estimate for New Regional Revenue at the time the calculation is issued, after first presenting such estimate to the Joint City County Committee for its input.

*Application of ENR*

1. For Service Years 2013 and 2016, 50% of the Estimated New Regional Revenue is incorporated into the calculations of **EC** and **ES** and **EL** as described in **Exhibit C**, specifically:
  - a. 17% of total Estimated New Regional Revenue is applied to reduce the total Budgeted Net Allocable Control Services Cost.
  - b. 27% of total Estimated New Regional Revenue is applied to reduce the total Budgeted Net Allocable Shelter Services Cost.
  - c. 6% of total Estimated New Regional Revenue is applied to reduce the total Budgeted Net Allocable Licensing Services Cost.

These amounts are reconciled as against actual New Regional Revenue (**ENR<sub>A</sub>**) in the annual Reconciliation process. In 2014, 2015 and 2017 the 50% is simply deducted against Budgeted Total Allocable Costs to derive Budgeted Total Net Allocable Costs.

2. For each Service Year, the remaining 50% of Estimated New Regional Revenue is first applied to offset County contributions to the Program, in the following order of priority.
  - a. Offset payments made by the County to fund Transition Funding Credits, Shelter Credits, Impact Mitigation Credits (if any) and un-reimbursed Licensing Revenue Support.
  - b. Offset County funding of Animal Services Program costs that are not included in the cost allocation model described in **Exhibit C**, specifically, costs of:
    - i. The medical director and volunteer coordinator staff at the Kent Shelter.
    - ii. Other County-sponsored costs for Animal Services that are not included in the cost models described in **Exhibit C**.
  - c. In the event any of the 50% of Estimated New Regional Revenue remains after applying it to items (a) and (b) above, the remainder ("**Residual New Regional Revenue**") shall be held in a reserve and applied to the benefit of all Contracting Parties as part of the annual Reconciliation process, in the following order of priority:
    - i. First, to reduce *pro-rata* up to 20% of each Contracting Party's Estimated Total Animal Services Cost Allocation (6<sup>th</sup> column in the spreadsheet at **Exhibit C-1**), thereby reducing up to all cost allocations based on population. This is the factor "**X**" in the Reconciliation formula.
    - ii. Second, to reduce *pro rata* the amount owing from each Contracting Party with net final costs > 0 after consideration of all other factors in the Reconciliation formula.

## Exhibit 1

Offsets described in (a) and (b) above do not impact the calculation of Estimated Payments or the Reconciliation of Estimated Payments since they are outside the cost model. The allocations described in (c) above, if any, will be considered in the annual Reconciliation as described in **Exhibit D**.

**Exhibit C-5**  
**Licensing Revenue Support**

- A. The Contracting Cities that will receive licensing revenue support in 2013 are listed below (collectively, these nine cities are referred to as the “Licensing Revenue Support Cities”). These Cities have been selected by comparing the estimated 2013 Net Final Costs shown in **Exhibit C-1** to the 2012 Estimated Net Final Cost.<sup>2</sup> Where the 2013 Net Final Cost estimate was higher than the 2012 estimate, the difference was identified as the 2013 Licensing Revenue Target.
- B. For any Licensing Revenue Support City in **Table 1** whose Preliminary 2013 Estimated Payment is lower than the Pre-Commitment Estimate shown in **Exhibit C-1**, the Licensing Revenue Target (“RT”) and the Revenue Goal (“RG”) will be the reduced by an amount equivalent to the reduction between the Pre-Commitment and Preliminary Estimated Payment amounts for 2013.

**Table 1:**  
**2013 Licensing Revenue Support Cities, Licensing Revenue Targets and Revenue Goals\***

City	2013 Licensing Revenue Target “RT” ( <i>increment</i> )	Base Year Revenue (2011 Estimate per Exhibit C-2) “Base Amount”	Revenue Goal “RG” ( <i>total</i> )
City of Carnation	\$966	\$4,752	\$5,718
City of Duvall	\$7,658	\$21,343	\$29,001
City of Kirkland	\$23,853	\$208,000	\$231,853
City of Bellevue	\$34,449	\$273,931	\$308,380
City of Newcastle	\$2,599	\$15,271	\$17,870
City of North Bend	\$6,463	\$15,694	\$22,157
City of Black Diamond	\$2,001	\$10,185	\$12,186
City of Enumclaw	\$5,973	\$25,307	\$31,280
City of Maple Valley	\$6,956	\$56,628	\$63,584

\*Amounts in this table are subject to adjustment per Paragraph B above.

- C. The 2013 Licensing Revenue Target (“RT”) is the amount each City in **Table 1** will receive in 2013, either in the form of additional licensing revenues over the Base Year amount or as a **Licensing Revenue Credit (“LRC”)** applied at Reconciliation.

<sup>2</sup> For Contracting Cities that purchase shelter services from PAWS, the target was based on the Pre-Commitment 2013 Estimated Payment calculated in February 2012 during contract negotiations.

## Exhibit 1

- D. As further described in **Section 7** and **Exhibit C-5**, licensing revenue support services include the provision of County staff and materials support (which may include use of volunteers or other in-kind support) as determined necessary by the County to generate the Licensing Revenue Target.
- E. In 2014 and 2015, any Licensing Revenue Support City or other Contracting City may request licensing revenue support services from the County under the terms of **Exhibit F**. Provision of such services is subject to the County determining it has capacity to perform such services. *Notwithstanding the foregoing*, a Licensing Revenue Support City for which **RT** is in excess of \$20,000 per year may receive licensing revenue support service in all three years, but only if by September 1, 2012, it commits to providing in-kind support in all three Services Years by executing the contract in **Exhibit F** with respect to *all 3 Service Years* (2013, 2014 and 2015). Allocation of licensing revenue support services in 2014 and 2015 will be prioritized first to meet the County's contractual commitment, if any, to a Licensing Revenue Support City that has entered into a 3-year agreement for such service. Thereafter, service shall be allocated to Licensing Revenue Support Cities requesting such service on first-come, first-served basis; and thereafter to any other Contracting City requesting such service on a first-come, first-served basis.

### Table 2: Calculation of Estimated Payments and Licensing Revenue Credits for Licensing Revenue Support Cities

For Service Year 2013:

- The Estimated Payment calculation will include the 2013 Licensing Revenue Support Target ("RT"), if any, for the City per Table 1 above in the calculation of Estimated Licensing Revenues ("ER") (these amounts are shown in separate columns on **Exhibit C-1**).
- At Reconciliation:
  - For Cities with a **RT** > \$20,000, Actual Licensing Revenue for 2013 ("**AR**<sub>2013</sub>") will be determined by allocating 65% of Licensing Revenues received (if any) over the Base Amount to determine **AR**<sub>2013</sub>
  - if Actual Licensing Revenue for 2013 ("**AR**<sub>2013</sub>") ≥ Revenue Goal ("**RG**"), then no additional credit is payable to the City ("**LRC**" = \$0)
  - If **AR**<sub>2013</sub> < **RG**, then the difference (**RG-AR**) is the Licensing Revenue Credit ("**LRC**") included in the Reconciliation Adjustment Amount *provided that*, for Cities whose **RT** >\$20,000, 35% of Licensing Revenues over the Base Amount shall be allocated to *increase* ("**LRC**") when the value of ANFC<sub>0</sub> is being calculated at Reconciliation, *and provided further*, that in all cases **LRC** cannot exceed the 2013 Licensing Revenue Target for the City.

For **Service Year 2014**, if the City and County have executed a Licensing Support Contract per **Exhibit F**, and the City is therefore providing additional in-kind services in order to generate licensing revenue support in 2014, then:

- The Estimated Payment for 2014 will include Estimated Licensing Revenues calculated at the amount of Actual Revenue (“**AR**”) for 2012 or the Revenue Goal (**RG**), whichever is greater. **RG** will be the amount in Table 1 for Licensing Revenue Support Cities, or such other amount as the Parties may agree in the Licensing Support Contract.
- At Reconciliation:
  - For Cities with a **RT** > \$20,000, **AR**<sub>2014</sub> will be determined by allocating 65% of Licensing Revenues received (if any) over the Base Amount to determine **AR**<sub>2014</sub>
  - If Actual Licensing Revenue in 2014 is greater than the Revenue Goal (**AR**<sub>2014</sub> ≥ **RG**), then
    - no Licensing Revenue Credit is payable to the City (**LRC** = \$0), and
    - The County shall charge the City for an amount which is *the lesser of*: (a) the cost of County’s licensing support services in 2014 to the City (as defined in the Licensing Support Contract for 2014), or (b) the amount by which **AR**<sub>2014</sub> > **RG**.
  - If **AR**<sub>2014</sub> < **RG**, then the difference (**RG**-**AR**<sub>2014</sub>) is **LRC**. The **LRC** amount is added to reduce the City’s costs when calculating the Reconciliation Adjustment Amount, *provided that*, for Cities whose **RT** > \$20,000, 35% of Licensing Revenues over the Base Amount shall be allocated to *increase* (“**LRC**”) a when the value of ANFC<sub>0</sub> is being calculated at Reconciliation, and *provided further* that in all cases **LRC** cannot exceed the 2013 Licensing Revenue Target for the City.

For **Service Year 2015**, the process and calculation shall be the same as for 2014, e.g.: if the City and County have executed **Exhibit F**, and the City is therefore providing additional in-kind services in order to generate Licensing Revenue Support in 2015, then:

- The Estimated Payment for 2015 will include Estimated Licensing Revenues calculated at the amount of Actual Revenue (“**AR**”) for 2013 (excluding **LRC** paid for Service Year 2013) or **RG**, whichever is greater. **RG** will be the amount in **Table 1** for Licensing Revenue Support Cities, or such other amount as the Parties may agree in the Licensing Support Contract.
- At Reconciliation:
  - For Cities with a **RT** > \$20,000, **AR**<sub>2015</sub> will be determined by allocating 65% of Licensing Revenues received (if any) over the Base Amount to determine **AR**<sub>2015</sub>
  - If Actual 2015 Licensing Revenue is greater than the Revenue Goal (**AR**<sub>2015</sub> ≥

**RG**), then

- no Licensing Revenue Credit is payable to the City (**LRC** = \$0), and
- The County shall charge the City for an amount which *is the lesser of:*
  - (a) the cost of County's licensing support services in 2015 to the City (as defined in the Licensing Support Contract for 2015), or (b) the amount by which **AR<sub>2015</sub>** > **RG**.
- If **AR<sub>2015</sub>** < **RG**, then the difference (**RG-AR<sub>2015</sub>**) is **LRC**. The **LRC** amount is added to reduce the City's costs when calculating the Reconciliation Adjustment Amount; *provided that*, for Cities whose **RT** > \$20,000, 35% of Licensing Revenues over the Base Amount shall be allocated to *increase* ("LRC") when the value of ANFC<sub>0</sub> is being calculated at Reconciliation, and *provided further* that in all cases **LRC** cannot exceed the 2013 Licensing Revenue Target for the City.

**Exhibit C-6:****Summary of Calculation Periods for Use and Population Components**

This Exhibit restates in summary table form the Calculation Periods used for calculating the usage and population components in the formulas to derive Estimated Payments. See **Exhibit C** for complete formulas and definitions of the formula components.

**ER** is estimated Licensing Revenue attributable to the City

**CFS** is total annual number of Calls for Service originating in the City

**A** is the number of animals in the shelter attributable to the City

**I** is the number of active paid regular pet licenses issued to City residents

**ENR** is the New Regional Revenue estimated to be received during the Service Year

**Pop** is Population of the City expressed as a percentage of all Contracting Parties; **D-Pop** is Population of the City expressed as a percentage of the population of all jurisdictions within a Control District

**Calculation Periods -- Service Year 2013**

<b>Component</b>	<b>Preliminary Estimated 2013 Payment</b> (published August 2012)	<b>Estimated 2013 Payment (final)</b> (published December 15 2012)	<b>Reconciliation Payment Amount</b> (determined June 2014)
<b>ER</b> (Estimated Revenue)	<b>Actual 2011</b>	<b>Same</b>	<b>Actual 2013</b>
<b>CFS</b> (Calls for Service)	<b>Actual 2011</b>	<b>Same</b>	<b>N/A</b>
<b>A</b> (Animal intakes)	<b>Actual 2011</b>	<b>Same</b>	<b>N/A</b>
<b>I</b> (Issued Pet Licenses)	<b>Actual 2011</b>	<b>Same</b>	<b>N/A</b>
<b>ENR</b> (Estimated New Regional Revenue)	<b>Estimated 2013 (\$0)</b>	<b>Estimated 2013 (\$0)</b>	<b>Actual 2013</b>
<b>Pop, D-Pop</b> (Population)	<b>July 2012 OFM report, adjusted for annexations ≥ 2,500 occurring (and Latecomer Cities joining) after April 2012 and before the</b>	<b>Same, adjusted for all annexations ≥ 2,500 occurring (and Latecomer Cities joining) after April 2012 and before the end of 2013</b>	<b>Same, adjusted for all annexations ≥ 2,500 occurring (and Latecomer Cities joining) after April and before the end of 2013</b>

	end of 2013.		
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**Calculation Periods: Service Year 2014**

<b>Component</b>	<b>Preliminary Estimated 2014 Payment</b> (published September 2013)	<b>Estimated 2014 Payment</b> (published December 2013)	<b>Reconciliation Payment Amount</b> (determined June 2015)
<b>ER</b>	<b>Actual 2012</b>	<b>Same</b>	<b>Actual 2014</b>
<b>CFS</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>I</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>ENR</b>	<b>Estimated 2014</b>	<b>Estimated 2014</b>	<b>Actual 2014</b>
<b>Pop, D-Pop</b>	July 2012 OFM report, adjusted for all annexations $\geq 2,500$ known to take effect (and Latecomer Cities joining) after April 2012 and before the end of 2014.	Same, adjusted for all annexations $\geq 2,500$ known to take effect (and Latecomer Cities joining) after April 2012 and before the end of 2014	Same, adjusted for all annexations $\geq 2,500$ (and Latecomer Cities joining) occurring after April 2012 and before the end of 2014

**Calculation Periods: Service Year 2015**

<b>Component</b>	<b>Preliminary Estimated 2015 Payment</b> (published September 2014)	<b>Estimated 2015 Payment</b> (published December 2014)	<b>Reconciliation Payment Amount</b> (determined June 2016)
<b>ER</b>	<b>Actual 2013</b>	<b>Same</b>	<b>Actual 2015</b>
<b>CFS</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>I</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>ENR</b>	<b>Estimated 2015</b>	<b>Estimated 2015</b>	<b>Actual 2015</b>
<b>Pop, D-Pop</b>	July 2012 OFM report, adjusted for all annexations $\geq 2,500$ known take effect (and Latecomer Cities joining) after April 2012 and before the end of 2015.	Same, adjusted for all annexations $\geq 2,500$ known to take effect (and Latecomer Cities joining) after April 2012 and before the end of 2015	Same , adjusted for all annexations $\geq 2,500$ occurring (and Latecomer Cities joining) after April 2012 and before the end of 2015

If the Agreement is extended past 2015 for an additional 2 years, the calculation periods for 2016 shall be developed in a manner comparable to Service Year 2013, and for 2017 shall be developed in a manner comparable to year 2014.

**Exhibit C-7**  
**Payment and Calculation Schedule**

**Service Year 2013**

<b>Item</b>	<b>Date</b>
Preliminary estimate of 2013 Estimated Payments provided to City by County	August 1, 2012
Final Estimated 2013 Payment calculation provided to City by County	December 15, 2012
First 2013 Estimated Payment due	June 15, 2013
Second 2013 Estimated Payment due	December 15, 2013
2013 Reconciliation Adjustment Amount calculated	On or before June 30, 2014
2013 Reconciliation Adjustment Amount payable	On or before August 15, 2014

**Service Year 2014**

<b>Item</b>	<b>Date</b>
Preliminary estimate of 2014 Estimated Payments provided to City by County	September 1, 2013
Final Estimated 2014 Payment calculation provided to City by County	December 15, 2013
First 2014 Estimated Payment due	June 15, 2014
Second 2014 Estimated Payment due	December 15, 2014
2014 Reconciliation Adjustment Amount calculated	On or before June 30, 2015
2014 Reconciliation Adjustment Amount Payable	August 15, 2015

**Service Year 2015**

<b>Item</b>	<b>Date</b>
Preliminary estimate of 2015 Estimated Payments provided to City by County	September 1, 2014
Final Estimated 2015 Payment calculation provided to City by County	December 15, 2014
First 2015 Estimated Payment due	June 15, 2015
Second 2015 Estimated Payment due	December 15, 2015
2015 Reconciliation Adjustment Amount calculated	On or before June 30, 2016
2015 Reconciliation Adjustment Amount Payable	August 15, 2016

Exhibit 1

If the Agreement is extended past December 31, 2015, the schedule is developed in the same manner as described above for years 2016 and 2017.

Additional timelines are in place to commence and complete negotiations for an extension of the Agreement:

County convenes interested Contracting Cities to discuss (1) a possible extension on the same terms and (2) a possible extension on different terms.	September 2014
Notice of Intent by either Party not to renew agreement on the same terms (Cities also indicate whether they wish to negotiate for an extension on different terms or to let Agreement expire at end of 2015)	March 1, 2015
Deadline for signing an extension (whether on the same or amended terms)	July 1, 2015

See Section 4 of Agreement for additional details on Extension of the Agreement Term for an additional two years.

<b>Dates for remittal to County of pet license sales revenues processed by Contracting Cities (per section 3.c)</b>	<b>Quarterly, each March 31, June 30, September 30, December 31</b>
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Except as otherwise provided for Licensing Revenue Support Cities with a Licensing Revenue Target greater than \$20,000/year, requests for **Licensing Revenue Support** in Service Years 2014 or 2015 may be made at any time between June 30 and October 31 of the prior Service Year. (See **Exhibit C-5** for additional detail).

## Exhibit D Reconciliation

The purpose of the reconciliation calculation is to adjust payments made each Service Year by Contracting Parties to reflect actual licensing and non-licensing revenue, various credits, and New Regional Revenue, as compared to the estimates of such revenues and credits incorporated in the Estimated Payment calculations, and to adjust for population changes resulting from annexations of areas with a population of over 2,500 (if any) and the addition of Latecomer Cities. To accomplish this, an “Adjusted Net Final Cost” (“ANFC”) calculation is made each June for each Contracting Party as described below, and then adjusted for various factors as described in this **Exhibit D**.

As noted in **Section 7** of the Agreement, the Parties intend that receipt of Animal Services should not be a profit-making enterprise. When a City receives revenues in excess of its costs under this Agreement (including costs of PAWS shelter service, if applicable), such excess will be reinvested to reduce costs incurred by other Contracting Parties. The cost allocation formulas of this Agreement are intended to achieve this outcome.

Terms not otherwise defined here have the meanings set forth in **Exhibit C** or the body of the Agreement.

### Calculation of ANFC and Reconciliation Adjustment Amount

The following formula will be used to calculate the Reconciliation Adjustment Amount, which shall be payable by August 15. The factors in the formula are defined below. As described in paragraphs A and B, the subscript “0” denotes the initial calculation; subscript “1” denotes the final calculation.

$$\text{ANFC}_0 = (\text{AR} + \text{T} + \text{V} + \text{X} + \text{LRC}) - (\text{B} \times \text{LF})$$

- A. If  $\text{ANFC}_0 \geq 0$ , i.e., revenues and credits are greater than costs (adding the cost factor “W” in the formula for Contracting Cities purchasing shelter services from PAWS or purchasing Enhanced Control Services), **then:**

$\text{ANFC}_1 = 0$ , i.e., it is *reset to zero* and the difference between  $\text{ANFC}_0$  and  $\text{ANFC}_1$  is set aside by the County (or, if the revenues are not in the possession of the County, then the gap amount is payable by the City to the County by August 15) and **all such excess amounts from all Contracting Parties where  $\text{ANFC}_0 \geq 0$  are allocated pro-rata to parties for which  $\text{ANFC}_1 < 0$** , per paragraph B below. Contracting Parties for which  $\text{ANFC}_0 \geq 0$  do not receive a reconciliation payment.

## Exhibit 1

- B. If  $ANFC_0 < 0$ , i.e., costs are greater than revenues (*without* considering “W” for those Contracting Cities purchasing shelter services from PAWS or purchasing Enhanced Control Services), then the negative dollar amount is not “reset” and  $ANFC_1$  is the same as  $ANFC_0$ . Contracting Parties in this situation will receive a ***pro-rata* allocation from the sum of excess revenues from those Parties for which  $ANFC_0 \geq 0$**  per paragraph A. In this way, excess revenues are reallocated across Contracting Parties with net final costs.
- C. If, after crediting the City with its *pro rata* share of any excess revenues per paragraph B,  $ANFC_1 < \text{Total Estimated Payments made in the Service Year}$ , then the difference shall be paid by the County to the City no later than August 15; if  $ANFC_1 > \text{Total Estimated Payments made in the Service Year}$ , then the difference shall be paid by the City to the County no later than August 15.

Where:

“AR” is **Actual Licensing Revenue** attributable to the City, based on actual Licensing Revenues received from residents of the City in the Service Year, adjusted for Cities with a Licensing Revenue Target > \$20,000 as described in **Exhibit C-5**. (License Revenue that cannot be attributed to a specific Party (e.g., License Revenue associated with incomplete address information), will be allocated amongst the Parties based on their respective percentages of total AR).

“T” is the Transition Funding Credit, if any, for the Service Year.

“V” is the Shelter Credit, if any, for the Service Year.

“W” is the actual amount paid by a City receiving shelter services to PAWS for such services during the Service Year, if any, plus the actual amount paid by a City to the County for the purchase of Enhanced Control Services during the Service Year, if any.

“X” is the amount of Residual New Regional Revenue, if any, allocable to the City from the 50% of New Regional Revenues which is first applied to offset County costs for funding Shelter Credits, Transition Funding Credits and any Program costs not allocated in the cost model. The residual is shared amongst the Contracting Parties to reduce *pro-rata* up to 20% of each Contracting Party’s Estimated Total Animal Services Cost Allocation (See column titled “Estimated Total Animal Services Cost Allocation” in the spreadsheet at **Exhibit C-1**).

“LRC” is the amount of any **Licensing Revenue Credit or Charge** to be applied based on receipt of licensing support services. For a Licensing Revenue Support City designated in **Exhibit C-5**, the amount shall be determined per **Table 2** of **Exhibit C-5** and the associated

## Exhibit 1

Licensing Support Contract, if any. Where a Licensing Revenue Support City is due a Licensing Revenue Credit, the amount applied for this factor is a positive dollar amount (e.g., increases City's revenues in the amount of the credit); if a Licensing Revenue Support City is assessed a Licensing Revenue Charge, the amount applied for this factor is a negative amount (e.g., increases City's costs). For any Contracting City receiving licensing support services per a Licensing Support Contract/ **Exhibit F** other than a Licensing Revenue Support City, **LRC** will be a negative amount (increasing the City's costs) equal to the County's cost of the licensing support set forth in the Attachment A to the Licensing Support Contract.

**"B"** is the **"Budgeted Total Net Allocable Costs"** as *estimated* for the Service Year for the provision of Animal Services to be allocated between all the Contracting Parties for the purposes of determining the Estimated Payment, calculated as described in **Exhibit C**.

**"LF"** is the **"Program Load Factor"** attributable to City for the Service Year, calculated as described in **Exhibit C**. **LF** will be recalculated if necessary to account for annexations of areas with a population of 2,500 or more people, or for Latecomer Cities if such events were not accounted for in the Final Estimated Payment Calculation for the Service Year being reconciled.

**Additional Allocation of New Regional Revenues after calculation of all amounts above:** If there is any residual New Regional Revenue remaining after allocating the full possible **"X"** amount to each Party (to fully eliminate the population based portion of costs), the remainder shall be allocated on a *pro rata* basis to all Contracting Parties for which  $ANFC_1 < 0$ . If there is any residual thereafter, it will be applied to improve Animal Services.

**Exhibit E**

**Enhanced Control Services Contract (Optional)**

**Between City of \_\_\_\_\_ (“City”) and King County (“County”)**

The County will to offer Enhanced Control Services to the City during Service Years 2013, 2014 and 2015 of the **Animal Services Interlocal Agreement for 2013 Through 2015** between the City and the County dated and effective as of July 1, 2012 (the “Agreement”) subject to the terms and conditions as described herein. **The provisions of this Contract are optional to both Parties and shall not be effective unless executed by both Parties.**

A. The City may request services under two different options, summarized here and described in further detail below:

**Option 1:** for a period of *not less than one year*, the City may request service from an Animal Control Officer dedicated to the City (“Dedicated Officer”). Such service must be confirmed in writing through both Parties entering into this Enhanced Control Services Contract no later than August 15 of the year prior to the Service Year in which the service is requested.

**Option 2:** for a period of *less than one year*, the City may request a specified number of over-time service hours on specified days and time from the 6 Animal Control Officers staffing the three Control Districts. Unlike Option 1, the individual officers providing the service will be determined by the County and may vary from time to time; the term “Dedicated Officer” used in context of Option 2 is thus different than its meaning with respect to Option 1. Option 2 service must be requested no later than 60 days prior to the commencement of the period in which the service is requested, unless waived by the County.

The City shall initiate a request for enhanced service by completing and submitting **Attachment A** to the County. If the County determines it is able to provide the requested service, it will so confirm by completing and countersigning **Attachment A** and signing this Contract and returning both to the City for final execution.

B. The County will provide enhanced Control Services to the City in the form of an Animal Control Officer dedicated to the City (“Dedicated Officer”) as described in **Attachment A** and this Contract.

1. Costs identified in **Attachment A** for **Option 1** are for one (1) year of service in 2010, in 2010 dollars, and include the cost of the employee (salary, benefits), equipment and animal control vehicle for the employee’s use). Costs are subject

## Exhibit 1

to adjustment each year, limited by the Annual Budget Inflation Cap (as defined in the Agreement).

2. Costs for **Option 2** will be determined by the County each year based on its actual hourly overtime pay for the individual Animal Control Officers providing the service, plus mileage at the federal reimbursement rate. The number of miles for which mileage is charged shall be miles which would not have been traveled but for the provision of the enhanced service.
  3. Costs paid for enhanced services will be included in the Reconciliation calculation for each Service Year, as described in **Exhibit D** of the Agreement.
- C. Services of the Dedicated Officer shall be in addition to the Animal Services otherwise provided to the City by the County through the Agreement. Accordingly, the calls responded to by the Dedicated Officer shall **not** be incorporated in the calculation of the City's Calls for Service (as further described in **Exhibit C and D** to the Agreement).
- D. The scheduling of work by the Dedicated Officer will be determined by mutual agreement of the contract administrators identified in the Agreement, and (in the case of a purchase of service under **Option 1**) the mutual agreement of officials of other Contracting Cities named as contract administrators that have committed to sharing in the expense of the Dedicated Officer. In the event the parties are unable to agree on scheduling, the County shall have the right to finally determine the schedule of the Dedicated Officer(s).
- E. Control Services to be provided to the City pursuant to this Enhanced Services Contract include Control Services of the type and nature as described under the Agreement with respect to Animal Control Officers serving in Control Districts, and include but are not limited to, issuing written warnings, citations and other enforcement notices and orders on behalf of the City, or such other services as the Parties may reasonably agree.
- F. The County will provide the City with a general quarterly calendar of scheduled service in the City, and a monthly report of the types of services offered and performed.
- G. **For Services purchased under Option 1:** An FTE will be scheduled to serve 40 hour weeks, however, with loss of service hours potentially attributable to vacation, sick leave, training and furlough days, not less than 1600 hours per year will be provided. Similarly, a half-time FTE will provide not less than 800 hours per year. The County shall submit to the City an invoice and billing voucher at the end of each calendar

Exhibit 1

quarter, excepting that during the 4<sup>th</sup> quarter of each year during the term of this Contract, an invoice shall be submitted to the City no later than December 15<sup>th</sup>. All invoiced amounts shall be payable by the City within 30 days of the invoice date.

- H. **For Services purchased under Option 2:** The County shall submit to the City an invoice and billing voucher at the end of each calendar quarter. All invoiced amounts shall be payable by the City within 30 days of the invoice date.
  
- I. The City or County may terminate this Enhanced Services Contract with or without cause upon providing not less than 3 months written notice to the other Party; provided that, if the City has purchased services under **Option 1** and is sharing the Enhanced Control Services with other Contracting Cities, this Contract may only be terminated by the City if: (1) all such other Contracting Cities similarly agree to terminate service on such date, or (2) if prior to such termination date another Contracting City or Cities enters into a contract with the County to purchase the Enhanced Control Service that the City wishes to terminate; *provided further:* except as provided in Paragraph A.1, a Contract may not be terminated if the term of service resulting is less than one year.
  
- J. All terms of the Agreement, except as expressly stated otherwise in this Exhibit, shall apply to this Enhanced Control Services Contract. Capitalized Terms not defined herein have those meanings as set forth in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Enhanced Services Contract to be executed effective as of this \_\_\_\_ day of \_\_\_\_\_, 201\_\_.

**King County**

**City of \_\_\_\_\_**

\_\_\_\_\_  
Dow Constantine  
King County Executive

\_\_\_\_\_  
By:  
Mayor /City Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**Approved as to Form:**

**Approved as to Form:**

\_\_\_\_\_  
Deputy Prosecuting Attorney

\_\_\_\_\_  
City Attorney

**Exhibit E: Attachment A**

**ENHANCED CONTROL SERVICES OPTION REQUEST**

(to be completed by City requesting Enhanced Control Services; final service terms subject to adjustment by County and agreement by City and will be confirmed in writing executed and appended to Enhanced Control Service Contract/Exhibit E)

City \_\_\_\_\_

Requested Enhanced Control Services Start Date: \_\_\_\_\_

Requested Enhanced Control Services End Date: \_\_\_\_\_\*

\*term of service must be at least one year, except if purchasing services under Option 2.

Please indicate whether City is requesting services under Option 1 or Option 2:

\_\_\_\_\_ Option 1:

% of Full Time Equivalent Officer (FTE) requested: \_\_\_\_\_ (minimum request: 20%; requests must be in multiples of either 20% or 25%)

\_\_\_\_\_ Option 2:

Overtime Hours purchase from existing ACO staff: \_\_\_\_ hours per (week /month)

General Description of desired services (days, hours, nature of service):

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

For Option 1:

Contracting Cities with whom the City proposes to share the Enhanced Control Services, and proposed percentages of an FTE those Cities are expected to request:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

On behalf of the City, the undersigned understands and agrees that the County will attempt to honor requests but reserves the right to propose aggregated, adjusted and variously scheduled service, *including but not limited to adjusting allocations of service from*

Exhibit 1

*increments of 20% to 25%, in order to develop workable employment and scheduling for the officers within then-existing workrules, and that the City will be allowed to rescind or amend its request for Enhanced Control Services as a result of such proposed changes.*

**Requests that cannot be combined to equal 50% of an FTE, 100% of an FTE, or some multiple thereof may not be honored. Service must be requested for a minimum term of one-year, except as permitted by Paragraph A.1. .Service may not extend beyond the term of the Agreement.**

**City requests that alone or in combination with requests of other Contracting Cities equal at least 50% of an FTE will be charged at the rate in Column 1 below.**

**City requests that alone or in combination with other requests for Enhanced Control Services equal 100% of an FTE will be charged at the rate in Column 2 below.**

**Cities may propose a different allocation approach for County consideration.**

An FTE will be scheduled to serve 40 hour weeks, however, with loss of hours potentially attributable to vacation, sick leave, training and furlough days, a minimum of 1600 hours per year will be provided. A half-time FTE will provide a minimum of 800 hours per year. *For example*, a commitment to purchase 20% of an FTE for enhanced service will result in provision of not less than 320 hours per year.

Hours of service lost for vacation, sick leave, training and furlough days will be allocated on *pro rata* basis between all Contracting Cities sharing the services of that FTE.

<p align="center"><b>Column 1:</b> Aggregate of 50% of an FTE Requested by all Participating Cities</p>	<p align="center"><b>Column 2:</b> Aggregate of 1 FTE Requested by all Participating Cities</p>
<p>Cost to City: (% of Half-Time FTE requested) x \$75,000/year in 2010*</p> <p><i>Example:</i> if City A requests 25% of an FTE ** and City B requests 25% of an FTE**, then each city would pay \$18,750 for Enhanced Control Services from July 1, 2010 through December 31, 2011 (6 months).</p> <p>** (50% of a Half-Time FTE)</p>	<p>Cost to City: ( % of FTE requested) x \$115,000/year in 2010 *</p> <p><i>Example:</i> If City A requests 25% of an FTE and City B requests 25% of an FTE and City C requests 50% of an FTE, Cities A and B would pay \$14,375 and City C would pay \$28,750 for Enhanced Control Services from July 1, 2010 through December 31, 2011 (6 months)</p>

\* This example is based on 2010 costs. Actual costs will be based on actual Service Year FTE costs.

**For Option 2:**

On behalf of the City, the undersigned understands and agrees that the County will confirm what services, if any, it can provide, and at what costs, by completing this Attachment A, and the City must signify whether it accepts the County's offer by signing the Enhanced Services Contract.

Request Signed as of this \_\_\_ day of \_\_\_\_\_, 201\_\_.

City of \_\_\_\_\_

By: \_\_\_\_\_

Its \_\_\_\_\_

**To be completed by King County:**

\_\_\_ **Option 1:** The County hereby confirms its ability and willingness to provide Enhanced Control services as requested by the City in this **Attachment A**, *with adjustments as noted below (if any):*

The FTE Cost for the Service Year in which the City has requested service is:  
\$\_\_\_\_\_.

\_\_\_ **Option 2:** the County confirms its ability to provide control service overtime hours as follows (*insert description – days/hours*):

Such overtime hours shall be provided at a cost of \$\_\_\_\_\_, (may be a range) per service hour, with the actual cost depending on the individual(s) assigned to work the hours, plus mileage at the federal reimbursement rate.

King County

By: \_\_\_\_\_

Its \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit F**

**Licensing Support Contract (Optional)**

**Between City of \_\_\_\_\_ (“City”) and King County (“County”)**

The County is prepared to offer licensing revenue support to the City subject to the terms and conditions described in this Licensing Support Contract (“Contract”). The provisions of this Exhibit are optional and shall not be effective unless this Exhibit is executed by both the City and the County and both parties have entered into the underlying Animal Services Interlocal Agreement for 2013 Through 2015 (the “Agreement”).

- A. Service Requests, Submittal:** Requests to enter into a licensing support contract should be made by submitting the Licensing Revenue Support Services Request (**Attachment A** to this **Exhibit F**) to the County between June 30 and October 31 of the calendar year prior to year in which such services are requested (“Service Year”). A separate Request shall be submitted for each Service Year, excepting that a Licensing Support City with a revenue target in excess of \$20,000/year may submit a request by September 1, 2012 in order to receive service in all three Service Years (2013, 2014 and 2015).
- B. County to Determine Service Availability:** The County will determine whether it has capacity to provide the requested service based on whether it has staff available, and consistent with the priorities stated in **Section 7.c** and **Exhibit C-5** of the Agreement.
- C. Services Provided by County, Cost:** The County will determine the licensing revenue support activities it will undertake to achieve the Licensing Revenue Target. Activities may include, but are not limited to canvassing, mailings, calls to non-renewals. In completing **Attachment A** to confirm its ability to provide licensing support services to the City, the County shall identify the cost for such service for each applicable Service Year. If the City accepts the County’s proposed costs, it shall so signify by countersigning **Attachment A**.
- D. Services Provided by City:** In exchange for receiving licensing revenue support from the County, the City will provide the following services:
  - 1. Include inserts regarding animal licensing in bills or other mailings as may be allowed by law, at the City’s cost. The County will provide the design for the insert and coordinate with the City to deliver the design on an agreed upon schedule.
  - 2. Dedicate a minimum level of volunteer/staff hours per month (averaged over the year), based on the City’s Licensing Revenue Target for the Year (as

specified/selected in Attachment A) to canvassing and/or mailings and outbound calls to non-renewals. City volunteer/staff hour requirements are scaled based on the size of the Licensing Revenue Target per **Table A** below:

**Table A: Volunteer/Staff Hours to be Provided by City**

If the Licensing Revenue Target for the Service Year is between:	The City shall provide volunteer/staff hours support (averaged over the year)
\$0 and \$5,000	9 hours per month
\$5,001-\$10,000	18 hours per month
\$10,000-\$20,000	27 hours per month
\$20,001 and \$40,000	36 hours per month
>\$40,000	45 hours per month

3. Provide representation at a minimum of two public events annually to inform City residents about the Animal Services Program and promote pet licensing.
4. Inform City residents about the Animal Services Program and promote pet licensing utilizing print and electronic media including the city’s website, social media, community brochures and newsletter ads/articles, signage/posters and pet licensing applications in public areas of city buildings and parks.
5. Appoint a representative to serve on the joint City-County marketing subcommittee; this representative shall attend the quarterly meetings of the subcommittee and help shape and apply within the City the joint advertising strategies developed by consensus of the subcommittee.

**E. Selection of Licensing Revenue Target and Payment for Licensing Revenue Support:**

1. For **Licensing Revenue Support Cities** (those identified in **Exhibit C-5** of the Agreement):  
 In 2014 and 2015, Licensing Revenue Support Cities may receive licensing revenue support intended to generate total annual Licensing Revenue at or above the Revenue Goal in Table 1 of **Exhibit C-5**. The City will receive a **Licensing Revenue Credit or Charge** at Reconciliation in accordance with the calculations in **Table 2** of **Exhibit C-5**. A Licensing Revenue Support City may request service under subparagraph 2 below.
2. For **all other Contacting Cities**: The City will identify a proposed Licensing Revenue Target in **Attachment A**. The County may propose an alternate Revenue Target. If the Parties agree upon a Licensing Revenue Target, the County shall identify its annual cost to provide service designed to achieve the target. At Reconciliation, the City shall be charged for licensing support service at the cost specified and agreed in **Attachment A** (the “**Licensing Revenue Charge**”),

Exhibit 1

regardless of the amount of Licensing Revenue received by the City during the Service Year (see Exhibit D of the Agreement for additional detail).

**F. Other Terms and Conditions:**

1. Before January 31 of the Service Year, each Party will provide the other with a general calendar of in-kind services to be provided over the course of the Service Year.
2. Each Party will provide the other with a monthly written report of the services performed during the Service Year.
3. Either Party may terminate this Contract with or without cause by providing not less than 2 months' advance written notice to the other Party; provided that all County costs incurred to the point of termination remain chargeable to the City as otherwise provided.
4. All terms of the Agreement, except as expressly stated otherwise herein, shall apply to this Contract, and Capitalized Terms not defined herein have the meanings as set forth in the Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract for Licensing Support Services to be executed effective as of this \_\_\_ day of \_\_\_\_, 201\_.

**King County**

**City of \_\_\_\_\_**

\_\_\_\_\_  
Dow Constantine  
King County Executive

\_\_\_\_\_  
By:  
Mayor /City Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Approved as to Form:

Approved as to Form:

\_\_\_\_\_  
Deputy Prosecuting Attorney

\_\_\_\_\_  
City Attorney

**Exhibit F: Attachment A**  
**LICENSING REVENUE SUPPORT SERVICES REQUEST**

(to be completed by City requesting licensing support services; one request per Service Year except for a Licensing Support City with a Licensing Revenue Target over \$20,000/year; final terms subject to adjustment by County and agreement by City confirmed in writing, executed and appended to the Contract for Licensing Support Services—**Exhibit F** of the *Animal Services Interlocal Agreement for 2013 Through 2015* (“the Agreement”) dated effective as of July 1, 2012.)

1. City \_\_\_\_\_ Date of Request: \_\_\_\_\_
  
2. Licensing Revenue Target (the amount by which the City seeks to increase its revenues in the Service Year): \$\_\_\_\_\_

*Note:*

- For Licensing Revenue Support Cities, the Licensing Revenue Support Target is defined in **Table 1** of **Exhibit C-5** of the Agreement, unless the Parties otherwise agree.
  - The amount of volunteer/staff hours and other in-kind services required of the City in exchange for receipt of licensing support services is based on the size of the Licensing Revenue Target (see Licensing Support Contract/**Exhibit F** of Agreement).
3. Contact person who will coordinate City responsibilities associated with delivery of licensing support services:  
Name:  
Title:  
Phone:  
Fax:

I understand that:

- A. provision of licensing revenue support services is subject to the County determining it has staff available to provide the services;
- B. For Contracting Cities other than Licensing Revenue Support Cities, the County may propose an adjustment in the requested Licensing Revenue Target;
- C. the County will, by September 1 of the current calendar year, provide the City with a firm cost to provide the amount of licensing support services the County proposes to provide by completing this **Attachment A**;
- D. the County cannot verify and does not guarantee a precise level of Licensing Revenues to be received by the City as a result of these services;
- E. Receipt of service is subject to County and City agreeing on the Licensing Revenue Target and County charge for these services (incorporated in

Exhibit 1

calculation of the **Licensing Revenue Credit/Charge** per the Agreement), and executing the Licensing Support Contract (**Exhibit F** of the Agreement).

Request signed as of this \_\_\_ day of \_\_\_\_\_, 201\_\_.  
City of \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_

**To be completed by King County:**

The County offers to provide the City licensing revenue support services in Service Year 201\_\_ intended to generate \$\_\_\_\_\_ (the "Licensing Revenue Target") in additional Licensing Revenue for a total Service Year cost of \$\_\_\_\_\_, some or all of which cost may be charged to the City in calculating the Licensing Revenue Charge, as further described in the Licensing Support Contract and **Exhibits C-5** (for Licensing Support Cities) and **D** of the Agreement.

**King County**

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

**To be completed by the City:**

The County offer is accepted as of this \_\_\_ day of \_\_\_\_\_, 201\_\_.  
**City of** \_\_\_\_\_

By: \_\_\_\_\_  
Its: \_\_\_\_\_



**Regional Animal Services of King County  
DRAFT 2013 Estimated Payment Calculation**

**Auburn Out, Allocation Method: Population = 20%, Usage = 80%, Three (3) Control Districts: 200, 220, with Control Districts 240 and 260 combined into one (500), costs to districts 25%, 25%, 50%. Usage and Licensing Revenue based on 2011 Preliminary Year End.**

**OPTION #1**

	Control	Shelter	Licensing	Total Allocated Costs (1)	2011 Licensing Revenue (est)	Estimated Net Cost
Budgeted Total Allocable Costs	\$1,770,487	\$2,819,960	\$673,640	\$5,264,087		
Budgeted Non-Licensing Revenue	\$80,040	\$112,507	\$13,265	\$205,812		
Budgeted New Regional Revenue (50%)	\$0	\$0	\$0	\$0		
Budgeted Net Allocable Costs	\$1,690,447	\$2,707,453	\$660,375	\$5,058,275	\$2,480,689	-\$2,577,586

Animal Control District Number	Jurisdiction	Estimated Animal Control Cost Allocation (2)	Estimated Sheltering Cost Allocation (3)	Estimated Licensing Cost Allocation (4)	Estimated Total Animal Services Cost Allocation	Program Load Factor (9)	2011 Licensing Revenue (Estimated)	Estimated Net Cost Allocation	2013-2015 Transition Funding (Annual) (5)	2013 - 2015 Shelter Credits (Annual) (6)	Estimated Net Costs with Transition Funding and Credits	Estimated Revenue from Proposed Licensing Support (7)	Estimated Net Final Cost (8)
200	Carnation	\$4,118	\$3,497	\$1,239	\$8,854	0.1750%	\$4,752	-\$4,102	\$552	\$0	-\$3,550	\$966	-\$2,584
	Duvall	\$11,261	\$15,264	\$5,351	\$31,876	0.6302%	\$21,343	-\$10,533		\$0	-\$10,533	\$7,658	-\$2,875
	Estimated Unincorporated King County	\$83,837	(see total below)	(see total below)	(see total below)		(see total below)	(see total below)	NA	NA	NA	NA	NA
	Kenmore	\$37,911	\$11,592	\$15,423	\$64,926	1.2836%	\$58,602	-\$6,324	\$0	\$0	-\$6,324	\$0	-\$6,324
	Kirkland	\$84,595	\$99,626	\$59,940	\$244,162	4.8270%	\$208,000	-\$36,162		\$0	-\$36,162	\$23,853	-\$12,309
	Lake Forest Park	\$22,894	\$7,034	\$12,099	\$42,027	0.8309%	\$48,504	\$6,477	\$0	\$0	\$6,477	\$0	\$6,477
	Redmond	\$37,867	\$54,303	\$32,308	\$124,478	2.4609%	\$116,407	-\$8,071	\$0	\$0	-\$8,071	\$0	-\$8,071
	Sammamish	\$35,341	\$44,214	\$31,129	\$110,684	2.1882%	\$117,649	\$6,965	\$0	\$0	\$6,965	\$0	\$6,965
	Shoreline	\$92,519	\$29,677	\$38,194	\$160,391	3.1709%	\$145,689	-\$14,702	\$0	\$0	-\$14,702	\$0	-\$14,702
	Woodinville	\$12,268	\$6,103	\$7,708	\$26,079	0.5156%	\$29,220	\$3,141	\$0	\$0	\$3,141	\$0	\$3,141
<b>SUBTOTAL FOR CITIES IN 200 (excludes unincorporated area)</b>		<b>\$338,775</b>	<b>\$271,310</b>	<b>\$203,392</b>	<b>\$813,477</b>		<b>\$750,166</b>	<b>-\$63,311</b>	<b>\$552</b>	<b>\$0</b>	<b>-\$62,759</b>	<b>\$32,477</b>	<b>-\$30,282</b>
220	Beaux Arts	\$86	\$167	\$246	\$500	0.0099%	\$930	\$430	\$0	\$0	\$430	\$0	\$430
	Bellevue	\$142,322	\$161,486	\$75,249	\$379,056	7.4938%	\$273,931	-\$105,125		\$0	-\$105,125	\$34,449	-\$70,676
	Clyde Hill	\$1,866	\$3,168	\$1,952	\$6,985	0.1381%	\$7,170	\$185	\$0	\$0	\$185	\$0	\$185
	Estimated Unincorporated King County	\$166,199	(see total below)	(see total below)	(see total below)		(see total below)	(see total below)	NA	NA	NA	NA	NA
	Issaquah	\$53,351	\$46,167	\$16,279	\$115,797	2.2893%	\$55,947	-\$59,850	\$0	\$0	-\$59,850	\$0	-\$59,850
	Mercer Island	\$13,581	\$18,177	\$13,853	\$45,611	0.9017%	\$49,962	\$4,351	\$0	\$0	\$4,351	\$0	\$4,351
	Newcastle	\$16,484	\$12,318	\$4,657	\$33,459	0.6615%	\$15,271	-\$18,188	\$0	\$0	-\$18,188	\$2,599	-\$15,589
	North Bend	\$15,851	\$16,273	\$4,128	\$36,252	0.7167%	\$15,694	-\$20,558	\$1,376	\$586	-\$18,596	\$6,463	-\$12,133
	Snoqualmie	\$12,248	\$11,116	\$6,737	\$30,101	0.5951%	\$25,065	-\$5,036	\$0	\$0	-\$5,036	\$0	-\$5,036
	Yarrow Point	\$625	\$561	\$760	\$1,945	0.0385%	\$2,700	\$755	\$0	\$0	\$755	\$0	\$755
<b>SUBTOTAL FOR CITIES IN 220 (excludes unincorporated area)</b>		<b>\$256,413</b>	<b>\$269,432</b>	<b>\$123,862</b>	<b>\$649,707</b>		<b>\$446,670</b>	<b>-\$203,037</b>	<b>\$1,376</b>	<b>\$586</b>	<b>-\$201,075</b>	<b>\$43,511</b>	<b>-\$157,564</b>
500	Kent	\$263,232	\$794,101	\$69,400	\$1,126,733	22.2750%	\$253,944	-\$872,789	\$110,495	\$495,870	-\$266,424	\$0	-\$266,424
	SeaTac	\$79,732	\$184,894	\$13,311	\$277,938	5.4947%	\$47,232	-\$230,706	\$7,442	\$116,611	-\$106,653	\$0	-\$106,653
	Tukwila	\$49,635	\$110,787	\$9,229	\$169,652	3.3539%	\$32,705	-\$136,947	\$5,255	\$61,987	-\$69,705	\$0	-\$69,705
	Black Diamond	\$8,084	\$14,340	\$2,685	\$25,108	0.4964%	\$10,185	-\$14,923	\$1,209	\$3,263	-\$10,451	\$2,001	-\$8,450
	Covington	\$52,490	\$82,456	\$12,634	\$147,580	2.9176%	\$48,982	-\$98,598	\$5,070	\$36,409	-\$57,119	\$0	-\$57,119
	Enumclaw	\$41,747	\$56,672	\$6,920	\$105,340	2.0825%	\$25,307	-\$80,033	\$11,188	\$28,407	-\$40,438	\$5,973	-\$34,465
	Estimated Unincorporated King County	\$309,089	(see total below)	(see total below)	(see total below)		(see total below)	(see total below)	NA	NA	NA	NA	NA
	Maple Valley	\$41,215	\$68,380	\$15,080	\$124,675	2.4648%	\$56,628	-\$68,047	\$6,027	\$6,867	-\$55,153	\$6,956	-\$48,197
<b>SUBTOTAL FOR CITIES IN 500 (excludes unincorporated area)</b>		<b>\$536,135</b>	<b>\$1,311,631</b>	<b>\$129,259</b>	<b>\$1,977,025</b>		<b>\$474,983</b>	<b>-\$1,502,042</b>	<b>\$146,686</b>	<b>\$749,414</b>	<b>-\$605,942</b>	<b>\$14,930</b>	<b>-\$591,012</b>
<b>TOTAL FOR CITIES</b>		<b>\$1,131,322</b>	<b>\$1,852,373</b>	<b>\$456,514</b>	<b>\$3,440,209</b>		<b>\$1,671,819</b>	<b>-\$1,768,390</b>	<b>\$148,614</b>	<b>\$750,000</b>	<b>-\$869,776</b>	<b>\$90,918</b>	<b>-\$778,858</b>
<b>Total King County Unincorporated Area Allocation</b>		<b>\$559,125</b>	<b>\$855,080</b>	<b>\$203,861</b>	<b>\$1,618,065</b>	31.9885%	<b>\$808,870</b>	<b>-\$809,195</b>					<b>-\$809,195</b>
		\$1,690,447	\$2,707,453	\$660,375	\$5,058,275	100.00%	\$2,480,689	-\$2,577,586					

Source: Regional Animal Services of King County

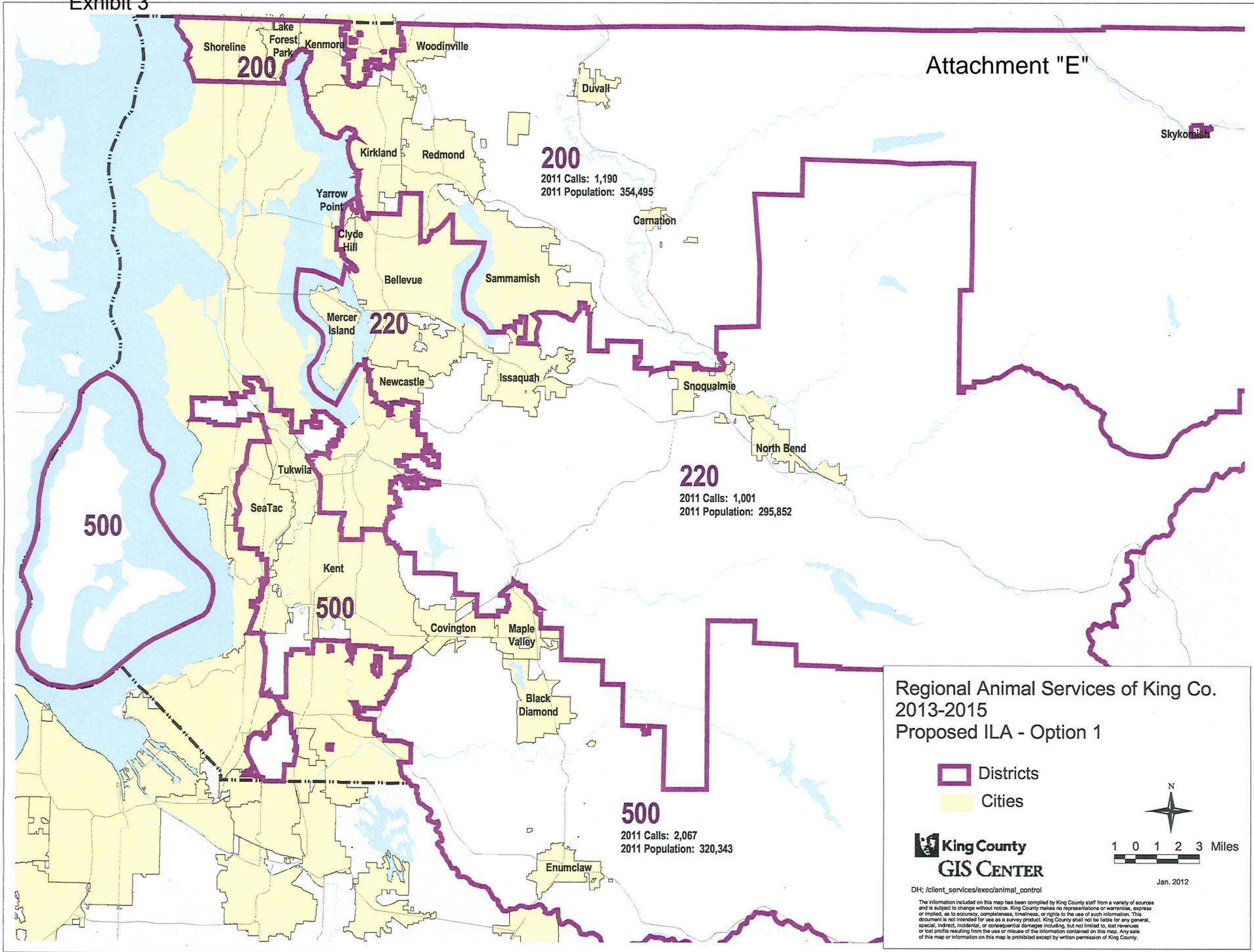
Date: Jan 30, 2012 (Draft) Updated 5-7-12

Numbers are estimates only for the purpose of negotiation discussions. The numbers and allocation methodology are subject to change while negotiations are underway.

## Exhibit 2

### Notes:

1. Based on various efficiencies and changes to the RASKC operating budget, adjustments for reduced intakes overall, reduced usage with Auburn out, and shifting two positions out of the model (county sponsored), the 2013 Estimated Budgeted Total Allocable Cost has been reduced to \$5,264,087.
2. One quarter of control services costs are allocated to control districts 200 and 220, and one half of control costs are allocated to district 500, then costs are further allocated 80% by total call volume (2011 Calls - Preliminary year end) and 20% by 2011 population.
3. This excludes the cost to northern cities of sheltering their animals at PAWS under separate contracts. Shelter costs are allocated 80% by King County shelter volume intake (2011 Preliminary year end) and 20% by 2011 population.
4. Licensing costs are allocated 20% by population (2011) and 80% by total number of Pet Licenses issued (2011) less \$0.00 Sr. Lifetime Licenses.
  
5. Transition funding is allocated per capita in a two tier formula to cities with certain per capita net cost allocations. For additional detail, see 2010 Interlocal Agreement Exhibit C-4 (2013 column) for more information. Transition Funding does not change for years 2013 - 2015.
6. Credits are allocated to those jurisdictions whose shelter intakes per capita exceeded the system average (.0043) and are intended to help minimize the impact of changing the cost allocation methodology from 50% population/50 usage to the new 20% population/80% usage model. See Interlocal Agreement Exhibit C-4 for more detail.
7. New Transition License Funding has been included for certain jurisdictions to help limit the Estimated Net Final Cost to the 2012 estimated level. Receipt of support is contingent on city providing in-kind services and county ability to provide resources and/or recover costs
8. Net Final Costs greater than \$0 will be reallocated to remaining jurisdictions with a negative net final cost, northern cities Net Final Costs shall be inclusive of their PAWS Sheltering costs.
9. Program Load Factor (LF) , per ILA Exhibit C, Part 4, Estimated Payment Calculation Formula, is the City's share of Budgeted Total Net Allocable Costs: it is the City's 2013 Service Year Total Animal Services Cost Allocation expressed as a percentage of the Budgeted Total Net Allocable Costs for 2013. Refer to the ILA for additional details.







# City Council Agenda Bill

**Meeting Date:** June 18, 2012

**Date Submitted:** June 13, 2012

**Originating Department:** Public Works

**Clearances:**

<input checked="" type="checkbox"/> City Manager	<input type="checkbox"/> Community Development	<input type="checkbox"/> Parks & Recreation
<input type="checkbox"/> Attorney	<input checked="" type="checkbox"/> Finance & IT	<input type="checkbox"/> Police
<input type="checkbox"/> Admin Services	<input type="checkbox"/> Fire	<input checked="" type="checkbox"/> Public Works

**Subject:** Stormwater Utility Rate Analysis

**Action Required:** Authorize the City Manager to execute a professional services agreement with FCS Group for analysis of the City's stormwater utility rates.

**Exhibits:** Agreement for Services

**Budget:** The proposed contract amount of \$24,180.00 will be funded out of the \$150,000 that is available in the 2012 Surface Water Management Fund under professional services (408-000-538-32-41-00)

**Summary Statement:**

This action authorizes the City Manager to execute a professional services agreement with FCS Group for stormwater utility rate analysis. This work will be performed in conjunction with the Stormwater Comprehensive Plan Update and will result in updated financing alternatives and a potential rate adjustment for the City Council's consideration during the development of the 2013-2014 Budget.

**Background:**

The Surface Water Management and Surface Water Capital funds account for the operation and maintenance of the City's existing stormwater system and future improvements to the system. These funds are primarily supported through two sources of revenue:

System Development Charges (SDC) - Paid from new development to ensure that all customers seeking to connect to the City's stormwater system bear their equitable share of the cost of both the existing and future systems. The City's SDC have not been updated since 2001.

Surface Water Fees (SWF) - Paid by existing property owners for the demand placed on the stormwater drainage system by their property's runoff. The City's SWF have not been updated since 2005.



## City Council Agenda Bill

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The City's cost to meet NPDES requirements and remain in compliance was not contemplated in the current fees and charges. In addition, the cost of operating the City's stormwater utility has increased since the last fee update. Inflation (as measured by CPI-U) has grown by approximately 25% since 2001 and 17% since 2005.

In 2009 the City contracted with FCS Group to provide a financing plan for the Surface Water operating and capital funds. This included analysis of the SWF and SDC rates; however, FCS Group was unable to complete their engagement since the City did not have a completed SWM Comprehensive Plan (including a six-year capital investment plan). This information will be available from the 2012 Comprehensive Plan Update this summer giving FCS Group adequate time to include it in their analysis.

### **Financial Impact:**

This action obligates the City to an amount not to exceed \$24,180.00. Sufficient funding exists within the 2011-2012 Surface Water Management Fund operating budget to pay for this contract.

### **Recommended Motion:**

Move to authorize the City Manager to execute a professional services agreement with FCS Group for stormwater utility rate analysis in an amount not to exceed \$24,180.00.

Exhibit 1

**CITY OF SAMMAMISH  
AGREEMENT FOR SERVICES**

Consultant: FCS GROUP

This Agreement is entered into by and between the City of Sammamish, Washington, a municipal corporation, hereinafter referred to as the "City," and FCS GROUP, hereinafter referred to as the "Consultant."

WHEREAS, the City desires to have certain services performed for its citizens; and

WHEREAS, the City has selected the Consultant to perform such services pursuant to certain terms and conditions;

NOW, THEREFORE, in consideration of the mutual benefits and conditions set forth below, the parties hereto agree as follows:

1. **Scope of Services to be Performed by Consultant.** The Consultant shall perform those services described in Exhibit "A" of this agreement. In performing such services, the Consultant shall comply with all federal, state, and local laws and regulations applicable to the performance of such services. The Consultant shall perform services diligently and completely and in accordance with professional standards of conduct and performance.

2. **Compensation and Method of Payment.** The Consultant shall submit invoices for work performed using the form set forth in Exhibit "B".

The City shall pay Consultant:

[Check applicable method of payment]

\_\_\_ According to the rates set forth in Exhibit "\_\_\_"

\_\_\_ A sum not to exceed

**X** Other (describe): a sum not to exceed \$24,180.00. Monthly invoicing is desired and should be based on work completed to date. Final payment will be made upon acceptance of the Report.

The Consultant shall complete and return to the City Exhibit "C," Taxpayer Identification Number, prior to or along with the first invoice submittal. The City shall pay the Consultant for services rendered within ten days after City Council approval.

3. **Duration of Agreement.** This Agreement shall be in full force and effect for a period commencing upon execution and ending December 31, 2012, unless sooner terminated under the provisions of the Agreement. Time is of the essence of this Agreement in each and all of its provisions in which performance is required.

4. **Ownership and Use of Documents.** Any records, files, documents, drawings, specifications, data or information, regardless of form or format, and all other materials produced by the Consultant in connection with the services provided to the City, shall be the property of the City whether the project for which they were created is executed or not

5. **Independent Contractor.** The Consultant and the City agree that the Consultant is an independent contractor with respect to the services provided pursuant to this Agreement. The Consultant will solely be responsible for its acts and for the acts of its agents, employees, subconsultants, or representatives during the performance of this Agreement. Nothing in this Agreement shall be considered to create the relationship of employer and employee between the parties hereto.

6. **Indemnification.** The Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from the negligent acts, errors or omissions of the Consultant, in performance of this Agreement, except for injuries and damage caused by the sole negligence of the City.

7. **Insurance.**

## Exhibit 1

A. The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

### 1 Minimum Scope of Insurance

Consultant shall obtain insurance of the types described below:

1. Automobile Liability insurance covering 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.
2. Commercial General Liability insurance shall be written on ISO occurrence form CG 00 01 and shall cover liability arising from premises, operations, independent contractors and personal injury and advertising injury. The City shall be named as an additional insured under the Contractor's Commercial General Liability insurance policy with respect to the work performed for the City.
3. Workers' Compensation coverage as required by the Industrial Insurance laws of the State of Washington.
4. Professional Liability insurance appropriate to the Consultant's profession.

### Minimum Amounts of Insurance

Consultant shall maintain the following insurance limits:

1. Automobile Liability insurance with a minimum combined single limit for bodily injury and property damage of \$1,000,000 per accident.
2. Commercial General Liability insurance shall be written with limits no less than \$1,000,000 each occurrence, \$2,000,000 general aggregate.
3. Professional Liability insurance shall be written with limits no less than \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

### Other Insurance Provisions

The insurance policies are to contain, or be endorsed to contain, the following provisions for Automobile Liability, Professional Liability and Commercial General Liability insurance:

1. The Consultant's insurance shall not be cancelled by either party except after thirty (30) days prior written notice has been given to the City

### 2 Verification of Coverage

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

### 8. Record Keeping and Reporting.

A. The Consultant shall maintain accounts and records, including personnel, property, financial, and programmatic records, which sufficiently and properly reflect all direct and indirect costs of any nature expended and services performed pursuant to this Agreement. The Consultant shall also maintain such other records as may be deemed necessary by the City to ensure proper accounting of all funds contributed by the City to the performance of this Agreement.

## Exhibit 1

**B.** The foregoing records shall be maintained for a period of seven years after termination of this Agreement unless permission to destroy them is granted by the Office of the Archivist in accordance with RCW Chapter 40.14 and by the City.

**9. Audits and Inspections.** The records and documents with respect to all matters covered by this Agreement shall be subject at all times to inspection, review, or audit by the City during the performance of this Agreement.

**10. Termination.**

A. This City reserves the right to terminate or suspend this Agreement at any time, with or without cause, upon seven days prior written notice. In the event of termination or suspension, all finished or unfinished documents, data, studies, worksheets, models, reports or other materials prepared by the Consultant pursuant to this Agreement shall promptly be submitted to the City

B. In the event this Agreement is terminated or suspended, the Consultant shall be entitled to payment for all services performed and reimbursable expenses incurred to the date of termination.

C. This Agreement may be cancelled immediately if the Consultant's insurance coverage is canceled for any reason, or if the Consultant is unable to perform the services called for by this Agreement.

D. The Consultant reserves the right to terminate this Agreement with not less than fourteen days written notice, or in the event that outstanding invoices are not paid within sixty days.

E. This provision shall not prevent the City from seeking any legal remedies it may otherwise have for the violation or nonperformance of any provisions of this Agreement.

**11. Discrimination Prohibited.** The Consultant shall not discriminate against any employee, applicant for employment, or any person seeking the services of the Consultant under this Agreement, on the basis of race, color, religion, creed, sex, age, national origin, marital status, or presence of any sensory, mental, or physical handicap.

**12. Assignment and Subcontract.** The Consultant shall not assign or subcontract any portion of the services contemplated by this Agreement without the prior written consent of the City.

**13. Conflict of Interest.** The City insists on the highest level of professional ethics from its consultants. Consultant warrants that it has performed a due diligence conflicts check, and that there are no professional conflicts with the City. Consultant warrants that none of its officers, agents or employees is now working on a project for any entity engaged in litigation with the City. Consultant will not disclose any information obtained through the course of their work for the City to any third party, without written consent of the "City". It is the Consultant's duty and obligation to constantly update its due diligence with respect to conflicts, and not the City's obligation to inquire as to potential conflicts. This provision shall survive termination of this Agreement.

**14. Confidentiality.** All information regarding the City obtained by the Consultant in performance of this Agreement shall be considered confidential. Breach of confidentiality by the Consultant shall be grounds for immediate termination.

**15. Non-appropriation of funds.** If sufficient funds are not appropriated or allocated for payment under this Agreement for any future fiscal period, the City will so notify the Consultant and shall not be obligated to make payments for services or amounts incurred after the end of the current fiscal period. This Agreement will terminate upon the completion of all remaining services for which funds are allocated. No penalty or expense shall accrue to the City in the event that the terms of the provision are effectuated.

**16. Entire Agreement.** This Agreement contains the entire agreement between the parties, and no other agreements, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind either of the parties. Either party may request changes to the Agreement. Changes which are mutually agreed upon shall be incorporated by written amendments to this Agreement.

**17. Notices.** Notices to the City of Sammamish shall be sent to the following address:

Exhibit 1

City of Sammamish  
801 228<sup>th</sup> Avenue SE  
Sammamish, WA 98075  
Phone number: (425) 295-0500

Notices to the Consultant shall be sent to the following address:

Company Name: FCS GROUP  
Contact Name: Karyn Johnson  
Street Address: 7525 166<sup>th</sup> Ave NE, Suite D-215  
City, State Zip: Redmond, WA 98052  
Phone Number: 425.867.1802, ext. 241  
Email: karynj@fcsgroup.com

**18. Applicable Law; Venue; Attorneys' Fees.** This Agreement shall be governed by and construed 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 exclusively in King County, Washington. The prevailing party in any such action shall be entitled to its attorneys' fees and costs of suit, which shall be fixed by the judge hearing the case and such fee, shall be included in the judgment.

**19. Severability.** Any provision or part of this Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the City and the Consultant, who agree that the Agreement shall be reformed to replace such stricken provision or part with a valid and enforceable provision that comes as close as reasonably possible to expressing the intent of the stricken provision.

CITY OF SAMMAMISH, WASHINGTON

CONSULTANT

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: City Manager

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest/Authenticated:

Approved As To Form:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

## EXHIBIT A – SCOPE OF SERVICES

### **Task 1: Data Collection / Validation**

- 1.1 Prepare a written request for data / information needed for the study.
- 1.2 Review, analyze, and validate the data. Identify data limitations and/or issues for further discussion with City staff.
- 1.3 Prepare any necessary written requests for follow-up information. Coordinate with City staff via telephone and email to address data questions.

### **Task 2: Fiscal Policy Evaluation**

- 2.1 Review existing utility financial policies and identify potential new fiscal policies for evaluation.
- 2.2 Conduct an evaluation of existing policies and potential new policies to include reserve management (e.g., operating reserves, capital-related reserves, debt reserves, other); system reinvestment funding levels; debt coverage levels; and debt management strategies.
- 2.3 Document the need for reserves / fiscal policies, the basis for minimum thresholds, and the financial and rate impacts for establishing any new or revised policies.
- 2.4 Integrate recommended fiscal policies into the technical analyses.

### **Task 3: Capital Facilities Charges**

- 3.1 Review and evaluate the current methodology and structure of storm water capital facilities charges (CFCs). Recommend alternatives as warranted to promote revenue adequacy and customer equity, as well as adherence to state and industry guidelines.
- 3.2 Based on the results of Subtask 4.1, calculated storm water CFCs:
- 3.3 Determine the existing cost basis to be incorporated into the charge. This includes review and evaluation of existing system plant-in-service, contributed assets, interest accumulation, and other adjustments.
- 3.4 Determine the future cost basis to be incorporated into the charges. This includes review and evaluation of the current storm water capital improvement program (CIP) and the storm water system's share of transportation capital projects. Work with City staff and/or its consulting engineer to apportion capital projects / costs to existing and future customers.
- 3.5 Evaluate customer growth and determine system capacity that the existing and future planned system infrastructure can serve.
- 3.6 Calculate the maximum allowable CFC per equivalent service unit.
- 3.7 Calculate forecasted revenues from the charges and integrate into the capital funding analysis (Task 4) to update revenue sources available to help fund capital needs.

### **Task 4: Capital Financial Planning Analysis**

- 4.1 Using the spreadsheet model FCS GROUP developed for the previous study, analyze the ability of the City to fund the storm water capital program, including the surface water management program and the storm water portion of the Transportation Improvement Plan. Incorporate annual capital projects (including replacement needs) and associated costs for a five to 10-year study period. Escalate current day capital costs to the year of anticipated construction.
- 4.2 Identify potential sources of capital funding, to include annual cash contributions from rates, use of cash reserves, appropriate and /or necessary levels of debt financing, resources from new development, etc. Develop

## Exhibit 1

alternative strategies to fund the capital program over the study period. The budget provides for up to two (2) scenarios.

### **Task 5: Revenue Requirement Forecast**

- 5.1 Using the spreadsheet model FCS GROUP developed for the previous study, forecast and analyze the financial performance of the utility over the study period. Revenue requirements will be determined for up to two (2) “level of service” scenarios.
- 5.2 Forecast operating expenses over the five to 10-year study period. The current operating budget will be used as the starting point for this analysis. Incremental costs for level of service scenarios will be provided by City staff. Establish economic factors for use in escalating line item costs, such as direct salaries, benefits, and other commodities.
- 5.3 Forecast annual revenues over the study period including rate revenue adjusted for customer growth, miscellaneous fees and charges, and other miscellaneous revenues.
- 5.4 Integrate cash and coverage requirements from recommended fiscal policies (Task 2) and capital financing strategies (Task 4).
- 5.5 Compare forecasted annual financial needs against forecasted annual revenues over the forecast period for the revenue requirement scenarios. Identify revenues shortfalls and calculate annual and overall adjustments needed in utility user rate levels to recover the full cost of service over the study period.

### **Task 6: Rate Structure Evaluation**

- 6.1 Review, analyze, and compile utility customer information, including customer class, impervious surface area, percent coverage, acreage, and any other relevant measures.
- 6.2 Apply prevailing rates to the customer data set to determine whether the historical information serves as a valid basis for calculating storm water user rates that will generate the correct amount of revenue. Depending on the initial outcome, this could include follow-up with City staff to determine potential reasons for any discrepancies.
- 6.3 Evaluate the existing rate structure in terms of revenue stability, equity, simplicity, industry practice, ease of administration, etc. Recommend alternative structures / refinements as warranted. Include a qualitative review of advantages/disadvantages of existing and proposed rate structures. The budget provides for up to two (2) alternative structures.
- 6.4 Review current storm water credit and exemption practices. Recommend changes as warranted.
- 6.5 Calculate rates under each alternative rate structure. Prepare sample storm water bill comparisons for the residential class, comparing existing and proposed rate impacts.

### **Task 7: Meetings & Presentations**

- 7.1 Prepare materials and meet with City staff at key points during the study to review interim findings and receive policy direction. The budget provides for up to two (2) meetings.
- 7.2 Prepare materials and meet with the City Council to present study findings and recommendations. The budget provides for up to two (2) meetings.

### **Task 8: Documentation**

- 8.1 Prepare and submit a technical memorandum summarizing study findings and recommendations. The draft will be provided in electronic format.
- 8.2 Incorporate City staff comments as appropriate and deliver a final version in hard copy and electronic (pdf) format. The details of the analysis will be included as a technical appendix. Electronic versions of the spreadsheet models will also be submitted in Excel format.

### **Task 9: Project Administration / Management**

- 9.1 Perform miscellaneous project set up activities, work paper documentation, internal scheduling / workload planning, invoicing, ongoing client correspondence, and other miscellaneous administrative / project management activities throughout the course of the study.



## *REQUEST FOR CONSULTANT PAYMENT*

To: City of Sammamish  
 801 228<sup>th</sup> Avenue SE  
 Sammamish, WA 98075  
 Phone: (425) 295-0500  
 FAX: (425) 295-0600

Invoice Number: \_\_\_\_\_ Date of Invoice: \_\_\_\_\_

Consultant: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
 \_\_\_\_\_

Telephone: \_\_\_\_\_

Email Address: \_\_\_\_\_

Contract Period: \_\_\_\_\_ Reporting Period: \_\_\_\_\_

Amount requested this invoice: \$ \_\_\_\_\_

Specific Program: \_\_\_\_\_

\_\_\_\_\_  
 Authorized signature

***ATTACH ITEMIZED DESCRIPTION OF SERVICES PROVIDED***

***For Department Use Only***

Total contract amount	
Previous payments	
Current request	
Balance remaining	

Authorization to Consultant: \$
Account Number:
Date:

Approved for Payment by: \_\_\_\_\_ Date: \_\_\_\_\_

***Finance Dept.***

Check # \_\_\_\_\_ Check Date: \_\_\_\_\_



*1.1*

*1.2 TAX IDENTIFICATION NUMBER*

In order for you to receive payment from the City of Sammamish, the must have either a Tax Identification Number or a Social Security Number. The Internal Revenue Service Code requires a Form 1099 for payments to every person or organization other than a corporation for services performed in the course of trade or business. Further, the law requires the City to withhold 20% on reportable amounts paid to unincorporated persons who have not supplied us with their correct Tax Identification Number or Social Security Number.

Please complete the following information request form and return it to the City of Sammamish prior to or along with the submittal of the first billing invoice.

Please check the appropriate category:

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Corporation           | <input type="checkbox"/> Partnership     | <input type="checkbox"/> Government Consultant |
| <input type="checkbox"/> Individual/Proprietor | <input type="checkbox"/> Other (explain) |  |

TIN No.: \_\_\_\_\_

Social Security No.: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Business Name: \_\_\_\_\_

Business Address: \_\_\_\_\_

Business Phone: \_\_\_\_\_

\_\_\_\_\_  
Date

\_\_\_\_\_  
Authorized Signature (Required)

*COUNCIL*  *MINUTES*

**Regular Meeting**  
**June 5, 2012**

Mayor Tom Odell called the regular meeting of the Sammamish City Council to order at 6:30 pm.

**Councilmembers present:** Mayor Tom Odell, Deputy Mayor John James, Councilmembers John Curley, Don Gerend, Ramiro Valderrama, Tom Vance and Nancy Whitten.

**Staff present:** City Manager Ben Yazici, Public Works Director Laura Philpot, Parks & Recreation Director Jessi Richardson, Administrative Services Director Mike Sauerwein, City Attorney Bruce Disend, and City Clerk Melonie Anderson.

**Roll Call/Pledge of Allegiance**

Roll was called. Wolf Den 571 led the pledge.

**Approval of Agenda**

**MOTION:** Councilmember James moved to amend the agenda by moving the Public Comment to come before the presentations. Councilmember Vance seconded.

**AMENDMENT:** Councilmember Whitten moved to amend the Consent Agenda by removing Items #3-Resolution: Appointing Members to the Sammamish Youth Board and #9 Bid Award: Eastlake Ball field Project/Specialized Landscaping moving them to Unfinished Business.

**AMENDMENT:** Councilmember James requested that Item #12 - Approval: May 14, 2012 Special Meeting Minutes be removed from the consent agenda and moved to Unfinished Business.

Motion carried unanimously 7-0.

**Student Liaison Reports**

- Eastlake High School (Felipe Concha) – Prom was last weekend and was a great success. The school year is winding down. He thanked Council for the opportunity to serve as Student Liaison.
- Eastside Catholic High School (Chad Brown) – School is over next Thursday. Baseball and LaCrosse teams placed second in state. He also thanked the Council for the opportunity to serve as the Student Liaison
- Skyline High School (Eric Thies) – Graduation is next week. The last day of school is June 17. The Prom was last week and was very successful.

Mayor Odell presented all the Liaisons with a certificate of appreciation for all their work this year as well as a small gift.

### **Public Comment**

Frank Blau, 24742 SE 28<sup>th</sup> Place, He wanted to let the Council know that there are wild owls in Beaver Lake Park

John Balciunus, 2929 224<sup>th</sup> Place SE, Handed out written comments regarding using propane engines on Pine Lake. He requested that Council change the regulations to allow these types of engines on Pine Lake.

Kate Bradley 21625 SE 24<sup>th</sup> Street, She would like to see some off-lease dog hours in some of the parks, either very early in the morning or later in the evening.

Joyce O'Donnell , 4478 194<sup>th</sup> Way NE, She spoke regarding the barricades. She has done research on all of the remaining barricades. She provided this information to Council and staff.

Skip Safford, 233<sup>rd</sup> Avenue SE, He spoke about the Community center. He was very much against using money from the reserve fund for anything other than emergencies. He wanted to know how this money would be returned to the reserve fund if spent on a community center?

Erica Tiliacos, 1130 Lancaster Way SE, She spoke regarding the location of the proposed community garden. She has been performing a lot of volunteer time at the Lower Commons and she thinks this would be a very good place for the garden to be located. There is already irrigation there for the garden. It is very sunny and could be located in a part of the park that is currently underused.

### **Presentations/Proclamations**

- Fire Services Study – City Manager Ben Yazici introduced Peter Moy, principle for FCS Group, the consultant hired by the City to prepare alternatives for funding of fire services. Mr. Moy gave a PowerPoint presentation (available on the city's website at [www.ci.sammamish.wa.us](http://www.ci.sammamish.wa.us)). FCS group recommends a funding option based on a per-station cost at a sharing of 50% assessed value and 50% incident responses. They recommended contracting with EF & R as the first option, contracting with Redmond as the second option and the third option would be to form a city fire department.

Mr. Yazici introduced Lee Felling, Chair of the Fire Study Technical Advisory Group (TAB) comprised which also included former Councilmembers Ron Haworth and Kathy Huckabay. He presented their recommendation for fire services. He explained that the TAB chose FCS Group to conduct the study of fire service alternatives. They considered four alternatives: (1) Remain in the interlocal agreement with EF & R with changes to the agreement, (2) Contract with EF & R, (3) Contract with the City of Redmond or (4) form a city Fire Department. The committee felt governance was the main factor in making this decision. The TAB does not feel that a long term partnership with EF & R will provide the best service for Sammamish. They do not feel that there can be enough amendments made to the current agreement that will allow for a beneficial partnership. The committee does feel that contracting with EF & R would allow the city to better control costs. Sammamish should pass a resolution that eliminates the future alternative of continuing the ILA, direct the City Manager to negotiate a contract with EF & R and finally, if no

contract can be reached, the City Manager would develop alternatives to either contract with City of Redmond or form its own fire department. These alternatives would then be presented to the City Council.

MOTION: Councilmember Vance move to direct staff to develop a resolution that reflects the recommendations of the TAB and to conduct any necessary steps needed to accomplish those recommendations. Councilmember Curley seconded. Motion carried unanimously 7-0.

Council recessed from 8:43 pm to 8:54 pm

- Habitat for Humanity Award – Mr. Yazici explained that the City was given an award for helping to build affordable housing in the Issaquah Highlands.
- Emergency Management Plan/CERT – Deputy City Manager Lyman Howard gave the staff report and showed a PowerPoint presentation (available on the city’s website at [www.ci.sammamish.wa.us](http://www.ci.sammamish.wa.us)). Each Councilmember will be given a copy for review.
- Community Garden Location: Stephanie Hibner and Ann Precup, Co-Chairs of the Sammamish Community Garden Steering Committee and Ashley Walsh gave a presentation to Council. They showed a PowerPoint presentation (available on the city’s website at [www.ci.sammamish.wa.us](http://www.ci.sammamish.wa.us)). They requested Council to direct the Parks staff to study the possibility of relocating the community garden to the Lower Sammamish Commons.

MOTION Deputy Mayor James moved to stop spending any further funds on the Beaver Lake Park site and direct staff to come back to Council with alternate sites at both the Lower Commons and the SE 8<sup>th</sup> street Park. Councilmember Curley seconded. Motion carried 4-3 with Councilmembers Gerend, Whitten and Valderrama dissenting.

MOTION: Councilmember Whitten moved to direct staff to do some preliminary work on the feasibility of the Lower Commons as a new location. Councilmember Valderrama seconded. Motion failed 2-5 with Mayor Odell, Deputy Mayor James and Councilmembers Vance, Curley and Gerend dissenting.

**Consent Calendar**

Payroll for the period ending May 15, 2012 for pay date May 18, 2012 in the amount of \$255,638.98

Approval: Claims for period ending May 21, 2012 in the amount of \$731,116.14 for Check No. 32011 through No. 32174

Approval: Claims for period ending June 5, 2012 in the amount of \$132,635.34 for Check No. 32175 through No. 32242

Interlocal: Sammamish Plateau Water & Sewer District/2012 Overlay Project Utilities Coordination

Interlocal: Northeast Sammamish Sewer & Water District/2012 Overlay Project Utilities Coordination

Contract: On-Call Geotech/HWA

Contract: Special Event Sound/Live Sound Audio

Contract: Fireworks Display - Wolverine West

Approval: April 16, 2012 Regular Meeting Minutes

Approval: May 8, 2012 Study Session Notes

MOTION: Councilmember Gerend moved to approve consent calendar as amended. Councilmember Curley seconded. Motion carried unanimously 7-0.

### **Public Hearing**

MOTION: Councilmember Gerend moved to extend the time to 11:00 pm Councilmember Valderrama seconded. Motion carried unanimously 7-0

### **Unfinished Business**

Resolution: Appointing Members to the Sammamish Youth Board (SYB)

Councilmember Whitten feels that there are too many students on the Youth Board from north end schools. She also noted that this is the first year when all applicants have not been appointed. She questioned why this was. Parks & Recreation Director Jessi Richardson explained that the applications are reviewed by the Leadership of the SYB and they do not know which schools students are from. They are also considering reducing the number of the youth board members in upcoming years as the board is getting to be unwieldy.

MOTION: Councilmember Gerend moved to approve the resolution. Deputy Mayor James seconded. Motion carried unanimously 7—0.

Bid Award: Eastlake Ball field Project/Specialized Landscaping

Councilmember Ramiro asked what the Lake Washington School District was providing for this project. Ms. Richardson explained that they have donated the land. We split the income from the fields. Community use hours will be 2,400 hours over the course of the year.

MOTION: Councilmember Gerend moved to authorize the City Manager to award the bid. Deputy Mayor James seconded. Motion carried 5-2 with Councilmembers Valderrama and Whitten dissenting.

Approval: May 14, 2012 Special Meeting Minutes

MOTION: Deputy Mayor James moved to amend the minutes to include under Council Reports that Council authorized Eastside Transportation Partnership (ETP) representatives Councilmember Curley, Deputy Mayor James or alternates, Mayor Odell and Councilmember Gerend could cast votes on the Council's behalf in an emergency situation at ETP meetings. Motion carried unanimously 7-0.

### **New Business -None**

**Council Reports - None**

**Committee Reports - None**

**City Manager Report**

- Transportation Comprehensive Plan, Level of Service and Impact Fees
- Neighborhood Drainage Projects
- 228<sup>th</sup> Avenue Operational Analysis

**Executive Session – Executive Session** – Property Acquisition pursuant to RCW 42.30.110(1)(c) and Personnel pursuant to RCW 42.30.110(1)(g)

Council retired to Executive Session at 10:30 pm and returned at 11:15 pm. No action was taken.

Meeting adjourned at 11:15 pm.

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Melonie Anderson, City Clerk

---

Thomas T. Odell, Mayor





# City Council Agenda Bill

**Meeting Date:** June 18, 2012

**Date Submitted:** May 30, 2012

**Originating Department:** City Manager

**Clearances:**

<input checked="" type="checkbox"/> City Manager	<input type="checkbox"/> Community Development	<input type="checkbox"/> Parks & Recreation
<input type="checkbox"/> Attorney	<input type="checkbox"/> Finance & IT	<input type="checkbox"/> Police
<input type="checkbox"/> Admin Services	<input type="checkbox"/> Fire	<input checked="" type="checkbox"/> Public Works

**Subject:** Resolution Adopting the 2013-2018 Six-Year Transportation Improvement Plan (TIP)

**Action Required:** Adopt attached Resolution

**Exhibits:**

1. Resolution adopting the 2013-2018 Six-Year Transportation Improvement Plan
2. 2013-2018 Six-Year Transportation Improvement Plan

**Budget:** Not Applicable

**Summary Statement:**

All cities are required by state law (RCW Chapter 35.77) to have a Six-Year Transportation Improvement Program (TIP) and to adopt an update of the TIP annually. These updates must be pursuant to one or more public hearings and shall be consistent with the City's Comprehensive Plan. Lastly, the annual TIP must be filed with the Secretary of Transportation within thirty days after adoption.

The TIP is a planning document containing transportation capital improvement programs and projects the City foresees undertaking over the next six years. The TIP by itself does not authorize projects to move forward nor provide funding for any of its listed projects; for that to occur requires that individual projects be funded through the City's normal budget adoption process.

**Background:**

This is an annual adoption that is required by State law. Resolution 2011-459 adopting the 2012-2017 TIP was unanimously approved (5-0) at the June 20, 2011 City Council Meeting and included \$13.7 million in transportation improvements. The 2013-2018 TIP includes \$17.7 million in transportation improvements, representing an increase of approximately 29% from the previous year's TIP.

This update to the TIP is continuing the annual progression along the 18-year TIP that was developed in collaboration with the new road impact fee adopted by the City Council in 2006; however the majority of the concurrency-related capital roadway projects have been pushed out to later years than what was previously approved. This change reflects the continued slowdown in the development market and the overall economy. Notable changes to this update of the TIP include adding the following new projects:

- 1) Issaquah-Pine Lake Rd / SE 48<sup>th</sup> St Intersection
- 2) 228<sup>th</sup> Ave SE – SE 32<sup>nd</sup> St to Issaquah-Pine Lake Rd
- 3) Sammamish ITS Phase I - 228th Avenue



## City Council Agenda Bill

---

Additionally, the proposed future improvements to East Lake Sammamish Parkway NE (projects 1 & 2) continue to be listed on the TIP while Staff works with the Planning Commission and City Council to consider revisions to the City's Level of Service for Concurrency.

### **Financial Impact:**

There is no financial impact at this time. The 6-year TIP is a planning document and as such does not commit the City to any financial obligations. Council will encounter and address the financial impacts in the future as they appropriate funding for the various projects listed in the 6-year TIP. Listing a project on the TIP allows it to be eligible for grant funding.

### **Recommended Motion:**

Move to adopt, by Resolution Number 2012-\_\_\_\_, the 2013-2018 Six-Year Transportation Improvement Plan as attached.

**CITY OF SAMMAMISH  
WASHINGTON  
RESOLUTION NO. R2012-\_\_\_\_\_**

---

**A RESOLUTION OF THE CITY OF SAMMAMISH,  
WASHINGTON, ADOPTING AN UPDATED SIX-YEAR  
TRANSPORTATION IMPROVEMENT PLAN FOR 2013-2018**

WHEREAS, state law requires the legislative body of each city to prepare and adopt a comprehensive transportation improvement plan for the ensuing six years; and

WHEREAS, the purpose of such plan is to assure that each city shall have plans looking to the future, for not less than six years, as a guide in carrying out a coordinated transportation program; and

WHEREAS, if a city has adopted a comprehensive plan, state law provides that the transportation improvement plan shall be consistent with the comprehensive plan; and

WHEREAS, the adoption of a transportation improvement plan will allow the City to coordinate planning efforts, mitigate certain transportation impacts, and pursue grant funding for transportation projects; and

WHEREAS, the updated plan is consistent with recent changes to RCW 35.77.010 and incorporates urban planning approaches that promote physical activity and non-motorized and transit oriented projects; and

WHEREAS, the City has conducted an environmental review of the plan in accordance with the State Environmental Policy Act, Chapter 43.21C RCW; and

WHEREAS, the Planning Commission and City Council have conducted a public hearings to receive comments on the proposed plan;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAMMAMISH,  
WASHINGTON, DOES RESOLVE AS FOLLOWS:**

Section 1. Adoption of Transportation Improvement Plan. The City hereby adopts the Six-Year Transportation Improvement Plan, 2013-2018, attached hereto as Exhibit “A” and incorporated herein by reference.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this Ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this Ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

**PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON  
THE \_\_\_\_ DAY OF \_\_\_\_\_, 2012**

CITY OF SAMMAMISH

APPROVED

\_\_\_\_\_  
Mayor Thomas T. Odell

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Melonie Anderson, City Clerk

Approved as to form:

\_\_\_\_\_  
Bruce L. Disend, City Attorney

Filed with the City Clerk: May 26, 2012

Passed by the City Council: \_\_\_\_\_, 2012

Resolution No.: R2012 - \_\_\_\_\_



**DRAFT 2013 - 2018 SIX YEAR TRANSPORTATION IMPROVEMENT PROGRAM**

**Project List and Total Project Expenditure Summary\* (\*subject to City Council budget decisions)**

*All Projects costs and revenue projections are in 2011 dollars*

TIP	Project Title	Total Project	2013	2014	2015	2016	2017	2018	Future Years	6 Yrs Total
CONCURRENCY	1	East Lake Sammamish Parkway NE - ♦ NE 26th St to 196th Ave NE								
		Widen with bike lanes and pedestrian facilities	12,630,000						12,230,000	0
	2	East Lake Sammamish Parkway NE - ♦ 196th Ave NE to 187th Ave NE								
		Widen with bike lanes and pedestrian facilities	15,910,000						15,510,000	0
	3	Issaquah-Pine Lake Rd - Klahanie Blvd to SE 32nd								
		Widen to 3 lanes with bike lanes, curb, gutter, and sidewalk	22,370,000						22,370,000	0
	4	Issaquah-Pine Lake Rd - SE 48th to Klahanie Blvd								
		Widen to 5 lanes with bike lanes, curb, gutter and sidewalk	23,850,000				1,000,000	2,500,000	20,350,000	3,500,000
	5	East Lake Sammamish Parkway SE / SE 24th St Intersection								
		Construct traffic signal, turn lanes, curb, gutter & sidewalk	5,010,000						5,010,000	0
	6	Sahalee Way NE - 220th Ave NE to North City Limits								
		Widen to 3 lanes with bike lanes, curb, gutter, and sidewalk	21,240,000						21,240,000	0
	7	Issaquah-Pine Lake Rd / SE 48th St Intersection								
		Construct interim traffic signal	200,000	200,000						200,000
8	218th Ave SE - SE 4th St to E Main St									
	Widen to 2 lanes with curb, gutter, and sidewalk	1,000,000		1,000,000					1,000,000	
9	228th Ave SE - SE 32nd St to Issaquah-Pine Lake Rd									
	Provide additional southbound through lane	800,000			125,000	675,000			800,000	
10	Sammamish ITS Phase I - 228th Avenue									
	Establish an Intelligent Transportation System along 228th Avenue from Issaquah-Pine Lake Rd to NE 12th Pl	600,000	400,000	200,000					600,000	
11	Public Works Trust Fund Loan Repayment									
	228th Ave NE Improvements	10,546,410	557,333	554,667	552,000	549,333	546,667	544,000	1,616,000	3,303,999
12	244th Ave SE - SE 32nd St to SE 24th St									
	Provide non-motorized facilities	1,250,000	1,250,000							1,250,000
13	Sahalee Way NE - NE 25th Way to NE 37th Wy									
	Provide non-motorized facilities (design only)	100,000		100,000					100,000	
14	Non-motorized Transportation Projects									
	Sidewalks, Trails, Bikeways, and Paths, etc.	3,650,000		650,000	750,000	750,000	750,000	750,000	3,650,000	
15	Sidewalk Projects									
	Various sidewalk projects, includes gap projects, extensions, safety improvements.	1,500,000	250,000	250,000	250,000	250,000	250,000	250,000	1,500,000	
16	Intersection and Safety Improvements									
	Various intersection and other spot improvements as needed, including channelization, signing, safety improvements, signalization, or other traffic control devices.	1,200,000	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000	
17	Neighborhood CIP									
	Various capital improvements including safety improvements, gap projects, bike routes, pedestrian safety enhancements, and school zone safety improvements.	600,000	100,000	100,000	100,000	100,000	100,000	100,000	600,000	
18	Local Improvement Districts									
	Matching funds for use with neighborhood cooperative LID improvements	0	0	0	0	0	0	0	0	
<b>6-Yr Total Project Expenditures - Transportation</b>			<b>2,957,333</b>	<b>3,054,667</b>	<b>1,977,000</b>	<b>2,524,333</b>	<b>2,846,667</b>	<b>4,344,000</b>	<b>98,326,000</b>	<b>17,703,999</b>
<b>Total Expenditures</b>			<b>2,957,333</b>	<b>3,054,667</b>	<b>1,977,000</b>	<b>2,524,333</b>	<b>2,846,667</b>	<b>4,344,000</b>	<b>98,326,000</b>	<b>17,703,999</b>

♦ NOTE: Future phases of improvements for East Lake Sammamish Parkway are listed until planned Level of Service revisions are adopted in 2013.

Operating Contribution Percentage	100%	100%	100%	100%	100%	100%		
2013 Beginning Fund Balance	9,039,000	0	0	0	0	0	0	9,039,000
Transportation Fund Revenue (REET)	1,050,000	1,100,000	1,100,000	1,150,000	1,150,000	1,150,000	1,150,000	6,700,000
Road Impact Fees	1,559,670	1,336,860	1,336,860	1,336,860	1,114,050	1,114,050	1,114,050	7,798,350
Anticipated grants	500,000	0	0	0	0	0	0	500,000
<b>TOTAL</b>	<b>12,148,670</b>	<b>2,436,860</b>	<b>2,436,860</b>	<b>2,486,860</b>	<b>2,264,050</b>	<b>2,264,050</b>	<b>2,264,050</b>	<b>24,037,350</b>
Accumulative Project Expenditures	2,957,333	6,012,000	7,989,000	10,513,333	13,359,999	17,703,999		
Annual Cash Flow Surplus or Deficit	9,191,337	-617,807	459,860	-37,473	-582,617	-2,079,950		
Accumulative Cash Flow Surplus or Deficit	9,191,337	8,573,530	9,033,390	8,995,917	8,413,301	6,333,351		





# City Council Agenda Bill

**Meeting Date:** June 18, 2012

**Date Submitted:** May 30, 2012

**Originating Department:** Admin Services

**Clearances:**

City Manager

Attorney

Admin Services

Community Development

Finance & IT

Fire

Parks & Rec

Police

Public Works

**Subject:** Resolution Approving the Recommendations of the Fire Services Technical Advisory Board

**Action Required:** Adoption of the Resolution Approving the Recommendations of the Fire Services Technical Advisory Board

**Exhibits:**

1. Resolution Approving the Recommendations of the Fire Services Technical Advisory Board
2. The FCS Group - Fire Services Evaluation Study

**Budget:** 2012 Fire Services Department Budget – \$5,857,927

**Summary Statement:**

This is a Resolution approving the recommendations of the Fire Services Technical Advisory Board

**Background:**

The City currently receives fire protection and emergency medical services from Eastside Fire and Rescue (EF&R). EF&R is a partnership created through an Interlocal Agreement between the City of Sammamish, the City of Issaquah, the City of North Bend, Washington Fire Protection District 10, and Washington Fire Protection District 38. The current Interlocal Agreement expires December 31, 2014 and will be renewed automatically for an additional 7 years unless a partner provides notice of withdrawal by January 2014.

In order to evaluate the City's fire protection and emergency medical services, the City solicited proposals from emergency management consultants. After reviewing the proposals the City Council selected the FCS Group. The City Council also appointed a Technical Advisory Board made up of former City Council Members to work with the FCS Group.

The FCS Group and the Technical Advisory Board's evaluation included:



## City Council Agenda Bill

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- EF&R's Finances – A review of EF&R's current finances
- Funding Model – A review of EF&R's current funding model and suggestions for alternative funding models
- Operational Issues – A review of fire and emergency medical operations
- Alternative Options for City Fire and Emergency Medical Service – Investigation of options for providing fire and emergency medical services

On June 5, 2012 the FCS Group and the Technical Advisory Board presented their recommendations to the City Council. The City Council directed Staff to return with a Resolution adopting the Technical Advisory Board's recommendations.

### **Financial Impact:**

The City's 2012 Fire Services Department Budget is \$5,857,927.

### **Recommended Motion:**

Move to adopt the Resolution approving the recommendations of the Fire Services Technical Advisory Board.

**CITY OF SAMMAMISH  
WASHINGTON  
RESOLUTION NO. R2012-\_\_\_**

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**A RESOLUTION OF THE CITY OF SAMMAMISH,  
WASHINGTON, APPROVING THE RECOMMENDATIONS OF  
THE FIRE SERVICES TECHNICAL ADVISORY BOARD**

WHEREAS, the City of Sammamish has received fire services through Eastside Fire & Rescue since the City was incorporated; and

WHEREAS, Eastside Fire & Rescue is a partnership created through an Interlocal Agreement between the City of Sammamish, the City of Issaquah, the City of North Bend, Washington Fire Protection District 10, and Washington Fire Protection District 38; and

WHEREAS, the current Eastside Fire & Rescue Interlocal Agreement expires December 31, 2014 and will be renewed automatically for an additional 7 years unless a partner provides notice of withdrawal by January 2014; and

WHEREAS, Eastside Fire & Rescue meets or exceeds their emergency medical and fire turnout and response time standards over 90% of the time; and

WHEREAS, the City of Sammamish's participation in a regional and cooperative approach to fire services increases the level of service received by our citizens and decreases duplication; and

WHEREAS, cooperative efforts have allowed for an efficient and integrated deployment plan which strategically places and deploys resources regardless of jurisdictional boundaries; and

WHEREAS, the Eastside Fire & Rescue funding formula places undue emphasis on property values rather than other significant factors, such as the number of calls for service; and

WHEREAS, the current Eastside Fire & Rescue cost allocation formula has created an inequitable financial burden upon the residents and taxpayers of Sammamish; and

WHEREAS, the City of Sammamish engaged a consultant firm to assist the City in determining how best to provide high quality and cost effective fire services following the expiration of the Interlocal Agreement; and

WHEREAS, the City Council appointed a Technical Advisory Board composed of former City Council members to meet with the consultant firm and assist in evaluating the best means of providing fire services to the City; and

WHEREAS, the consultant has prepared a Fire Services Evaluation Study which recommends that the City modify the manner by which fire services are provided to its residents;

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAMMAMISH, WASHINGTON, DO RESOLVE AS FOLLOWS:**

Section 1. Acceptance of the Fire Services Evaluation Study and Technical Advisory Board Recommendation. The City Council hereby approves the recommendations set forth in the Fire Services Evaluation Study, which includes the following:

1. The City will pursue a contract for Fire Services directly with Eastside Fire & Rescue.
2. If the City is unsuccessful in negotiating a contract with Eastside Fire & Rescue, the City will pursue a contract for Fire Services with the City of Redmond, Washington.
3. If the City is unsuccessful in negotiating contracts with Eastside Fire & Rescue, or the City of Redmond, then a City of Sammamish Fire Department will be created to provide Fire Services.

Section 2. City Manager Authorization The City Manager is hereby authorized to pursue negotiations for Fire Services with Eastside Fire & Rescue and, if necessary, the City of Redmond, Washington. As a last alternative, the City Manager is authorized to take all necessary steps to create a City of Sammamish Fire Department.

Section 3. Effective Date. This resolution shall take effect immediately upon signing.

**PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 2012.**

CITY OF SAMMAMISH

\_\_\_\_\_  
Mayor Thomas T. Odell

ATTEST/AUTHENTICATED:

\_\_\_\_\_  
Melonie Anderson, City Clerk

Exhibit 1

Approved as to form:

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Bruce L. Disend, City Attorney

Filed with the City Clerk: June 13, 2012

Passed by the City Council:

Resolution No.:





## Fire Services Evaluation Study



June 5, 2012

### FCS GROUP

7525 166th Avenue NE, Suite D-215  
Redmond, WA 98052  
T: 425.867.1802 | F: 425.867.1937

This entire report is made of readily recyclable materials, including the bronze wire binding and the front and back cover, which are made from post-consumer recycled plastic bottles.

## Exhibit 2

Redmond Town Center  
7525 166th Ave. NE Suite D-215  
Redmond, Washington 98052  
T: 425.867.1802 F: 425.867.1937

225 Bush Street  
Suite 1825  
San Francisco, California 94104  
T: 415.445.8947 F: 415.398.1601

4380 SW Macadam Avenue  
Suite 220  
Portland, OR 97239  
T: 503.841.6543 F: 503.841.6573



June 5, 2012

Mr. Mike Sauerwein  
Administrative Services Director  
City of Sammamish  
801 228<sup>th</sup> Avenue SE  
Sammamish, Washington 98075

Subject: Fire Services Evaluation Study

Dear Mr. Sauerwein:

Enclosed is our final report on the results of our evaluation of Sammamish's fire services and future alternatives. We want to thank you for your assistance and cooperation in helping us gather data and in setting up the Citizens Committee meetings. In addition, we also want to acknowledge the EF&R staff for their assistance. Based on our research and analysis, alternatives for fire services have been identified, and our study results will provide both the Citizens Committee and the City Council with a framework to assess the City's future options for providing fire services. If you have any questions, please feel free to contact me at (425) 867-1802 extension 228.

Sincerely,

A handwritten signature in black ink that reads "Peter Moy". The signature is written in a cursive style with a large, looped "M" at the end.

Peter Moy  
Principal

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APPENDIX A: STATION INCIDENTS AND PARTNER CONTRIBUTIONS

APPENDIX B: COST ASSUMPTIONS

## CHAPTER I: INTRODUCTION

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To assure that its citizens are receiving cost effective fire and emergency medical services (EMS), the City of Sammamish initiated a fire services evaluation that reviews certain financial and operational aspects of its interlocal agreement with Eastside Fire & Rescue (EF&R). At the same time the EF&R Board has formed a Committee of the Whole to review the current interlocal agreement and to identify any potential changes that are needed to the agreement. The City of Sammamish engaged FCS GROUP and mHc Associates to assist the City in analyzing how to provide high quality and cost effective City fire services. As part of the City's effort, the City Council also appointed a Citizens Committee to help the Council evaluate alternatives. The citizens appointed to the Committee were Kathy Huckabay, Lee Felling and Ron Haworth, and all of them have a mix of EF&R board experience and financial expertise.

FCS GROUP's scope of work included a number of specific tasks that involved an emphasis on the following:

- ◆ Reviewing the EF&R current finances,
- ◆ Analyzing the current funding model and identifying alternatives,
- ◆ Developing and analyzing alternatives for providing fire and emergency medical services,
- ◆ Identifying potential operational alternatives and issues related to specific alternatives, and
- ◆ Facilitating and coordinating with the Citizens Committee.

We want to acknowledge the assistance we received from the City's Mike Sauerwein for providing city data, organizing the Committee meetings, and acting as the liaison with EF&R. Also, EF&R's Deputy Chiefs Wes Collins and Bud Backer assisted with the data gathering, and their staff provided timely responses to our requested EF&R data and information.

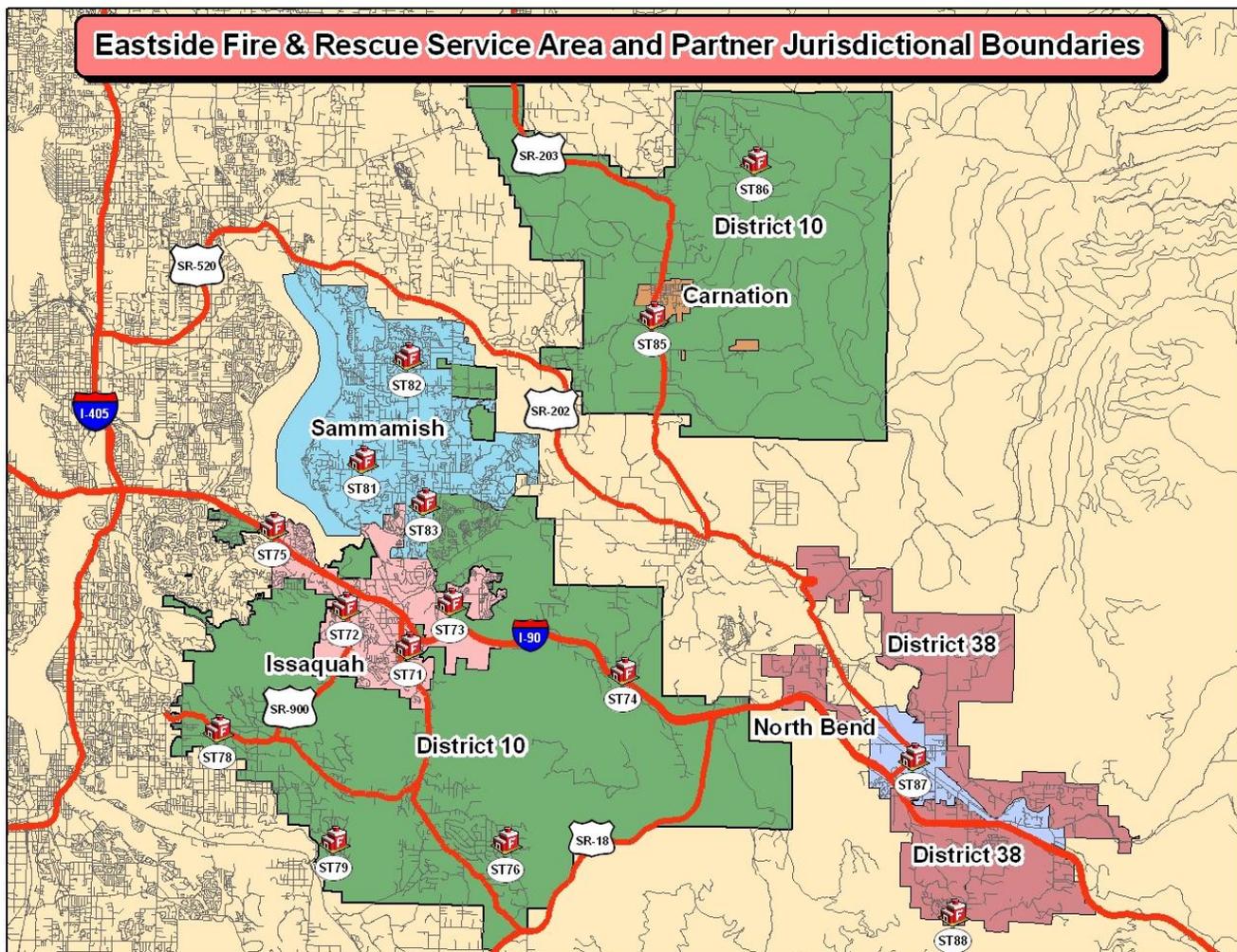
### BACKGROUND ON THE PARTNERSHIP

After Sammamish became a city in 1999, it joined Eastside Fire and Rescue in January 2000 through an interlocal agreement rather than creating its own fire department. Eastside Fire and Rescue was formed on January 1, 1999, by consolidating the services provided by several fire districts and cities. The jurisdictions included King County Fire Districts #10 and #38 and the Cities of Issaquah and North Bend. As part of the interlocal agreement, Eastside Fire & Rescue is governed by a Board that consists of representatives from each of the jurisdictions that comprise Eastside Fire & Rescue. The eight member Board includes two representatives from Sammamish. The City previously renewed its initial agreement in 2007, and the current interlocal agreement expires December 31, 2014. It will be automatically renewed for an additional seven years unless the City provides notice of withdrawal by January 2014.

EF&R provides fire, EMS, fire prevention, public education, hazardous materials, and search and technical rescue services to all participating agencies. Some services, such as hazardous materials, are provided and staffed on a regional basis and not by individual stations. EF&R operates 15 fire stations that cover about 190 square miles. Three stations operate within the City of Sammamish. The City's three stations are staffed with full time personnel as well as volunteer staff.

Fire and emergency medical services are very labor and resource intense operations. While some communities are able to mitigate the majority of the emergency situations and service demands in their municipality with a minimal force, the potential for escalating, catastrophic events or multiple concurrent events occurring is always prevalent and requires communities to “overbuild” their own fire department for the potential “big one”. To assist in these situations, systems of regional mutual or automatic aid from neighboring fire agencies are developed to assist in reducing the amount of facilities, staffing and resources each jurisdiction must accumulate and have available. The most descriptive outcome of belonging to a cooperative effort between partnering communities is the increase in the level of service and the decrease in duplication such as multiple fire chiefs. Cooperative efforts allow a more efficient and integrated deployment plan which strategically places and deploys resources regardless of jurisdictional boundaries. Exhibit 1 shows a map of the Stations and areas covered by EF&R.

**Exhibit 1**  
**EF&R Service Area Map**

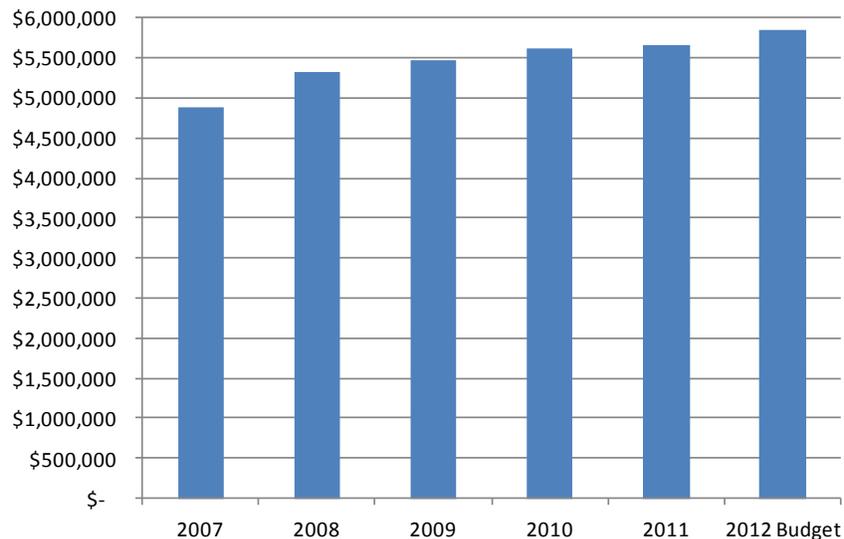


## CITY COSTS FOR FIRE SERVICES

The City’s costs for fire services have been increasing over the past six years. In 2007 its contribution to EF&R was about \$4.9 million and has grown to about \$5.9 million in 2012, a 20

percent increase. Despite the increase in costs, the percentage of the City's General Fund that has been spent for fire services from 2007 to 2011 has ranged between 19 and 22 percent, and because of a large increase in 2012 General Fund expenditures, only 16 percent of the General Fund will be spent on fire services in 2012. Exhibit 2 shows the EF&R contributions for the past six years.

**Exhibit 2**  
**2007-2012 EF&R Contributions**



## EF&R COSTS

Over the same period of time, EF&R's operating budget has also increased. In 2007, the EF&R operating expenditures were \$18.7 million, and for 2012 the budgeted expenditures are \$21.6 million, an increase of \$2.8 million or 15.2 percent. Most of the increase in expenditures occurred in 2008 and 2009. In 2008 expenditures increased by almost \$1.9 million, and in 2009 they increased again by slightly more than \$1.3 million. In 2008 the largest percentage increases occurred in EF&R Administration, Fire Prevention, Training, and Facilities, but the largest dollar increase occurred in EF&R's Operations at almost \$1 million. In 2009, there was another \$1 million increase in EF&R's Operations and another \$200,000 increase in Administration. Although there were large increases in 2008 and 2009, 2010 and 2011 actual expenditures and the 2012 budgeted expenditures have been slightly less than what was spent in 2009. Exhibit 3 shows the expenditures by major EF&R function. Some of EF&R's smaller expenditure categories have been combined with larger categories. For example, expenditures for the Chaplain and the wellness program have been included as part of Administration/Support Services. Major expenditure categories for Information Technology and Communications, Volunteers, and EMS have been combined with the Operations category. As expected, most of EF&R's expenditures, about 76 percent, are for personnel staffing the stations that provide fire and EMS services. These costs are in the Operations category.

**Exhibit 3**  
**2007- 2012 EF&R Expenditures by Function**

<b>Division/ Function</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012 Budget</b>
Admin/Support Svcs	\$3,657,586	\$4,439,269	\$4,494,921	\$4,389,684	\$4,642,034	\$4,494,832
Operations	\$14,564,166	\$15,520,404	\$16,581,564	\$16,245,908	\$16,512,951	\$16,584,460
Public Education	\$163,763	\$122,593	\$127,231	\$129,531	\$115,858	\$127,152
Fire Prevention	\$329,057	\$501,682	\$511,899	\$401,358	\$343,143	\$357,575
<b>Total</b>	<b>\$18,714,572</b>	<b>\$20,583,948</b>	<b>\$21,715,615</b>	<b>\$21,166,482</b>	<b>\$21,613,987</b>	<b>\$21,564,019</b>

The partner contributions provide most of the funding, but besides the partner contributions, the three other primary revenue sources are from the King County Medic One Levy, ambulance transport fees, and AMR contract penalties. The King County Medic One Levy funds are based on a formula that involves each jurisdiction's percentage of the County's assessed valuation and the number of basic life support calls. An estimate from the County's Medic One office indicates that the City of Sammamish's 2012 share of the Medic One revenue is slightly over \$400,000. Exhibit 4 shows the revenues from these sources.

**Exhibit 4**  
**2007- 2012 EF&R Major Non-Partner Revenues**

<b>Revenue Source</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012 Budget</b>
King County Medic One	\$949,850	\$1,319,470	\$1,373,557	\$1,364,430	\$1,376,127	\$1,395,499
Transport Fees	-	-	-	-	\$533,984	\$451,200
AMR Contract Penalties	-	\$105,600	\$163,100	\$135,200	\$163,400	\$215,025
<b>Total</b>	<b>\$949,850</b>	<b>\$1,425,070</b>	<b>\$1,536,657</b>	<b>\$1,499,630</b>	<b>\$2,073,511</b>	<b>\$2,061,724</b>

## CHAPTER II: EF&R SERVICE LEVELS AND PERFORMANCE

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Because of the resources available through the EF&R regional partnership, EF&R is able to effectively deploy staff and respond to the needs of the entire region regardless of individual partner boundaries. There are three elements that are considered when determining how to provide the most effective but efficient coverage.

- ◆ **Distribution:** The distribution of fire stations and resources is critical to enabling a fire department to meet its response performance standards. Getting an emergency crew to an incident in a timely fashion is incumbent upon their strategic location to the event. The thoughtful and calculated distribution of facilities and resources in a jurisdiction is the most critical element of meeting the desired level of service.
- ◆ **Concentration:** The concentration of resources in a given jurisdiction is the effort to strategically place fire, EMS and specialty units throughout the community in order to quickly assemble the necessary numbers of apparatus, equipment, and personnel when a significant or complicated event dictates that need.
- ◆ **Reliability:** Reliability is the level of success in which a “first-due” apparatus is available in its area when an emergency occurs. Reliability calculations are regularly executed to insure that a certain fire station or apparatus is not experiencing demands where its ‘failure rate’ (not being available in its first due area) exceeds 12-14 percent -- requiring those incidents to be handled by resources farther away.

The City currently encompasses approximately 21 square miles. There are three strategically placed fire stations within the Sammamish city limits. From a deployment perspective, Station 81 and Station 82 are strategically located to provide 10-12 minute coverage to their respective response areas. Station 83 is clearly more strategically located for a broader EF&R coverage area because it serves Issaquah and District #10. These stations are moderately busy with Station 81 responding to 71 percent of its incidents within the city limits; Station 82 responding to 84.5 percent of their incidents in the City; and Station #83 responding to a total of 30.6 percent of its incidents within Sammamish. Exhibit 5 provides a profile of each of the stations.

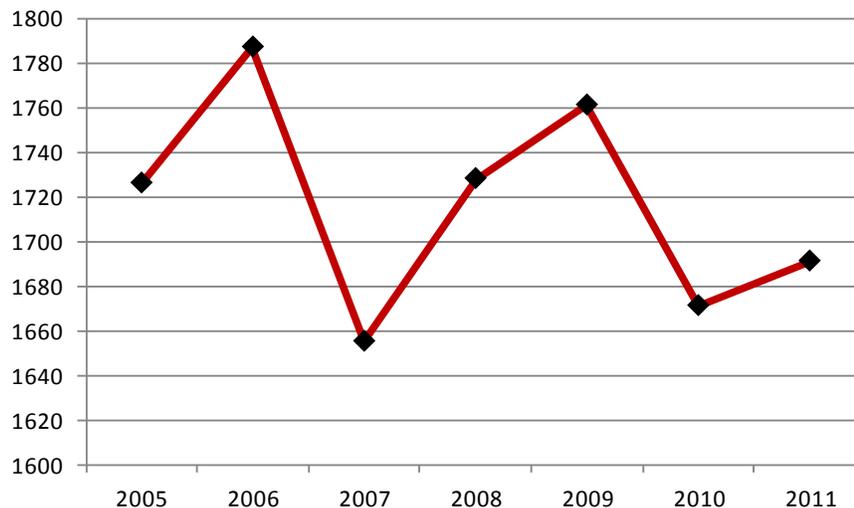
**Exhibit 5  
 Sammamish Station Profiles**

<b>Station #81</b>	<b>Station #82</b>	<b>Station #83</b>
		
<b>2030 212th SE</b>	<b>1851 - 228th Ave NE</b>	<b>3425 Issaquah Pine Lake Rd. SE</b>
Square miles covered: <b>5.57</b>	Square miles covered: <b>8.81</b>	Square miles covered: <b>8.69</b>
<i>Sammamish Responses</i> <b>566</b>	<i>Sammamish Responses</i> <b>805</b>	<i>Sammamish Responses</i> <b>463</b>
<i>EF&amp;R Responses</i> <b>238</b>	<i>EF&amp;R Responses</i> <b>147</b>	<i>EF&amp;R Responses</i> <b>1,048</b>
<i>Total Responses</i> <b>804</b>	<i>Total Responses</i> <b>952</b>	<i>Total Responses</i> <b>1,511</b>
<b>2011 RELIABILITY 90.0%</b>	<b>2011 RELIABILITY 87.7%</b>	<b>2011 RELIABILITY 91.9%</b>

**SAMMAMISH DEMAND FOR SERVICES**

The City of Sammamish has experienced varying demand for EF&R services. In 2011 Sammamish generated 1,691 incidents within the City which represented 18.5 percent of the nearly 9,100 total EF&R incidents. Exhibit 6 shows the demand trend for emergency and non-emergency demands for service and demonstrates that the City of Sammamish averaged approximately 1,717 incidents per year over the past seven year period.

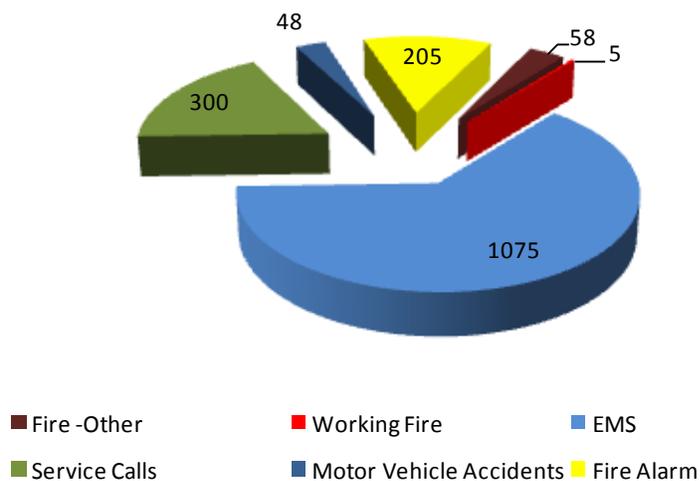
**Exhibit 6  
 Sammamish Incidents 2005-2011**



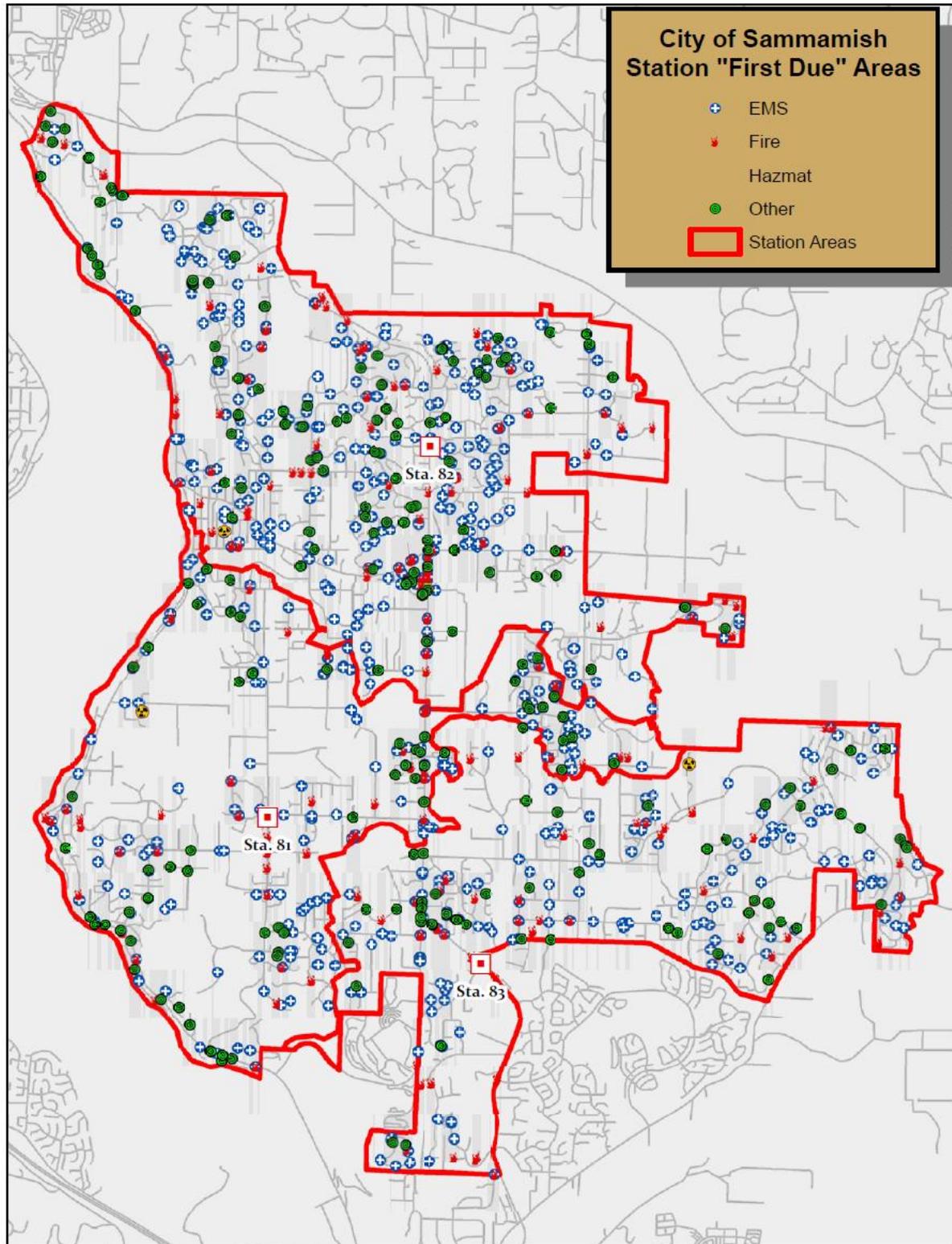
In 2011 EF&R responded to 1,691 incidents within the Sammamish city limits primarily from Stations 81, 82 and 83. Exhibits 7 and 8 below show the incidents by category and where the different types of incidents within the City occurred in 2011. There are a number of important notes that must overlay this display and breakdown of events:

- ◆ About 64 percent of the incidents are for emergency medical services, and in 2011 there were only five working structure fires.
- ◆ The percentage of incidents by type is very similar to other fire agencies. Emergency medical service responses typically make up the vast majority of fire department responses.
- ◆ The data used for this display are generated from the EF&R Zoll records management system files which use actual “situation found” records rather than the “dispatched as” files from NORCOM. This allows the data to be more accurate about what the actual workload was.

**Exhibit 7**  
**2011 Sammamish Incidents by Category**



### Exhibit 8 2011 Sammamish Incidents by Location and Category\*



\* Station coverage areas include areas outside of the City but for this exhibit only the areas covered within the City of Sammamish are shown.

## EF&R PERFORMANCE

In 2005, the Washington State Legislature passed legislation that required cities to set standards for addressing the reporting and accountability of career fire departments and to specify performance measures applicable to response time objectives for certain major services. Once the response time objectives have been established, the legislation requires a performance objective that is no lower than ninety percent for the achievement of each response time objective. As part of EF&R, the City has adopted EF&R's Standards of Coverage and all performance objectives are at 90 percent.

The standards of coverage focus on four key time sequences:

- ◆ Call processing and dispatch,
- ◆ Turnout time of firefighters,
- ◆ Initial resource (apparatus) arrival (travel time), and
- ◆ Effective response force arrival.

The current standards are the following:

**Turnout Time Standard:** At fully staffed stations Eastside Fire & Rescue has adopted the following turnout time standards:

- ◆ 90 seconds for daytime EMS incidents
- ◆ 120 seconds for nighttime EMS incidents
- ◆ 135 seconds for daytime Fire incidents
- ◆ 165 seconds for nighttime Fire incidents
- ◆ Eight (8) minutes at volunteer fire stations

**Response time for fire incidents (First due units):** For the arrival of the first arriving engine company at a fire suppression incident, the standards are the following:

- ◆ Ten (10) minutes for the arrival of the first engine company to a fire suppression incident in an urban area
- ◆ Sixteen (16) minutes for the arrival of the first engine company to a fire suppression incident in a rural area

**Response time for fire incidents (full first alarm assignment):** For the deployment and arrival of a full first alarm assignment at a fire suppression incident, EF&R has adopted as a minimum response the assignment of two (2) engines, 12 firefighters, and one (1) Command Officer. The standards are the following:

- ◆ 22 minutes for the arrival of the full complement of a first alarm response to a fire suppression incident in an urban area
- ◆ 25 minutes for the arrival of the full complement of a first alarm response to a fire suppression incident in a rural area

**Response time for EMS incidents:** For the first arriving unit with a first responder or higher level of medical capability at an emergency medical incident, the standards are the following:

- ◆ Nine (9) minutes for the arrival of the first emergency medical unit with appropriately trained personnel in an urban area
- ◆ Fourteen (14) minutes for the arrival of the first emergency medical unit with appropriately trained personnel in a rural area

**Response time for the arrival of an Advanced Life Support (ALS) unit:** (Note: This service is provided by King County EMS who establishes the standards for ALS responses. Though EF&R has little control over the third party response time, EF&R determined that it would be beneficial to set a measurable standard).

- ◆ Nineteen (19) minutes for the arrival of an advanced life support unit with appropriately trained personnel (paramedics) in an urban area
- ◆ Twenty three (23) minutes for the arrival of an advanced life support unit with appropriately trained personnel (paramedics) in a rural area

Based on the above standards, EF&R's performance for Stations 81, 82, and 83 for incidents within the City shows that EF&R responses were meeting the standards overall. Exhibits 9 and 10 show the performance.

**Exhibit 9  
 First Arriving Unit Performance**

2011 Combined Station #81, #82, #83 First Arriving Units Compliance (1,691 responses)		% Meeting Standard
EMS: First arriving Basic Life Support unit	9 minute standard	94.6%
EMS: Arriving Advanced Life Support unit	19 minute standard	97.2%
FIRE: First arriving fire unit	10 minute standard	94.0%
FIRE: Arrival of full alarm assignment	22 minute standard	80.0%

**Exhibit 10  
 Turnout Time Performance**

2011 Combined Station #81, #82, #83 Turnout Times (1,691 responses)		% Meeting Standard
EMS – Daytime incidents	90 second turnout	91.1%
EMS – Nighttime incidents	120 second turnout	86.8%
FIRE – Daytime incidents	90 second turnout	97.6%
FIRE – Nighttime incidents	120 second turnout	98.2%
Volunteer Responses	8 minute turnout	50.0%

## CHAPTER III: EF&R FUNDING MODELS

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EF&R partner contributions consist of three components: operating costs, equipment replacement, and facilities repair and major maintenance. The primary funding model is the one used to calculate each partner's share of the operating costs because the funding models for equipment and facilities use the contribution percentage from the operations model to calculate the contribution shares for equipment and facilities.

At the first Citizens Committee meeting, the Committee discussed the operating funding model and had concerns about its fairness and impacts on the City. The Committee identified two key criteria for what the Committee was seeking from a funding model:

- ◆ Equity and
- ◆ A relationship to services used

The current operations funding model and its assumptions are not necessarily consistent with these two criteria.

- ◆ Using assessed value as the basis to determine partner contributions is a revenue model approach rather than a cost sharing approach. Because assessed value is not related to the cost of the services, there can be wide differences in what each partner actually pays for the same services. The EF&R model is the same approach used to generate funding for fire districts (i.e. a levy rate per \$1,000 of assessed value).
- ◆ A cost sharing approach can take into consideration the utilization of EF&R services and uses cost as a basis for determining partner contributions.

### THE OPERATIONS FUNDING MODEL

The operations funding model used to calculate each partner's contribution is based on each partner's percentage of the assessed value included in a station's coverage area. The cost of each station is calculated by dividing EF&R's net costs (i.e. Expenditures minus non-partnership revenues and any use of reserves or fund balance). For 2012, the resulting cost per station was \$2,113,533. Besides the personnel associated with the stations, the cost per station includes a portion of the costs for the following:

- ◆ Administration
- ◆ Public Education
- ◆ Fire Prevention
- ◆ Training
- ◆ Facilities
- ◆ Shop

Exhibit 11 shows the 2012 partner contributions for operations based on the funding formula analysis for each station.

**Exhibit 11**  
**2012 Partner Operating Contributions**

<u>Partner</u>	<u>Operating Contribution</u>	<u>Percent of Total</u>
Fire District #10	\$6,766,412	35.6%
Fire District #38	\$1,297,498	6.8%
City of Issaquah	\$4,707,133	24.7%
City of North Bend	\$753,399	4.0%
City of Sammamish	<u>\$5,497,359</u>	<u>28.9%</u>
Total	\$19,021,801	100.0%

Based on comments from EF&R staff and from a few Board members during the February 16 Board meeting concerning the funding formula, it appears that the rationale behind the funding formula is based on a “revenue” model associated with assessed value and not on a “cost sharing” model based on the cost of service and use of the service. Some of the EF&R staff and Board member comments concerning the funding formula include the following:

- ◆ Assessed value directly correlates with each City’s revenue stream,
- ◆ Each city covered by a station pays the same rate based on assessed value,
- ◆ The current funding model arguably works,
- ◆ Partners are paying for readiness, and
- ◆ Utilization of that readiness or the number of incidents does not make a difference.

### Use of Assessed Value

As noted above, EF&R staff and some Board members believe that the use of assessed value works, makes sense, and is fair because it correlates with a partner’s revenue stream. Using assessed value as the basis for the partner contribution is based on a “revenue” model rather than a “cost sharing” model. The assessed value approach is the same methodology used to provide the primary funding for fire districts, and based on this approach, the EF&R funding model establishes each of the nine fire stations included in the formula as mini fire districts. The partners have a range of assessed values, and where stations have a coverage area that serves more than one partner, the relationship among the assessed values of each partner’s area determines the partner’s contribution. Because the City of Sammamish has a significantly higher assessed value than the other partners, it will be allocated a greater proportion of a station’s cost relative to the other partners whenever a station’s coverage area includes portions of other partner jurisdictions (e.g. Station 83). Exhibit 12 shows the 2012 assessed values for each partner.

**Exhibit 12**  
**2012 Partner Assessed Values**

<b>Partner</b>	<b>2012 Assessed Value</b>
District #10	\$4,829,585,051
District #38	1,308,319,785
City of Issaquah	5,863,297,168
City of North Bend	832,762,898
City of Sammamish	<u>\$8,405,421,485</u>
Total	\$21,239,386,387

For cities assessed value does not represent a city's revenue stream. Based on EF&R's assessed value revenue stream assumption, Sammamish would be considered to have a significantly higher revenue stream than the other jurisdictions. However, a city's assessed value does not necessarily correlate with a city's revenue stream. The three cities have multiple sources of revenue besides property taxes, such as sales taxes and utility taxes. These revenues support their General Fund from which the three cities pay their EF&R contribution. Sammamish's 2012 assessed value is 43 percent higher than Issaquah's assessed value, but Sammamish's 2012 General Fund budget is only about 10 percent higher than Issaquah's General Fund budget. For Sammamish property taxes represent about 75 percent of its General Fund revenues, while for Issaquah, property taxes represent only about 21 percent of the revenues. For North Bend property taxes represent about 24 percent of its General fund revenues.

Assessed value for fire districts usually represents a district's revenue stream because fire district revenue sources are generally limited to property taxes, but several also have benefit charges. If a district has a benefit charge, assessed value is also not a true indicator of a district's revenue stream. For example, Fire District #10 has a benefit charge in addition to its property taxes. District #10's property taxes represent 66 percent of the District's revenues and another 34 percent is generated by the benefit charges.

### Readiness Versus Utilization

EF&R's other main point concerning the operations funding model is that the contribution is paying for "readiness" and that the use of the service (i.e. the number of incident or responses) or who benefits from that readiness does not matter. It is true that from the perspective of a single jurisdiction such as a city or fire district, a station's cost is a fixed cost (i.e. readiness) that needs to be supported regardless of how often the services are provided. But, using only a revenue model when there are different partners and different utilization rates of the services creates inequities between partner contributions and the cost of service.

To manage costs and risks, utilization and the efficient use of resources should be a consideration. For example, some of EF&R's stations are volunteer stations and are not permanently staffed because it is not cost effective based on utilization. Although EF&R operates as a single organization its funding is provided by five different partners who utilize the services at different levels based on whether they are urban or rural, have large commercial and visitor areas, act as employment centers, or are primarily residential.

Because the funding model uses assessed value as the means to fund EF&R's costs, there is no relationship between how a partner pays for readiness and how a partner benefits from that readiness with services provided to its residents, visitors, and businesses. As a result, some partners pay for readiness that is used more by other partners' residents and businesses, and consequently, costs and

benefits are not shared equally. In addition, partners can also be affected by changes to coverage areas even though costs do not change.

If incidents were used as a basis for determining each partner’s share of the costs rather than assessed value, each partner would pay the same cost per incident per station based on the benefit received by their residents, visitors, and businesses (e.g. A fire was extinguished or a resident received medical care), and a station’s full cost would still be recovered. With the current system, a station’s funding contribution can vary from the service benefits to a partner. Although it can be expected that there might be some differences between the contributions and use, there are some significant differences when comparing the 2012 contribution to the 2011 incidents such as the following:

- ◆ For Station 83 Sammamish pays 62 percent of the costs, but the City’s number of incidents represented only 31 percent of the incidents. In contrast, Issaquah paid eight percent of the costs, but had 46 percent of the incidents.
- ◆ For Station 81 Sammamish pays 98 percent of the costs, but the City’s number of incidents represented only 72 percent of the incidents. Issaquah paid two percent of the costs, but had 19 percent of the incidents.
- ◆ For Station 87 District #38 pays 61 percent of the costs, but the District’s number of incidents represented only 42 percent of the incidents. North Bend paid 36 percent of the costs, but had 53 percent of the incidents.
- ◆ For Station 71 District #10 pays 46 percent of the costs, but the District’s number of incidents represented only 27 percent of the incidents. Issaquah paid 54 percent of the costs, but had 67 percent of the incidents.

As a result of these disparities, each partner’s cost of service per incident can vary considerably. Exhibit 13 shows the average cost per incident for each station and the cost per incident for each partner that received service from the station based on the partner’s revenue contribution for the station. In the instances where there is no cost (\$0), it means there was no partner contribution for that station (i.e. the partner is not included in the coverage area) but there were responses to that partner’s area. Generally, these incidents are only a very small portion of the total. A “-“ means no contribution and no responses.

**Exhibit 13**  
**2012 Partner Average Cost Per Incident by Station**  
**Based on 2011 Incidents**

Station	Station Cost per Incident	District #10	Issaquah	Sammamish	North Bend	District #38
Station 71	\$1,322	\$2,243	\$1,062	\$0	\$0	\$0
Station 72	\$1,766	\$2,460	\$1,748	\$0	\$0	\$0
Station 73	\$2,052	\$2,069	\$2,460	\$574	\$0	\$0
Station 78	\$5,518	\$6,091	\$0	-	\$0	-
Station 81	\$2,675	\$23	\$219	\$3,673	\$0	\$0
Station 82	\$2,460	\$2,308	\$0	\$2,557	-	\$0
Station 83	\$1,423	\$1,892	\$245	\$2,807	\$0	-
Station 85	\$5,324	\$5,447	\$0	\$0	\$0	\$0
Station 87	\$1,970	\$1,305	\$0	-	\$1,319	\$2,871
Average	\$2,158	\$3,375	\$1,295	\$2,791	\$1,110	\$2,476

As illustrated by Exhibit 13, the current revenue model approach used by the EF&R operations funding model creates some significant inequities at certain stations based on who provides the funding for the station and who receives the station's services. For Sammamish the significant differences between funding and utilization occur at Stations 81 and 83 where it is supporting Issaquah's use of the stations. At Station 73, Sammamish is, however, receiving the benefit of the funding formula where Issaquah is helping to support Sammamish. For District #38 it is primarily supporting both District #10's and North Bend's use of Station 87. For District #10 it is primarily supporting Issaquah's use of Station 71. Appendix A shows the partner percentages for each station, the amount contributed, the incidents by station, and the partner percentage of incidents.

## The Cost Sharing Framework

To meet the criteria established by the Citizens Committee, a cost sharing model would make partner contributions more closely linked to the use of EF&R's resources and will still provide funding for readiness. Although the current model results in the same cost per \$1,000 in assessed value for each partner covered by a station, it is not related to the use of the services. In a cost sharing model the cost per incident can be the primary basis for determining each partner's contribution for funding the cost of a station. Using the cost per incident at each station means that each partner pays the same per unit cost for the services provided by a station. Thus, each partner pays its fair share of the station's readiness based on how often it used the station's resources. There will, however, be differences in the cost per incident among the various stations because the number of incidents varies among all the stations. As part of Redmond's funding model used to allocate costs between Redmond and Fire District #34, 50 percent of the allocation is based on the number of calls.

## OPERATIONS FUNDING MODEL ALTERNATIVES

To create a funding model that meets the Citizens Committee's criteria, several alternatives were developed that incorporated the incidents as well as assessed value. Besides a cost sharing model overall for EF&R and by station, alternatives were developed that included different weights to assessed value and incidents. Although assessed value is not an indicator of costs it can be considered a measure of the benefit received for fire protection. In many cases, a higher assessed value means that the property protected is worth more, and thus, a home owner or business with a higher assessed value might benefit more from the fire protection. However, it still does not cost anymore to respond. Responses to fire calls and alarms represented only 16 percent of the total incidents from 2005 to 2011. The different alternatives are the following:

- ◆ Percent of Total Incidents – This model is a high level model that calculates each partner's contribution based on the proportion of incidents. The disadvantage of this model is that it does not account for stations that do not provide much service to the different partners. For example, two stations that predominately serve District #10 and have very low utilization would be subsidized by the other partners.
- ◆ Percent of Incidents by Station – This model calculates each partner's contribution based on the proportion of incidents at each station. Because the partner contributions are based on incidents only within the station's coverage area, only the partners served by a station pay for the services. This avoids the problem with the previous model where partners might subsidize stations they don't use or that have low utilization from a partner.
- ◆ A Combination of Assessed Value and Incidents – This model recognizes that there is some additional benefit to partners with higher assessed values as well as responding to the incidents themselves. Scenarios have been calculated with assessed value weighted at 10 percent, 25 percent, and 50 percent. The contributions are still based on each station. A combination model is

currently used by the City of Redmond and District #34, and it is based on 50 percent location and 50 percent based on incidents.

Exhibits 14 and 15 show the different partner contributions based on the different funding models and the differences in each partner's contribution.

**Exhibit 14  
 Partner Contributions Based on Alternative Funding Models**

<b>Funding Alternative</b>	<b>District #10</b>	<b>District #38</b>	<b>Issaquah</b>	<b>North Bend</b>	<b>Sammamish</b>	<b>Total</b>
2012 Contribution AV by Station	\$6,766,412	\$1,297,498	\$4,707,133	\$753,399	\$5,497,359	\$19,021,801
% of Total Incidents	\$4,327,551	\$1,130,991	\$7,845,710	\$1,465,540	\$4,252,008	\$19,021,801
% of Incidents by Station	\$6,060,462	\$1,019,666	\$6,185,572	\$1,336,451	\$4,419,650	\$19,021,801
By Station 10% AV, 90% Incidents	\$6,131,064	\$1,047,449	\$6,037,741	\$1,278,153	\$4,527,394	\$19,021,801
By Station 25% AV, 75% Incidents	\$6,236,966	\$1,089,124	\$5,815,994	\$1,190,707	\$4,689,010	\$19,021,801
By Station 50% AV, 50% Incidents	\$6,413,470	\$1,158,582	\$5,446,417	\$1,044,963	\$4,958,370	\$19,021,801

**Exhibit 15  
 Change From 2012 Partner Contributions Based on Alternative Funding Models**

<b>Funding Alternative</b>	<b>District #10</b>	<b>District #38</b>	<b>Issaquah</b>	<b>North Bend</b>	<b>Sammamish</b>
% of Total Incidents	(\$2,438,861)	(\$166,507)	\$3,138,577	\$712,141	(\$1,245,351)
% of Incidents by Station	(\$705,950)	(\$277,832)	\$1,478,439	\$583,052	(\$1,077,709)
By Station 10% AV, 90% Incidents	(\$635,348)	(\$250,049)	\$1,330,608	\$524,754	(\$969,965)
By Station 25% AV, 75% Incidents	(\$529,446)	(\$208,374)	\$1,108,861	\$437,308	(\$808,349)
By Station 50% AV, 50% Incidents	(\$352,942)	(\$138,916)	\$739,284	\$291,564	(\$538,989)

As previously shown in Exhibit 13, there were some partners where the average cost per incident for the service they received was significantly lower than the average for the station cost. In all alternatives Issaquah and North Bend would have significant increases in their contributions, while District #10, District #38, and Sammamish would have significant decreases in their contributions.

## EQUIPMENT FUNDING MODEL

To help finance the purchase of replacement equipment and apparatus, EF&R uses an equipment funding model that is based on the annual depreciation of EF&R's equipment and apparatus and the amount the partners are willing to contribute each year. For example for 2012 EF&R calculated replacement needs at \$1,137,932, but the partners decided to only contribute \$1,098,001. Each partner's contribution is based on the percentage of their contribution for operations. During the past four years the partners have contributed about \$1 million per year. Exhibit 16 shows the contributions.

**Exhibit 16**  
**2009-2012 Partner Contributions for Equipment**

<b>Partner</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
District #10	\$383,692	\$339,603	\$391,572	\$390,580
District #38	\$75,019	\$66,279	\$75,581	\$74,896
Issaquah	\$259,405	\$228,185	\$272,516	\$271,711
North Bend	\$41,378	\$37,036	\$42,856	\$43,489
Sammamish	\$298,265	\$267,660	\$315,476	\$317,325
Total	\$1,057,759	\$938,763	\$1,098,001	\$1,098,001

Because the partner contributions are based on the same percentages as the operating contributions, there is no relationship to the use of or location of the equipment. To make the equipment contribution more related to its use and its location, an alternative equipment funding model might base the contributions on the equipment at each station including the volunteer stations and the number of incidents each partner generates at station. Thus, each partner is paying for their share of the equipment they use and need, and where more than one partner is served by a station, they could contribute based on their share of incidents or use of the equipment. The replacement needs can still be based on an average amount for all the similar types of equipment or the specific equipment assigned to a station. The needs for administrative and support equipment and vehicles could be spread across all stations.

## FACILITIES FUNDING MODEL

Like the equipment funding model, EF&R has a separate contribution to maintain specific components at each facility. The annual amount needed for each station is based on calculating each component's useful life and the annual amount each partner must contribute is based on the partner's percentage of the assessed value covered by the station. For the headquarters station, a partner's share is based on the percentage of the partner's contribution for operations. Exhibit 17 shows the facility contributions for the past years.

**Exhibit 17  
 2009-2012 Partner Contributions for Facilities**

<b>Partner</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
District #10	\$82,994	\$79,603	\$ 82,593	\$79,934
District #38	\$19,945	\$19,003	\$ 19,025	\$18,200
Issaquah	\$35,437	\$33,936	\$ 36,661	\$38,325
North Bend	\$6,464	\$6,147	\$ 7,074	\$6,923
Sammamish	\$40,264	\$38,838	\$ 41,472	\$40,244
<b>Total</b>	\$185,104	\$177,527	\$186,827	\$183,629

As previously discussed, each partner’s contribution is based on the partner’s share of the assessed value for a particular station. Like the other two funding models, if the objective is to base contributions on use to improve equity, then instead of assessed value, the percentage of incidents might be a better funding allocator. Using the incidents as a base incorporates the facilities replacement cost as part of the cost of service.

## OTHER FUNDING ISSUES

The operations funding formula is based on taking all operating costs and establishing a per station cost that is used to determine each partner’s contribution. As a result, each partner contributes to the whole package of services provided by EF&R. Because the cities are still responsible for the fire codes within their jurisdiction, they pay for the cost of the fire prevention services as part of the station allocation, even though the staff has little relationship to the station operations. In 2012 fire prevention costs represent about 1.7 percent of the EF&R expenditures. Based on this percentage, the City of Sammamish is paying about \$93,500 for fire prevention services that involve primarily building plan review and inspection services. In addition, the fire districts have also been contributing to these costs through their station contributions, but they do not have the responsibility for enforcement of fire codes. However, EF&R is working with King County to assume these responsibilities.

New construction plans review, inspections, and acceptance testing are performed by the Assistant Fire Marshals. EF&R invoices the applicant for these services in one of two manners. Issaquah collects the funds from the applicant and passes them onto the EF&R. In Carnation, North Bend, and Sammamish, EF&R directly invoices the applicant. City code enforcement revenue in 2011 was about \$51,200 and \$78,000 is budgeted for 2012. The 2012 Fire Prevention budget is \$357,575.

In addition to the new construction services, the Assistant Fire Marshals might assist, if necessary, the station personnel who conduct annual fire inspections of businesses within the cities. If there are enforcement problems, an Assistant Fire Marshals might be asked to follow-up with the station personnel. Because the station personnel are already paid through the operations budget, there is no additional cost for these inspections.

The fire prevention activity for Sammamish has been relatively low. With the plan review activities as the primary fire prevention activity, the City might want to review how cost effective it is to have EF&R include new construction services as part of the package. With only about two applications per week at an average cost of \$813, the City should review its alternatives for performing this service by funding this activity separately based on workload, contracting with a private firm, or adding to City staff. Exhibit 18 shows the fire prevention activities for 2011.

**Exhibit 18  
 2011 Fire Prevention Activity by City**

<b>Partner</b>	<b>Station Inspections</b>	<b>Building Plan Reviews, etc.</b>
Carnation	76	8
Issaquah	1,009	304
North Bend	313	19
Sammamish	190	115
<b>Total</b>	<b>1,588</b>	<b>446</b>

## CONCLUSIONS AND RECOMMENDATIONS

At the same time that the EF&R Board began its efforts to review the interlocal agreement and to identify any desired changes to the agreement’s provisions and terms, the City of Sammamish also initiated a fire services evaluation to help the City understand EF&R’s finances and to identify and analyze alternatives for providing fire services. One specific element of the evaluation’s scope of work involved reviewing EF&R’s funding models and identifying alternatives. Based on the review of the funding models we found that the current operations funding model is not consistent with the Citizens Committee’s criteria for equity and relationship to the services actually used. Reasons why the funding models do not meet the criteria include the following:

- ◆ The operations funding model is a revenue model approach that is based on each partner’s assessed value in a station’s coverage area. From EF&R’s perspective, the model is equitable because each partner is charged the same amount per \$1,000 of assessed value for the same station’s coverage area. This model is a similar revenue approach generally used to support fire districts.
- ◆ EF&R’s rationale for the revenue model approach is that assessed value represents a partner’s revenue stream (e.g. ability to pay). However, assessed value and the related property taxes for cities represent only one source of revenue for their General Fund which is used to pay their partner contribution. Although Sammamish’s assessed value is over 40 percent higher than Issaquah’s value, the funds available to pay for EF&R’s services are only 10 percent higher than Issaquah.
- ◆ Because assessed value has no relationship to each jurisdiction’s use of EF&R’s services or the cost of service among the partners, the operations funding model creates some inequities where some partners including Sammamish are significantly supporting the use and cost of service for other partners such as Issaquah and North Bend. Because EF&R believes that partners are paying a fixed cost for readiness as a whole, EF&R is not concerned about how often services are provided to a partner’s residents, visitors, and businesses.
- ◆ Because EF&R calculates the cost per station after subtracting the non-partner revenue, the individual jurisdictions do not get the direct benefit of their share of the King County Medic One levy funding. This revenue could be directly credited against each partner’s calculated contribution. It is estimated that Sammamish’s share is about \$400,000.
- ◆ Because the equipment and facilities funding models are based on either the partner contributions for operations or the assessed value for a station, these funding models also have some of the same inequities as the operations funding model.
- ◆ The operations funding model includes all costs as part of the station costs, but fire prevention activities are very different from the station operations. Because the City could also obtain these services from other contractors, the cities should have a choice as to whether they want to

contract with EF&R for these services. These costs should be paid for separately based on the staffing needed to process the workload that is generated within each partner city.

- ◆ For EF&R to move to a cost sharing model, partners should share the costs based on each partner's percentage of incidents within a station area. Under this scenario all partners covered by a station will pay the same cost per incident. The alternative of using total incidents without regard to station areas also creates some inequities and the alternatives using incidents at each station are more equitable.

## Recommendations

To achieve the Citizens Committee's criteria, the City will need to propose changing EF&R's operations funding model from a revenue model to a cost sharing model. For the Committee, equity is that partners pay the same cost for the services used rather than paying the same assessment rate regardless of the services used. To make all the funding models more related to a partner's use of the services, the funding model should be changed in the following manner:

- ◆ Based on the cost of a station, each partner contributes based on its percentage of incidents within the station's coverage area.
- ◆ To lessen the impact on those cities that will pay more, a percentage of the cost could be allocated based on assessed value.
- ◆ Remove from the current station cost calculations the revenues and costs associated with the fire prevention activities, primarily new construction services, and allow the cities to determine whether they want to contract with EF&R for those services.
- ◆ Do not use the revenue from the King County Medic One Levy to offset total costs, but provide a credit against each jurisdiction's contribution share after calculating the cost per station and each partner's share.
- ◆ Consider having the equipment replacement model based on the number and type of equipment at each station, including the volunteer stations as part of the calculation and allocate the replacement costs based on each partner's percentage of the total incidents at a station.
- ◆ For the facilities replacement model use each partner's percentage of incidents to allocate each station's replacement costs rather than assessed value.

With these changes to the operating funding model, the change in partner contributions will be significant if only incidents are used by station. For Sammamish it would see its contribution reduced by over \$1 million and District #10's cost would be reduced by about \$700,000. Issaquah's contribution would increase by almost \$1.5 million and North Bend's would increase by \$583,000. As previously discussed, assessed value could be a factor as it is related to the resident's benefit for fire protection (fire calls, however, represented only 16 percent of all calls). As shown in Exhibit 14, a combination of assessed value and incidents will help reduce the large change for each partner's savings or costs, but even with assessed value as a factor, contribution increases will be large for Issaquah and North Bend. To help reduce the contribution impacts on the Issaquah and North Bend, a 50/50 approach would reduce the change in contribution level from \$1.5 million to about \$739,284 for Issaquah.

## CHAPTER III: FIRE SERVICES ALTERNATIVES

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Besides reviewing the EF&R funding models, the primary goal of the fire services evaluation is to identify the City's alternatives for providing fire services. If the City takes no action, the current interlocal agreement with EF&R will be renewed at the end of 2014. The City has several alternatives available to it, and each one has its advantages and disadvantages for the City as well as potential impacts for EF&R and its partners. The alternatives for the City are the following:

- ◆ Continue with the EF&R partnership,
- ◆ Contract with EF&R or Redmond, or
- ◆ Create a City fire department.

The EF&R Board has established a Committee of the Whole to review the current interlocal agreement and to identify any potential changes to the agreement. It should also be noted that EF&R is also considering whether it needs to change the form of the partnership to a non-profit organization. Based upon the City's current experience with the interlocal agreement and a review of any proposed changes, the City will need to evaluate and assess whether the current arrangement and any changes meet the City's needs. There are two key policy questions that the City must decide, and they are the following in order:

- ◆ Should the City remain as part of the EF&R partnership?
- ◆ If the City determines that not staying in the EF&R partnership is in the long term interests of the City, what alternative method for providing fire services best meets the long term needs of the City?

The following describes the alternatives and provides information about the costs.

### CONTINUE WITH THE EF&R PARTNERSHIP

This alternative assumes that the City will continue with the partnership regardless of the form (e.g. consortium or non-profit) and that the interlocal agreement has the necessary provisions to meet the needs of the City. With the current review of the interlocal agreement, Sammamish's members on the EF&R Board can assess if the City's needs are being met as they conduct the review process and evaluate any proposed changes. One change might involve the funding models if the City agrees with the Citizens Committee that more equity and the use of the services should be considered in determining partner contributions. In Chapter II the current number of partners and the current configuration of fire stations showed that EF&R is meeting its standards for first arriving units for EMS and fire services. However, some EF&R Board and staff comments indicate that EF&R wants to expand and add additional partners. Such expansion may or may not be in the best interests of the City.

In 2012 the City's total contribution to EF&R was \$5,854,930. The operations contribution was \$5,497,359, and \$357,571 was for equipment and facilities replacement.

## CONTRACT FOR SERVICES

With this alternative, contracting for services is slightly different than being a part of the EF&R partnership. With a contract, which would also be an interlocal agreement, the contract and the terms are negotiated between the contractor (e.g. EF&R or Redmond) and the City and may or may not include similar terms that exist in the current partnership agreement. It should be noted that there were comments from EF&R staff and a Board member that if the City were to contract with EF&R, a surcharge might be applied. However, no reason for the surcharge was given. The contract can provide flexibility in the services provided and how the City will pay for them. The intent of the contract should be the following:

- ◆ To keep Stations 81, 82, and 83 operating within the regional system so the operational depth and level of service does not change for either Sammamish or its surrounding communities.
- ◆ To move to more of a cost of service model by paying for operating Stations 81 and 82 and sharing the costs of Station 83 with EF&R based on incidents. Station 83 is a multi-partner station that adds to the overall regional configuration and is cost effective in serving the three communities instead of each one having its own station and equipment if they were constrained by jurisdictional boundaries.
- ◆ To allow the City to determine what services the contractor should provide and manage and what it should pay, such as new construction plan review and inspections, code compliance, facilities maintenance, and facilities and equipment replacement reserves.
- ◆ To provide for innovative and non-traditional operational and configuration improvements, and
- ◆ To keep costs predictable.

If the City contracts with Redmond, the City will also have to negotiate and make some agreements with EF&R on how to continue the seamless system through automatic aid or some other agreement. Also, EF&R will need to lay-off the current staff at the stations, and the City of Redmond will need to increase its personnel to staff the stations. In addition, the City might want to sell any equipment that is not necessary to support the three stations. As a result, EF&R will need to either purchase or find replacements for Sammamish's equipment that is being used at other EF&R stations.

## CREATE A CITY FIRE DEPARTMENT

The third alternative is to provide services through a City Fire Department. In this alternative the City will operate its own fire department. With its own department, the City can determine whether it wants to continue operating and staffing the stations in the exact same manner as EF&R. With its own department, the City will also need to develop agreements with EF&R concerning Station 83 and other responses out of the City in order to maintain the regional system, even though Stations 81 and 82 predominately respond to incidents in the City. If the City determines that creating its own fire department is the alternative that best meets the City's needs, the City should prepare a master plan for its new department to guide its efforts in making the transition to operating its own stations and to provide a strategic direction for providing services.

One of the key issues for creating a City department will be the salaries and benefits that the City will need to pay to attract new staff. In addition, EF&R will also need to lay-off the current staff at the stations, and the City will need to hire its own staff in a transitional process so there is no interruption in service. The City might also want to sell any equipment, if any, that is not necessary to support the three stations. As a result, EF&R will need to either purchase or find replacements for Sammamish equipment that is being used at other EF&R stations.

## ALTERNATIVES COST ANALYSIS

To provide some cost analysis of the different alternatives, a number of assumptions were made. The costs are estimates, and during any future negotiations, new cost estimates might need to be developed or estimated costs might be better defined or clarified. Personnel costs are the major costs for any of the alternatives. To develop comparable costs for the various alternatives, the current station staffing is maintained for all the alternatives, and depending on the alternative, other staff such as a Fire Chief, Battalion Chiefs, and a Fire Marshal might vary depending on the alternative. To calculate non-personnel costs for the various alternatives, several assumptions were also made to estimate each alternative's potential cost to the City. In some cases, the estimated costs might represent placeholders that will require more research once a specific alternative is chosen. Specific cost assumptions are included in Appendix B. The most critical assumptions are those associated with the salaries and benefits that will be paid to new staff if the City decides to contract with Redmond or create a new City fire department.

Currently EF&R staffs its stations with three on-duty personnel per station, and to assure that three staff are on duty every day, EF&R has assigned 13 staff to Station 81 and 12 staff to both Stations 82 and 83 for a total staff of 37 staff. The staffing consists of three captains, seven lieutenants, and 27 firefighters. The assumptions for all the scenarios include these same staffing levels.

Because staff will need to be hired for either the Contract with Redmond or the City Fire Department scenarios, some key assumptions were made about salary levels and some of the additional benefits. If all staff were new, everyone would generally start at the bottom step in the salary schedules, but to make the costs comparable to an ongoing basis with EF&R, the top step was used because it better reflects the ongoing long term costs and is more comparable to EF&R's costs. The staff assigned to Sammamish's stations average almost 15 years with EF&R and District #10. In Redmond, the fire staff can make the top pay step after three and a half years. The salary costs do not include any costs for longevity which are handled differently by EF&R and Redmond.

For the City Fire Department scenario the salaries were based on two different benchmarks. The first estimate is based on using the average top step for similar-sized jurisdictions in the Puget Sound area, as reported by the Association of Washington Cities 2011 salary survey. The second scenario bases salary costs on EF&R's 2012 salary schedule.

In developing the scenarios for the alternatives, the cost differences are a result of differences in the salary schedules, the Fire Chief and Battalion Chief costs, and other administrative support costs, such as Sammamish and Redmond city overhead costs. For several other costs such as fleet maintenance the costs are the same for all alternatives. If the City does not choose an EF&R alternative, it will receive its portion of the King County Medic One revenue for basic life support services. Based on discussions with King County's Medic One office, the City's revenue share is about \$400,000 based on a formula using assessed value and number of incidents. One of the key cost assumptions for any non-EF&R alternative is that the City will be able to agree with EF&R to share the cost of Station 83 based on its share of the incidents. Exhibit 19 shows the costs for each alternative in three different situations.

**Exhibit 19  
 Operating Costs for the Fire Service Alternatives**

<b>Alternative</b>	<b>Average Cost per Station</b>	<b>Net Cost Without Station 83 Cost Sharing</b>	<b>Net Cost With Station 83 Cost Sharing</b>
Current 2012 Partner Operating Contribution	\$2,396,002	Not Applicable	\$5,497,359
Contract with EF&R	\$2,396,002	\$6,340,599 <sup>a</sup>	\$4,886,034 <sup>b</sup>
Contract With Redmond	\$2,058,386	\$5,775,159 <sup>a</sup>	\$4,320,593 <sup>b</sup>
Create City Fire Department (AWC Salaries)	\$2,144,450	\$6,033,351 <sup>a</sup>	\$4,578,785 <sup>b</sup>
Create City Fire Department (EF&R Salaries)	\$2,164,852	\$6,094,555 <sup>a</sup>	\$4,639,989 <sup>b</sup>

<sup>a</sup> Each alternative’s cost has been reduced by \$400,000 in potential revenue from the King County Medic One Levy except for the EF&R alternatives which already have reduced costs because of EF&R non-partner revenues have already been accounted for.

<sup>b</sup> Each alternative’s cost has been reduced by \$400,000 and the Station 83’s cost of serving District 10 and Issaquah based on EF&R’s average station cost and their share of incidents (i.e. \$1,454,566).

### EF&R Contracting Costs

To analyze the cost of contracting with EF&R the costs were based on the current cost per station plus a share of Station 83’s cost based on incidents. Assuming the City pays the full cost for Stations 81 and 82 at \$2,113,533 and a portion of Station 83 based on incidents, the operating costs for this alternative is \$4,886,034. With this methodology, it is assumed that the City would still be paying for administration and support services as well as fire prevention services unless the methodology is changed. If this payment model is used and EF&R continues to use its current assessed value system, District #10 will pay an additional \$466,400 and Issaquah will pay an additional \$144,900 to their current shares. EF&R’s total share for Station 83 would be \$1,454,566.

The City might also want to sell any of its equipment that is not needed for the three stations. The equipment could be purchased by EF&R since some of the equipment is already being used by other stations, or the City could surplus the equipment and sell it to other fire departments.

### Redmond Contracting Costs

To estimate the costs for contracting with Redmond, the Redmond salary schedule was used to cost the station staffing. Based on its contract with District #34, costs were estimated for fire administration and citywide overhead. For Battalion Chiefs, it was assumed that another on duty Battalion Chief would not be necessary, and the City would share the costs of the existing Battalion Chiefs. As a result Redmond’s costs are lower. Additional costs that were not included involve some transitional costs such as putting the City logos on all the equipment and apparatus and any initial training costs associated with new recruits. Exhibit 20 shows the estimated costs for contracting with Redmond.

**Exhibit 20  
 Estimated Contracting Costs For Redmond**

<b>Cost Category</b>	<b>Cost</b>
Salaries	\$3,449,629
Overtime	181,566
Benefits	1,089,358
Fire Administration	411,291
Volunteers	10,000
Facilities	120,000
Vehicle Maintenance	147,762
Dispatch	162,509
Other Supplies/Services	126,029
Citywide Overhead	477,014
Total	\$6,175,159

City Fire Department Costs

For the City Fire Department, two different salary schedules were analyzed as previously mentioned. Besides the station staffing, additional positions include a Fire Chief, Battalion Chiefs, a Fire Marshal, and a Secretary. Like the Redmond alternative, transitional costs were not included. These additional costs could be significant. Besides the repainting of the equipment and apparatus, Other transitional costs might include a master and implementation plan, the hiring of a Fire Chief six months or more before the City actually takes over the service from EF&R, and establishing the appropriate systems and procedures for supporting an additional 40 or more City staff. This would allow the City to establish some of the basic infrastructure for starting and supporting its own department. For example, the Fire Chief will be involved in hiring the new staff and in seeing that they are trained if they are new to the profession. In addition for new recruits there may also be some initial training costs. Exhibit 21 shows the estimated costs based on the two different salary benchmarks from AWC and EF&R, but it does not include any transitional costs.

**Exhibit 21  
 Estimated City Fire Department Operating Costs**

<b>Cost Category</b>	<b>AWC Salary Levels</b>	<b>EF&amp;R Salary Levels</b>
Salaries	\$3,952,679	\$3,996,791
Overtime	190,053	193,020
Benefits	1,242,819	1,256,943
Volunteers	10,000	10,000
Facilities	120,000	120,000
Vehicle Maintenance	147,762	147,762
Dispatch	162,509	162,509
Insurance	53,333	53,333
Other Supplies/Services	126,029	126,029
Citywide Overhead	428,167	428,167
Total	\$6,433,351	\$6,494,555

City Department Alternative Service and Delivery Models

Although the City Fire Department is based on the existing staffing and configurations, there are other potential service and delivery models that the City might want to consider as it develops its master plan. The alternatives are shown in Exhibit 22 along with the benefits and disadvantages that are associated with them.

**Exhibit 22**  
**City Department Service and Operational Alternatives**

<b>Alternative</b>	<b>Description</b>	<b>Benefit</b>	<b>Disadvantage</b>
BLS Engine Companies only	<ul style="list-style-type: none"> <li>◆ Change the Sammamish deployment model to staffing BLS engines only.</li> <li>◆ Eliminate aid vehicles from fleet and replacement program</li> <li>◆ Respond with BLS engines only</li> <li>◆ EMS transports to be made with private or EF&amp;R</li> </ul>	<ul style="list-style-type: none"> <li>◆ Reduction in fleet, operating, replacement costs</li> <li>◆ Assigned Sammamish resources remain in service more frequently</li> <li>◆ Reduction in time out of service</li> <li>◆ Reduced costs</li> </ul>	<ul style="list-style-type: none"> <li>◆ Reduction in available EF&amp;R BLS transport units</li> </ul>
Reduce the number of Sammamish fire stations	<ul style="list-style-type: none"> <li>◆ Develop a master plan for fire station allocation</li> <li>◆ Relocate fire station using ‘Sammamish’ only criteria</li> <li>◆ Reduce facilities/staffing that can meet established levels of service</li> </ul>	<ul style="list-style-type: none"> <li>◆ Reduced costs for facilities, apparatus and staffing</li> </ul>	<ul style="list-style-type: none"> <li>◆ Potential reduction in current level of service</li> <li>◆ Reduction in resources for major events</li> </ul>
Fire Prevention Program	<ul style="list-style-type: none"> <li>◆ Pull out of EF&amp;R Prevention/Inspection program and fund it independently</li> </ul>	<ul style="list-style-type: none"> <li>◆ Reduced costs</li> <li>◆ Dedicated Sammamish services</li> <li>◆ Reduced FTE costs</li> </ul>	<ul style="list-style-type: none"> <li>◆ Impact to Building Department for compliance issues</li> </ul>
Station #83 with Aid Unit only	<ul style="list-style-type: none"> <li>◆ Reduce staffing at Station 83 and staff an Aid unit only</li> </ul>	<ul style="list-style-type: none"> <li>◆ Reduction in staffing, apparatus, operating costs</li> </ul>	<ul style="list-style-type: none"> <li>◆ Potential reduction in fire service; impact to EF&amp;R deployment model</li> </ul>

<b>Alternative</b>	<b>Description</b>	<b>Benefit</b>	<b>Disadvantage</b>
Staffing Based Upon Peak Activity	<ul style="list-style-type: none"><li>◆ Staff fire stations based upon 'peak activity periods' rather than the traditional 24-hour model</li></ul>	<ul style="list-style-type: none"><li>◆ Reduce personnel costs</li><li>◆ Resources programmed to meet demand</li></ul>	<ul style="list-style-type: none"><li>◆ Requires significant change in any bargaining agreement</li></ul>

## CHAPTER IV: ALTERNATIVES ANALYSIS

To assist in the analysis of the alternatives, the Citizens Committee identified a number of issue areas to consider when evaluating the different alternatives. The issue areas involve the following:

- ◆ Governance,
- ◆ Level of Service,
- ◆ Services, and
- ◆ Costs.

The following analyzes each issue area and discusses the pros and cons that each alternative brings to the four issue areas.

### Governance

Governance involves setting policies, determining the direction of the fire services provided, and providing oversight on how well fire services are being provided. The alternatives provide a complete range of governance options. The City can remain a voting board member with the EF&R partnership and share decision making with its partners. At the complete opposite end of the spectrum, the City can have complete governance control over its fire services by creating a City Fire Department. Contracting with EF&R or Redmond provides a direct negotiating relationship with the City's partner that is determined by the contract terms. Exhibit 23 shows the pros and cons of each alternative's governance issues.

**Exhibit 23  
 Governance Analysis**

Alternative	Governance	Pros	Cons
Continue as EF&R Partner	<ul style="list-style-type: none"> <li>◆ Remain as a partner with two of eight voting Board members</li> </ul>	<ul style="list-style-type: none"> <li>◆ Provides opportunity to be a voting member, and potentially set policy and direction for EF&amp;R</li> <li>◆ Has more common geographical and deployment interests</li> </ul>	<ul style="list-style-type: none"> <li>◆ Minority interests have limited ability to affect change</li> <li>◆ Does not have the same or common interests with fire districts</li> <li>◆ May not have the same long term goals as EF&amp;R</li> </ul>

Alternative	Governance	Pros	Cons
Contract with EF&R	<ul style="list-style-type: none"> <li>◆ Primary governance is the contract</li> <li>◆ Might have another forum for oversight and technical issues</li> </ul>	<ul style="list-style-type: none"> <li>◆ Has more common geographical and deployment interests</li> <li>◆ Does not have to deal with issues of geographical or facilities expansion</li> </ul>	<ul style="list-style-type: none"> <li>◆ Does not have the opportunity to vote on decisions that might affect it</li> <li>◆ Might not have any influence on the level of service. Might need to be negotiated at a premium</li> <li>◆ Relies on cooperation from EF&amp;R to maintain regional deployment model</li> </ul>
Contract with Redmond	<ul style="list-style-type: none"> <li>◆ Primary governance is the contract</li> <li>◆ Might be part of the Fire Service Forum with Redmond and Fire District #34</li> </ul>	<ul style="list-style-type: none"> <li>◆ Shares more common interests with Redmond as the lead and as a city</li> </ul>	<ul style="list-style-type: none"> <li>◆ Does not have the opportunity to vote on decisions that might affect it</li> <li>◆ Might not have any influence on the level of service.</li> <li>◆ Might need to negotiate services separately or at a premium</li> </ul>
Create City Fire Department	<ul style="list-style-type: none"> <li>◆ City Council provides guidance and establishes level of service</li> </ul>	<ul style="list-style-type: none"> <li>◆ Has total control</li> </ul>	<ul style="list-style-type: none"> <li>◆ Must deal with all the issues related to a City department including labor agreements</li> <li>◆ Adds a significant number of City staff</li> </ul>

### Level of Service

Under all the alternatives the City can maintain the current level of service, but to achieve that level of service in contracting and creating a City Fire Department, several other steps will be involved. As a partner of EF&R, the City has additional deployment resources available through its EF&R partnership. As a contractor with either EF&R or Redmond or as a City Fire Department, the resources will need to be more formalized through mutual and automatic aid agreements that will allow the City to remain as part of a regional system. This is especially true for Station 83 which

happens to serve District #10 and Issaquah. Exhibit 24 shows the pros and cons of each alternative's level of service issues.

**Exhibit 24**  
**Level of Service Analysis**

Alternative	Level of Service	Pros	Cons
Continue as EF&R Partner	<ul style="list-style-type: none"> <li>◆ Maintains current service levels</li> </ul>	<ul style="list-style-type: none"> <li>◆ Maintains the current deployment and depth of coverage</li> </ul>	<ul style="list-style-type: none"> <li>◆ Potentially influenced by EF&amp;R's standards of coverage and labor agreements</li> </ul>
Contract with EF&R	<ul style="list-style-type: none"> <li>◆ Maintains current service levels</li> </ul>	<ul style="list-style-type: none"> <li>◆ Maintains the current deployment and depth of coverage</li> <li>◆ Assumes funding agreement on Station 83</li> </ul>	<ul style="list-style-type: none"> <li>◆ EF&amp;R may not want to contract or could change its contracting policy</li> <li>◆ Potentially influenced by EF&amp;R's standards of coverage and labor agreements</li> </ul>
Contract with Redmond	<ul style="list-style-type: none"> <li>◆ Maintains current service levels if Redmond, the City, and EF&amp;R work out an automatic aid agreement</li> </ul>	<ul style="list-style-type: none"> <li>◆ Maintains the current deployment and depth of coverage</li> <li>◆ Assumes funding agreement on Station 83</li> </ul>	<ul style="list-style-type: none"> <li>◆ Some risk that all parties cannot agree on auto aid or may not want to cooperate</li> <li>◆ Potential EF&amp;R layoffs</li> <li>◆ Potentially influenced by Redmond's standards of coverage and labor agreements</li> <li>◆ Redmond could change contracting policy</li> <li>◆ Potential EF&amp;R equipment costs if City reduces its equipment ownership</li> </ul>

Alternative	Level of Service	Pros	Cons
Create City Fire Department	<ul style="list-style-type: none"> <li>◆ Maintains current service levels if the City and EF&amp;R work out an automatic aid agreement</li> </ul>	<ul style="list-style-type: none"> <li>◆ Has full control of the level of service to be provided</li> <li>◆ Maintains the current deployment and depth of coverage</li> <li>◆ Assumes funding agreement on Station 83</li> </ul>	<ul style="list-style-type: none"> <li>◆ Some risk that EF&amp;R may not want to cooperate on automatic aid and then depth of service might affect the level of service</li> <li>◆ Potential EF&amp;R layoffs</li> <li>◆ Potentially influenced by the City's standards of coverage and labor agreement</li> <li>◆ Potential EF&amp;R equipment costs if City reduces its equipment ownership</li> </ul>

## Services

Currently, the City pays for all services provided by EF&R, and unless EF&R agrees, the City must work through the EF&R processes to seek changes for what services are provided and how services are provided. Through contracting it is assumed that the City will be able to specify what services it wants to contract and pay for. As a City Fire Department, the City can fully determine by itself what services it wants to provide and how to provide them. Exhibit 25 shows the pros and cons of each alternative's service issues.

**Exhibit 25**  
**Services Analysis**

Alternative	Services	Pros	Cons
Continue as EF&R Partner	<ul style="list-style-type: none"> <li>◆ Provides all services as a package</li> </ul>	<ul style="list-style-type: none"> <li>◆ Provides a depth and level of service that could not be provided independently</li> </ul>	<ul style="list-style-type: none"> <li>◆ Not menu driven</li> <li>◆ Can't separate out services such as Fire Prevention</li> <li>◆ Restricts potential innovative options</li> </ul>

Alternative	Services	Pros	Cons
Contract with EF&R	<ul style="list-style-type: none"> <li>Services are menu driven</li> </ul>	<ul style="list-style-type: none"> <li>Possible menu driven</li> </ul>	<ul style="list-style-type: none"> <li>May lose depth of service if EF&amp;R doesn't want to participate</li> <li>Potentially influenced by EF&amp;R's standards of coverage and labor agreements</li> <li></li> </ul>
Contract with Redmond	<ul style="list-style-type: none"> <li>Services are menu driven</li> </ul>	<ul style="list-style-type: none"> <li>Possible menu driven</li> </ul>	<ul style="list-style-type: none"> <li>May lose depth of service if EF&amp;R doesn't want to participate</li> <li>Potentially influenced by Redmond's standards of coverage and labor agreements</li> </ul>
Create City Fire Department	<ul style="list-style-type: none"> <li>Services are menu driven by policy and might not be provided in a traditional manner</li> </ul>	<ul style="list-style-type: none"> <li>City Council determines services and service levels</li> <li>May not be provided in traditional manner</li> </ul>	<ul style="list-style-type: none"> <li>May lose depth of service if EF&amp;R doesn't want to participate and cooperate with the City</li> </ul>

## Costs

The pros and cons concerning the ability to control and negotiate costs are similar to the current governance options. With the EF&R partnership, cost and budget control are with the EF&R Board where the City has two of eight votes. With contracting, controlling costs can be done through the contract negotiations, and with its own City Fire Department, the City has complete control over how it wants to control costs. All of the alternatives cost about the same at about \$2.1 million per station. The key issues that affect costs involve the current funding formula and the salary costs. With EF&R the funding formula establishes the cost per station. For contracting and creating the City's own Fire Department, the salary levels are the key costs. The other major variable that affects costs in all alternatives is whether the City can successfully negotiate a means to share the costs of Station 83 based on the partner incidents. Exhibit 26 shows the pros and cons of each alternative's cost issues.

**Exhibit 26  
 Cost Analysis**

Alternative	Net Operating Costs	Pros	Cons
Continue as EF&R Partner	<ul style="list-style-type: none"> <li>◆ Same as 2012 under the current funding formula - \$5.5 Million</li> </ul>	<ul style="list-style-type: none"> <li>◆ No change, same issues</li> </ul>	<ul style="list-style-type: none"> <li>◆ Potential for future costs to rise, same current issues</li> <li>◆ Restricts potential innovative options</li> </ul>
Contract with EF&R	<ul style="list-style-type: none"> <li>◆ \$4.9 million at 2012 costs with Station 83 costs based on demand</li> </ul>	<ul style="list-style-type: none"> <li>◆ Potentially lower costs based on menu driven service</li> <li>◆ Could potentially set up own reserve for equipment and facilities</li> <li>◆ Could separately contract for fire prevention services</li> <li>◆ No EF&amp;R layoffs</li> </ul>	<ul style="list-style-type: none"> <li>◆ Relies on EF&amp;R's willing cooperation and participation</li> </ul>
Contract with Redmond	<ul style="list-style-type: none"> <li>◆ \$4.3 million assuming EF&amp;R shares costs for Station 83 based on demand</li> </ul>	<ul style="list-style-type: none"> <li>◆ Redmond has the same cost and budget interests as Sammamish</li> <li>◆ Realize proceeds from sale of excess equipment and fleet</li> </ul>	<ul style="list-style-type: none"> <li>◆ Relies on Redmond to provide an existing command officer when needed</li> <li>◆ Potentially influenced by Redmond's standards of coverage and labor agreements</li> <li>◆ Relies on EF&amp;R for automatic aid</li> <li>◆ Relies on EF&amp;R to cooperate on Station 83 to lower costs</li> <li>◆ Potential EF&amp;R layoffs</li> <li>◆ EF&amp;R may have to purchase additional equipment to make up for the City's fleet reduction</li> </ul>

Alternative	Net Operating Costs	Pros	Cons
Create City Fire Department	<ul style="list-style-type: none"> <li>◆ \$4.6 million assuming EF&amp;R shares costs for Station 83 based on demand</li> </ul>	<ul style="list-style-type: none"> <li>◆ Has full control of the costs as it relates to the level of service</li> </ul>	<ul style="list-style-type: none"> <li>◆ Relies on EF&amp;R to cooperate on Station 83 to lower costs</li> <li>◆ Potential EF&amp;R layoffs</li> <li>◆</li> <li>◆ EF&amp;R may have to purchase additional equipment to make up for Sammamish's fleet reduction</li> </ul>

## CONCLUSIONS AND RECOMMENDATIONS

With the current EF&R effort to review the interlocal agreement, the City does have an opportunity to make some possible changes if at least a majority of the other Board members agree. Based on discussions with some City Council members, the City has a number of other concerns about the interlocal agreement besides the funding model issues. Based on the discussions with the Citizens Committee and the Committee members' past experience with the Board, continuing in the partnership and its governance structure in its current form might not serve the City's long term interests without major changes to the agreement. For example, the current EF&R staff and the Board chairman have indicated they want EF&R to expand even though the current system is operating well within the current boundaries. Based on this potential difference in long term interests and the difficulty of successfully keeping the agreement consistent with the City's interests and potential changes, continuing in the partnership might not be in the City's long term interests.

Contracting or creating a City Fire department provides the City with the following.

- ◆ Provides for better negotiating and cost control compared to the current EF&R partnership,
- ◆ Allows for potential innovative deployment options,
- ◆ Allows for potential separation of non-operational and ancillary services and funding, fire prevention, equipment replacement, facilities activities,
- ◆ Allows the possible sale of unnecessary equipment and fleet, and
- ◆ Allows the City to establish its own reserves for equipment replacement and facilities.

Even though the City can benefit through contracting or creating its own Fire Department, the City and the Committee members, however, still believe that being part of the regional operations system is still desired and important for the region. However, contracting with EF&R without the same partnership governance and negotiating directly with EF&R could save the City money. With this alternative, the City can concentrate on the costs associated with its stations but allows EF&R to pursue its expansion and other goals and to use its own funding formula for its partners. The key challenge in all of the alternatives is working with EF&R to maintain the regional system and to find

an equitable solution to sharing the cost of Station 83 which primarily serves District #10 and Issaquah despite being within the Sammamish limits.

Although contracting with EF&R is more expensive than contracting with Redmond, both have the potential to save the City money if EF&R shares Station 83's costs based on incidents. There are a number of reasons why contracting with EF&R benefits the City more than contracting with Redmond:

- ◆ EF&R and the City already have a long standing relationship regarding fire services although the City's interests are more closely aligned with Redmond as a city.
- ◆ Based on the relationship it may be easier to negotiate Station 83 costs than if the City was contracting with Redmond or using its own department, and as a result there may be less risk for being responsible for all of Station 83's costs.
- ◆ Staying with EF&R potentially maintains current configurations, deployment, and depth without additional negotiations.
- ◆ The firefighters at City stations would continue to be trained by EF&R, and so when EF&R is working with Sammamish's station personnel on incidents, all the staff will have the same training and procedures compared to working with Redmond or creating a City Fire Department which might have different training and procedures, and
- ◆ EF&R layoffs are avoided.

## Recommendations

Based on the Citizens Committee discussions and City Council member comments, the City is evaluating its fire services alternatives because it has concerns about increasing costs, maintaining the level of service and services, and continuing to support the regional system provided by EF&R. For the City to be effective in the long term and to address its concerns, it needs an ability to control costs, determine the level of service and services, and participate in the regional system. For the reasons stated previously, contracting with EF&R directly is the best option considering the various issues concerning governance, level of service, services, and costs. Contracting with EF&R provides flexibility in determining the level of service and offers the City an opportunity to continue its participation in the regional system. For EF&R it helps maintain the regional system and avoids EF&R layoffs.

If negotiations are not successful with EF&R, the City should then consider contracting with the City of Redmond. As previously mentioned, there will be additional negotiations with EF&R concerning Station 83 as well as operational issues if the City stations continue to operate as part of the overall EF&R system. With this alternative, EF&R will encounter a number of impacts potentially involving staff reductions and equipment replacements.

The last alternative for the City is to create its own Fire Department. The City will need to establish the administrative infrastructure to support the new Fire Department and the impacts on EF&R will be the same as contracting with Redmond.

# APPENDIX A: STATION INCIDENTS AND PARTNER CONTRIBUTIONS

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**2011 Incidents and EF&R Partner Percentage by Station\***

Partner	2011 Incidents	Station 71	Station 72	Station 73	Station 78	Station 81	Station 82	Station 83	Station 85	Station 87
District 10	2,005	432	140	222	347	62	24	342	388	48
District 38	524	32	20	11		6	1		2	452
City of Issaquah	3,635	1078	1012	648	35	151	29	679	1	2
City of North Bend	679	39	13	44	1	5		1	5	571
City of Sammamish	1,970	18	12	105		566	805	463	1	
<b>Total</b>	<b>8,813</b>	<b>1,599</b>	<b>1,197</b>	<b>1,030</b>	<b>383</b>	<b>790</b>	<b>859</b>	<b>1,485</b>	<b>397</b>	<b>1,073</b>
District 10	22.8%	27.0%	11.7%	21.6%	90.6%	7.8%	2.8%	23.0%	97.7%	4.5%
District 38	5.9%	2.0%	1.7%	1.1%	0.0%	0.8%	0.1%	0.0%	0.5%	42.1%
City of Issaquah	41.2%	67.4%	84.5%	62.9%	9.1%	19.1%	3.4%	45.7%	0.3%	0.2%
City of North Bend	7.7%	2.4%	1.1%	4.3%	0.3%	0.6%	0.0%	0.1%	1.3%	53.2%
City of Sammamish	22.4%	1.1%	1.0%	10.2%	0.0%	71.6%	93.7%	31.2%	0.3%	0.0%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

\* Does not include mutual aid incidents

**EF&R Partner Percentage of Assessed Value and Contribution by Station**

Partner	Station 71	Station 72	Station 73	Station 78	Station 81	Station 82	Station 83	Station 85	Station 87
District 10	45.85%	16.30%	21.73%	100.00%	0.07%	2.62%	30.62%	100.00%	2.96%
District 38									61.39%
City of Issaquah	54.15%	83.70%	75.42%		1.57%		7.88%		
City of North Bend									35.65%
City of Sammamish			2.85%		98.36%	97.38%	61.50%		
<b>Total</b>	<b>100.0%</b>								
District 10	\$969,055	\$344,506	\$459,271	\$2,113,533	\$1,479	\$55,375	\$647,164	\$2,113,533	\$62,561
District 38	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,297,498
City of Issaquah	\$1,144,478	\$1,769,027	\$1,594,027	\$0	\$33,182	\$0	\$166,546	\$0	\$0
City of North Bend	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$753,475
City of Sammamish	\$0	\$0	\$60,236	\$0	\$2,078,871	\$2,058,159	\$1,299,823	\$0	\$0
<b>Total</b>	<b>\$2,113,533</b>								

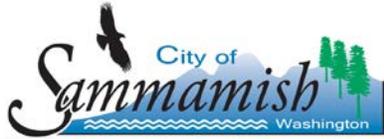
## APPENDIX B: COST ASSUMPTIONS

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## Cost Assumptions

- ◆ The staffing of each station was based on the current EF&R staffing station assignments. The costs of salaries for these staff were estimated using various sources:
  - For the Contract with Redmond scenario, salary costs were estimated using the top step for each position from the City of Redmond's 2012 salary schedule.
  - For the Create a City Fire Department scenario, two different salary estimates were used. The first estimate is based on using the average top step for similar-sized jurisdictions in the Puget Sound area, as reported by the Association of Washington Cities 2011 salary survey. The salaries from this survey were updated for 2012 based on the area's consumer price index. The second scenario bases salary costs on EF&R's 2012 salary schedule.
- ◆ Overtime costs were estimated using the ratio of overtime costs to all other salary costs (i.e. 5.26%), based on 2011 actual expenditures for EF&R.
- ◆ Based on an analysis of Redmond's and EF&R's operations staff benefit costs, the assumption used to calculate the cost of benefits was that benefit costs are 30 percent of total salary and overtime costs.
- ◆ For the Contract with Redmond scenario, the costs of fire administration (e.g. Fire Chief and other administrative staff) were estimated using the City of Redmond's contract with King County Fire Protection District 34 (District 34). It was assumed that an additional Battalion Chief might not be necessary and the costs include an allocated share of the existing Battalion Chief costs. These costs were based on Redmond's ratio of total 2012 fire administrative costs to total non-administrative costs (excluding fire prevention/investigation and equipment replacement reserves).
- ◆ For the cost of administration of a City Fire Department, the estimated personnel costs of a fire chief, assistant fire chief, secretary, three battalion chiefs, and a fire marshal were included. These personnel cost estimates were based on the same assumptions as the other staff described above.
- ◆ The total cost of volunteers was estimated by the City to be \$10,000 a year.
- ◆ Facilities costs were estimated by multiplying EF&R's 2012 Facilities budget for utilities and repairs & maintenance by the City's share of full-time stations (i.e. three out of nine full-time Stations).
- ◆ The costs of operating supplies were estimated by multiplying EF&R's 2012 supplies budgets by the City's share of total incidents in 2011, excluding mutual aid calls. The supplies budgets from Administration, Facilities, Information Technology, Shop, Volunteer Program, and Wellness Program were excluded because their costs were incorporated into other cost categories such as city administration.
- ◆ The costs of other services were estimated by multiplying EF&R's 2012 other services budgets from several divisions by the City's share of total incidents in 2011, excluding mutual aid calls. Similar to operating supplies, the other services budgets from Administration, Facilities, Information Technology, Shop, Volunteer Program, and Wellness Program were excluded because their costs were incorporated into other cost categories.
- ◆ The cost of vehicle maintenance was estimated by multiplying EF&R's total 2012 Shop budget by the City's share of total incidents in 2011, excluding mutual aid calls.
- ◆ Dispatch costs were estimated by multiplying EF&R's total 2012 budget for dispatch (\$487,383), 800 MHZ use fees (\$89,100), and communications system expense (\$140,000) by the City's share of total incidents in 2011, excluding mutual aid calls.

- ◆ For the Create a City Fire Department scenario, citywide overhead costs were provided by the City. It should be noted that this estimate originally included an additional \$10,000 for volunteers, which was shifted to the volunteers cost category described above.
- ◆ For the Contract with Redmond scenario, citywide overhead costs were estimated using the City of Redmond's contract with District 34. This was done by multiplying the total estimated fire operating and administrative costs based on percentage of citywide overhead charged to Redmond's Fire Department compared to the Department's 2012 fire costs.
- ◆ Insurance costs were estimated for the Create a City Fire Department based on the EF&R's insurance costs per station. For the Contract with Redmond scenario, the cost of insurance was included as part of Redmond's citywide overhead costs.



# City Council Agenda Bill

**Meeting Date:** June 18, 2012

**Date Submitted:** June 13, 2012

**Originating Department:** Public Works

**Clearances:**

<input checked="" type="checkbox"/> City Manager	<input type="checkbox"/> Community Development	<input type="checkbox"/> Parks & Recreation
<input type="checkbox"/> Attorney	<input checked="" type="checkbox"/> Finance & IT	<input type="checkbox"/> Police
<input type="checkbox"/> Admin Services	<input type="checkbox"/> Fire	<input checked="" type="checkbox"/> Public Works

**Subject:** NE 8<sup>th</sup> Street & 233<sup>rd</sup> Avenue NE Intersection Improvements

**Action Required:** Authorize the City Manager to award and execute a construction contract for the NE 8<sup>th</sup> Street & 233<sup>rd</sup> Avenue NE Intersection Improvement Project and administer a construction contingency.

**Exhibits:** (Bids are to be opened on Thursday, June 14<sup>th</sup>. The Bid Summary will be provided at the Council Meeting)

**Budget:** This project will be funded through the adopted 2011-2012 Neighborhood Capital Improvements, Intersection Improvements Program, and Sidewalk Program budgets in the Transportation Capital Improvement Fund (Fund 340). A detailed breakdown of the budgets is described in the Financial Impact section of this agenda bill.

**Summary Statement:**

The Public Works Department recommends that the City Council authorize the City Manager to award and execute a contract with the lowest responsive and responsible bidder for construction of a new roundabout at the intersection of NE 8th Street & 233rd Avenue NE. This work is in conjunction with Lake Washington School District's (LWSD) improvements to Eastlake High School which include adding a secondary access to NE 8th Street via 233rd Avenue NE. The School District is contributing a pro-rata share towards the construction of these intersection improvements.

**Background:**

This project will construct a new roundabout at the intersection of NE 8<sup>th</sup> Street and 233<sup>rd</sup> Avenue NE. Work includes curb, gutter, sidewalk, signing, and illumination. Landscaping will be installed by City crews following completion of construction. The City Council authorized the design contract at their January 17<sup>th</sup> special meeting.

City Staff have worked closely with the LWSD to establish a secondary access to Eastlake High School. Adding an additional access benefits both the City and the District by distributing Eastlake traffic. This benefit will be demonstrated by reduced traffic congestion on 228<sup>th</sup> Avenue NE, particularly at the intersections at Inglewood Hill Road/NE 8<sup>th</sup> Street and NE 4<sup>th</sup> Street. The District is currently underway with construction of both an addition to EastLake High School and roadway improvements to 233<sup>rd</sup>



## City Council Agenda Bill

Avenue NE. Construction is anticipated to begin in mid-July and be substantially complete by the first day of school in September.

During review of the site development permit for the Eastlake High School and 233<sup>rd</sup> Avenue work it was determined that LWSD would be responsible for funding a proportionate share of the costs to construct the required intersection improvements. The proportionate share equals 14.5% and is based on the projected school-generated AM Peak hour trips at the NE 8th Street/233rd Avenue NE intersection.

### Financial Impact:

This project is not included in the current adopted budget; however the included work can be accommodated by the closely-related programs listed below.

Program		Requested 2011 Carry Forward	2012 Budget	Total
Intersection Improvements	340-115-595-30-63-00	\$ 168,100	\$ 150,000	\$ 318,100
Neighborhood Projects	340-117-595-30-63-00	\$ -	\$ 100,000	\$ 100,000
Sidewalk Program	340-118-595-61-63-00	\$ 142,400	\$ 250,000	\$ 392,400
<b>TOTALS:</b>		\$ 310,500	\$ 500,000	\$ 810,500
Estimated Project Costs				
Design				\$ 182,083
Construction (Engineer's estimate)				\$ 670,000
Construction Contingency (10%)				\$ 67,000
LWSD Contribution				\$ (110,550)
<b>TOTAL PROJECT BUDGET ALLOCATION:</b>				\$ 808,533
<b>TOTAL REMAINING UNALLOCATED PROGRAM BUDGETS:</b>				\$ 1,967

### Recommended Motion:

Move to authorize the City Manager to award and execute a contract with the lowest responsive and responsible bidder (contractor to be named at 6/18/2012 council meeting) for construction of the NE 8<sup>th</sup> Street & 233<sup>rd</sup> Avenue NE Intersection Improvement project, in an amount not to exceed \$(*amount to be announced at 6/18/2012 council meeting*) and to administer a 15% construction contingency in an amount not to exceed \$(*amount to be announced at 6/18/2012 council meeting*).