



CITY OF KIRKLAND
City Manager's Office
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MEMORANDUM

To: Dave Ramsay, City Manager
From: Marilynne Beard, Assistant City Manager
Date: March 28, 2007
Subject: POTENTIAL ANNEXATION

RECOMMENDATION:

City Council approved the attached resolution directing to staff to proceed to phase two of the annexation study process.

BACKGROUND DISCUSSION:

At their March 27 Special Meeting, the City Council asked staff to prepare a resolution for consideration at the next regular Council meeting directing staff to proceed with phase two annexation activities. Council also requested that staff include a copy of the annexation service packages first presented with the 2007-2008 Biennial Budget (but not funded in the adopted budget pending further study by Council). The purpose of this memo is to describe phase two activities and a proposed process for consideration of service package requests.

Phase Two Activities

The staff memo to the City Council prepared for the March 27 special meeting provided a description of the primary activities to pursue in phase two of the annexation study process. It should be noted that some of the activities that begin in phase two will be continued into phase three. The culmination of phase two will be the successful negotiation of an interlocal agreement with King County and additional analysis regarding key issues outstanding from phase one (e.g. capital needs and funding availability). Major phase two activities include:

- **Consideration of budget adjustments** needed to the 2007-08 Budget based on the annexation service packages;

- **Phase two of the public outreach** program including outreach to the PAA (extends through phase three);
- A preliminary **assessment of infrastructure** condition and a comparison of needs versus available funding;
- **Negotiation of an interlocal agreement with King County** that identifies each agency's financial commitment and the process for moving forward with annexation;
- **Detailed operational planning** needed to move forward with annexation (extends into phase three). Operational planning will address a number of issues ranging from police recruitment strategies to transition of permit services and solid waste providers.
- Continuation of **facilities planning** activities for both short-term and long-term housing of City services (extends into phase three).
- **Further financial analysis** with regard to cash flow assumptions and possible implementation dates for annexation (extends into phase three).

Service Package Requests

Copies of the service package requests as presented in the 2007-2008 Budget and a summary of the requests are attached to this memo. Since the original service package requests anticipated an earlier start date for phase two, staff is in the process of preparing updated requests that reflect the revised time line. One new request is also anticipated from Public Works that specifically addresses the infrastructure condition assessment.

Revised service package requests will be reviewed by the City Manager's Office and a recommended funding level will be provided to Council for consideration at the April 17th Council meeting. The revised service packages and funding recommendation will reflect the most recent direction from Council about staff work to be completed for the next phase of annexation study.

**City of Kirkland
2007-2008 Final Budget
Annexation Service Package Requests**

		2007-2008 Department Request			2007-2008 City Manager Recommendation		
		2007 One-time	2008 One-time	2007-2008 Total	2007 One-time	2008 One-time	2007-2008 Total
GENERAL FUND							
City Manager							
	Annexation Public Safety Building Feasibility Analysis	50,000	-	50,000	50,000	-	50,000
	Annexation Coordination	100,000	100,000	200,000	75,000	100,000	175,000
	Annexation Communications - Phases 2 and 3	27,700	26,100	53,800	27,700	26,100	53,800
	Annexation Administrative Support	52,730	56,512	109,242	52,730	56,512	109,242
Subtotal City Manager		230,430	182,612	413,042	205,430	182,612	388,042
Human Resources							
	Annexation Human Resources Analyst	-	55,276	55,276	-	55,276	55,276
Subtotal Human Resources		-	55,276	55,276	-	55,276	55,276
City Attorney							
	Annexation Legal Services	40,000	40,000	80,000	-	80,000	80,000
Subtotal City Attorney		40,000	40,000	80,000	-	80,000	80,000
Public Works							
	Annexation Dev Svs Permit System Mapping	260,000	-	260,000	-	50,000	50,000
Subtotal Public Works		260,000	-	260,000	-	50,000	50,000
Finance & Administration							
	Annexation Fiscal Services Resources	56,162	55,650	111,812	-	111,812	111,812
Subtotal Finance & Administration		56,162	55,650	111,812	-	111,812	111,812
Planning & Community Development							
	Annexation Planning Dept. Support	86,173	85,684	171,857	-	171,857	171,857
Subtotal Planning & Community Development		86,173	85,684	171,857	-	171,857	171,857
Police							
	Annexation Recruitment & Liaison Officer	170,041	102,598	272,639	-	102,598	102,598
Subtotal Police		170,041	102,598	272,639	-	102,598	102,598
GENERAL FUND TOTAL		842,806	521,820	1,364,626	205,430	754,155	959,585
OTHER OPERATING FUNDS							
Information Technology Fund							
	Annexation Help Desk	72,650	71,412	144,062	-	-	-
	Annexation GIS Mapping	140,960	140,960	281,920	-	210,960	210,960
Subtotal Information Technology Fund		213,610	212,372	425,982	-	210,960	210,960
TOTAL OTHER OPERATING FUNDS		213,610	212,372	425,982	-	210,960	210,960
TOTAL ALL FUNDS		1,056,416	734,192	1,790,608	205,430	965,115	1,170,545

CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation - Public Safety Building Feasibility Analysis	
DEPARTMENT	DIVISION	FUND
City Manager	City Manager	General

CITY PHILOSOPHIES

- Investment in Infrastructure – City facilities
- Organizational Values
- A Safe Community

DESCRIPTION AND JUSTIFICATION

The City is exploring options for expanding the City Hall facility and/or purchasing or building a public safety facility. This service package will provide for a feasibility analysis of retrofitting an existing structure to serve as a public safety building. Several existing, newer office buildings exist that may be adaptable for public safety purposes and may be more cost effective than constructing a new facility. In addition, the lack of buildable lots of sufficient size for a public safety building also may make purchase and retrofit a more feasible alternative.

Is this Service Package tied to a CIP Project? **No** **Yes** **CIP #** _____

NUMBER OF FTE's REQUESTED					
COST SUMMARY	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies & Services	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000

SERVICE PACKAGE COST SUMMARY WORKSHEET

TITLE	Annexation - Public Safety Building Feasibility Analysis
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Description	Account #	2007		2008		Total
		Ongoing	One-Time	Ongoing	One-Time	
PERSONNEL SERVICES						
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -

SUPPLIES & SERVICES						
Professional Services	0100201310*5410100		\$ 50,000			\$ 50,000
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000

CAPITAL OUTLAY						
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -

EXPENDITURE SAVINGS / OFFSETTING REVENUE						
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -

NET SERVICE PACKAGE COST	\$ -	\$ 50,000	\$ -	\$ -	\$ 50,000
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CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation Coordination	
DEPARTMENT	DIVISION	FUND
City Manager	City Manager	General

CITY PHILOSOPHIES
<ul style="list-style-type: none"> - Unique Community Character - Investment in Infrastructure - Organizational Values

DESCRIPTION AND JUSTIFICATION

If the City Council decides to proceed with further annexation efforts, City staff will be engaged in a number of efforts to support a communications efforts and prepare operational plans prior to an election and possible effective date. Assuming a 2008 election date, the majority of planning work needs to begin in 2007 and be completed in 2008. Although individual departments are preparing requests for staff to assist in developing their specific plans, a citywide coordinator would assure that a consistent and comprehensive approach is taken by all departments. This temporary, full-time assignment would be filled by an existing city staff person through an internal recruitment process and that person's job would, in turn, need to be backfilled. Knowledge of existing City operations and the ability to coordinate highly complex organizational efforts are skills that will be needed for this position. This service package identifies a lump-sum funding amount to backfill a City staff person to be identified. It also provides for contracted legal assistance to either draft interlocal agreements or to backfill existing City Attorney's Office staff so that they can draft ILA's.

- Examples of staff work that will be needed over the next two years include:
- Detailed assessment of existing conditions in the annexation area including infrastructure conditions and capacity, land use regulations and zoning inconsistencies;
 - Development of service transition options including phasing alternatives for police, parks, public works maintenance and permitting services
 - Evaluation of active permits and negotiation with King County regarding assumption of active permits and/or permit fees already collected
 - Assessment of capital improvement needs and the status of pending County capital projects and funding availability for planned projects
 - Coordination with three fire districts with regard to potential disposition of assets and operating agreements
 - Attendance at community meetings to address questions and issues raised by PAA residents related to City services and how they will

Is this Service Package tied to a CIP Project? **No** **Yes** **CIP #** _____

NUMBER OF FTE's REQUESTED	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
	COST SUMMARY				
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies & Services	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ 200,000
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ 200,000
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ 200,000

CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation Communication – Phases 2 and 3	
DEPARTMENT	DIVISION	FUND
City Manager	City Manager	General

CITY PHILOSOPHIES

- Community Involvement

DESCRIPTION AND JUSTIFICATION

The City conducted a request for proposals for communications and public outreach consulting services for annexation. The RFP included a phased approach to communication with phase 1 focusing on the existing Kirkland community (currently underway). Phase two and three extend the outreach to the Potential Annexation Area (PAA) and incorporate pre-election planning, post election and implementation communication. In July, the City engaged the services of EnviroIssues to implement phase 1 of the strategy with additional phases to be considered if the City Council decides to proceed with further study of annexation. This service package provides funding for the next two phases of the communications strategy proposed by EnviroIssues.

Is this Service Package tied to a CIP Project? **No** **Yes** **CIP #** _____

NUMBER OF FTE's REQUESTED					
	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
COST SUMMARY					
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies & Services	\$ -	\$ 27,700	\$ -	\$ 26,100	\$ 53,800
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ 27,700	\$ -	\$ 26,100	\$ 53,800
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 27,700	\$ -	\$ 26,100	\$ 53,800

CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation Administrative Support	
DEPARTMENT	DIVISION	FUND
City Manager	City Manager	General

CITY PHILOSOPHIES

- Unique Community Character
 - Community Involvement

DESCRIPTION AND JUSTIFICATION

This is a continuation of a temporary position approved at the 2006 mid-year budget review for administrative support for annexation activities. This position will continue to provide support for public outreach effort including meeting scheduling and logistics, maintain the City's internal and external web pages related to annexation, provide support for the Council annexation subcommittee and provide general administrative support to City Manager's Office Support.

Is this Service Package tied to a CIP Project? **No** **Yes** **CIP #** _____

NUMBER OF FTE's REQUESTED	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
	COST SUMMARY				
Personnel Services	\$ -	\$ 47,163	\$ -	\$ 50,686	\$ 97,849
Supplies & Services	\$ -	\$ 5,567	\$ -	\$ 5,826	\$ 11,393
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ 52,730	\$ -	\$ 56,512	\$ 109,242
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 52,730	\$ -	\$ 56,512	\$ 109,242

SERVICE PACKAGE COST SUMMARY WORKSHEET

TITLE	Annexation Administrative Support
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Description	Account #	2007		2008		Total
		Ongoing	One-Time	Ongoing	One-Time	
PERSONNEL SERVICES						
Wages	0100201310*5100200		\$ 34,481	\$ -	\$ 35,962	\$ 70,443
Benefits	0100201310*5200200		\$ 12,682	\$ -	\$ 14,724	\$ 27,406
						\$ -
						\$ -
						\$ -
						\$ -
Total			\$ 47,163	\$ -	\$ 50,686	\$ 97,849

SUPPLIES & SERVICES						
Office Supplies	0100201310*5310100		\$ 250		\$ 250	\$ 500
IT Operating Charges	0100201310*5459101		\$ 4,599		\$ 4,851	\$ 9,450
IT Replacement Charges	0100201310*5459102		\$ 467		\$ 467	\$ 934
Telecom Charges	0100201310*5459401		\$ 251		\$ 258	\$ 509
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
Total			\$ 5,567	\$ -	\$ 5,826	\$ 11,393

CAPITAL OUTLAY						
						\$ -
						\$ -
						\$ -
						\$ -
Total			\$ -	\$ -	\$ -	\$ -

EXPENDITURE SAVINGS / OFFSETTING REVENUE						
						\$ -
						\$ -
Total			\$ -	\$ -	\$ -	\$ -

NET SERVICE PACKAGE COST	\$ -	\$ 52,730	\$ -	\$ 56,512	\$ 109,242
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CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation - Human Resources Analyst	
DEPARTMENT	DIVISION	FUND
Human Resources	Human Resources	General Fund

CITY PHILOSOPHIES
<ul style="list-style-type: none"> - Organizational Values - Financial Stability - Unique Community Character

DESCRIPTION AND JUSTIFICATION

Human Resources is requesting a .7 FTE Human Resources Analyst (Temporary position for 2008) in order to have the resources for the activities and analysis necessary to support the City in the essential preparations for potential annexation (i.e. subsequent to reaching the "go/no go" decision point as to placing the potential annexation on a ballot and before the actual vote by the citizens).

In essence, this service package will support the City and Departments in planning and assuring a viable plan for "implementation" of annexation prior to the citizen vote, in order to answer the understandable questions related to: "How would it work?"

This assistance is necessary prior to implementation of the annexation process in order to provide to City Council, the City Manager's Office and the various involved Departments (Police, Fire and Building, Planning, Finance, etc.) Human Resources support and assistance in costing, analysis and developing options and implementation strategies for Council's consideration of potential annexation. In addition to the provision of HR consultative and costing services, this resource will also allow the necessary support for mapping out process and timelines for the recruitment, hiring and training of staff (and external consultative services) for the various departments, should annexation be approved.

Given the service model of the Human Resources Department (i.e. each department has their own assigned HR Analyst), the position will also help to backfill some necessary day to day operational, employment and safety/risk management activities, in order to assure that the most appropriate HR expertise is assigned in each instance of annexation preparation work.

This service package will assure assessment and supports for organizational structure, span of control and labor union support/ liaison for the pending annexation decision points and implementation. In a similar fashion, this funding will assure that other strategic initiatives such as the personnel policy revision process, labor relations support /negotiations and organizational training competencies are in place in order to provide a legal and employment practice foundation for the potential annexation decisions.

Is this Service Package tied to a CIP Project? No Yes **CIP #** _____

NUMBER OF FTE'S REQUESTED	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
COST SUMMARY					
Personnel Services	\$ -	\$ -	\$ -	\$ 55,276	\$ 55,276
Supplies & Services	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ -	\$ -	\$ 55,276	\$ 55,276
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ -	\$ -	\$ 55,276	\$ 55,276

SERVICE PACKAGE COST SUMMARY WORKSHEET

TITLE	Annexation - Human Resources Analyst
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Description	Account #	2007		2008		Total
		Ongoing	One-Time	Ongoing	One-Time	
PERSONNEL SERVICES						
Salary	0100301620*5100200				\$ 39,068	\$ 39,068
Benefits	0100301620*5200200				\$ 16,208	\$ 16,208
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ 55,276	\$ 55,276

SUPPLIES & SERVICES						
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -

CAPITAL OUTLAY						
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -

EXPENDITURE SAVINGS / OFFSETTING REVENUE						
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -

NET SERVICE PACKAGE COST	\$ -	\$ -	\$ -	\$ 55,276	\$ 55,276
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CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation - Legal Services				
DEPARTMENT	DIVISION		FUND		
City Attorney	City Attorney		General		
CITY PHILOSOPHIES					
<ul style="list-style-type: none"> - Financial Stability - Organizational Values 					
DESCRIPTION AND JUSTIFICATION					
<p>Outside Counsel (annexation issues): Increased costs for legal services for outside counsel to assist the City Attorney's Office with an election method annexation. The City Attorney's Office anticipates the need for outside counsel services to address debt issues, issues with special districts existing in the potential annexation area, and to assist in writing ballot propositions. The City Attorney's Office views the use of outside counsel as necessary both because this office does not have sufficient depth to address certain time consuming and time sensitive annexation issues and because this office will need access to special expertise.</p>					
Is this Service Package tied to a CIP Project? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes CIP # _____					
NUMBER OF FTE's REQUESTED					
COST SUMMARY	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies & Services	\$ -	\$ 40,000	\$ -	\$ 40,000	\$ 80,000
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ 40,000	\$ -	\$ 40,000	\$ 80,000
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 40,000	\$ -	\$ 40,000	\$ 80,000

CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE **Annexation - Development Service Permit System Mapping**

DEPARTMENT	DIVISION	FUND
Public Works	Development Services	General

CITY PHILOSOPHIES

- Investment in the Infrastructure
- Organizational Values
- Community Involvement

DESCRIPTION AND JUSTIFICATION

There are two major changes that could occur in the near future that will have a dramatic affect on Development Services. The first major change is the proposed annexation, which is expected to increase the volume of new permits by 60% over our existing permit volume. The other major change is the pending decommission of "Advantage," the existing electronic permit tracking software; when this occurs (likely within the next 3-5 years), the City will be need to migrate to a different tracking software. Before either of these major changes takes place, the City should conduct a comprehensive review of our permitting system to be sure that it is operating as efficiently as possible. By doing so, necessary changes can be identified and implemented so that the permitting system and permitting staff are better able to able to handle the increased permit volumes associated with annexation. Also, the new software that replaces Advantage can be designed around the revised permitting system.

It should be noted that the recently completed IT Strategic Plan recommended this permit system mapping project as the 2nd most important project identified in the plan.

If this service package is approved, more study needs to be done by the Public Works, Planning, Building and IT Departments to determine how much of this project can be done by an outside consultant and how much can be done by in-house staff. The IT Strategic Plan recommended a \$20,000 budget for outside consultant work with the bulk of the "heavy lifting" on this project being done by in-house staff. Given the current workload, the Development Services Managers (Rob Jammerman, Nancy Cox, and Tom Phillips) believe that this large task can not be taken on by in-house staff unless one additional temporary staff is brought into each Department to backfill and help with permit review while other permanent staff members work on this mapping process. We estimate that the cost of the 3 additional staff members will be \$80,000 each (a Planner, a Building Plan Reviewer, and a Development Engineer) which totals at \$240,000; the cost of the three additional staff plus the \$20,000 for outside consultant work totals \$260,000. With this estimate in mind, it is recommended that this service package be funded as a Professional Service with the caveat that the four involved departments will discuss the project further and decide whether temporary staff should be hired or less staff should be hired and more of the work should be done by consultant.

Last, when considering funding for this request, it may be appropriate to use some of the Development Services Reserve.

Is this Service Package tied to a CIP Project? **No** **Yes** **CIP #** _____

NUMBER OF FTE'S REQUESTED	2007		2008		Total	
	COST SUMMARY					
	Ongoing	One-Time	Ongoing	One-Time		
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies & Services	\$ -	\$ 260,000	\$ -	\$ -	\$ 260,000	
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Service Package Cost	\$ -	\$ 260,000	\$ -	\$ -	\$ 260,000	
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Service Package Cost	\$ -	\$ 260,000	\$ -	\$ -	\$ 260,000	

CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation - Fiscal Services Resources	
DEPARTMENT	DIVISION	FUND
Finance & Administration	Financial Planning & Administration	General

CITY PHILOSOPHIES

- Financial Stability
- Unique Community Character

DESCRIPTION AND JUSTIFICATION

A fiscal model for annexation was developed for the City by outside consultants in 2006. Consulting resources are needed for further fine-tuning of the fiscal model and to address any potential financial issues. Additionally, engaging a part-time budget analyst will allow staff to manipulate the model to do future analysis on the issues around annexation. The budget analyst will be able to backfill the current work load of the financial planning division to make senior staff available for in-depth fiscal analysis.

Is this Service Package tied to a CIP Project? **No** **Yes** **CIP #** _____

NUMBER OF FTE's REQUESTED					
COST SUMMARY	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
Personnel Services	\$ -	\$ 34,855	\$ -	\$ 36,493	\$ 71,348
Supplies & Services	\$ -	\$ 21,307	\$ -	\$ 19,157	\$ 40,464
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ 56,162	\$ -	\$ 55,650	\$ 111,812
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 56,162	\$ -	\$ 55,650	\$ 111,812

SERVICE PACKAGE COST SUMMARY WORKSHEET

TITLE	Annexation - Fiscal Services Resources
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Description	Account #	2007		2008		Total
		Ongoing	One-Time	Ongoing	One-Time	
PERSONNEL SERVICES						
Salaries	0104111410*5100200		\$ 25,212		\$ 26,304	\$ 51,516
Benefits	0104111410*5200200		\$ 9,643		\$ 10,189	\$ 19,832
						\$ -
						\$ -
						\$ -
						\$ -
Total			\$ 34,855	\$ -	\$ 36,493	\$ 71,348

SUPPLIES & SERVICES						
Professional Services	0104111410*5410100		\$ 15,000		\$ 15,000	\$ 30,000
Office Furniture & Equipment	0104111410*5350200		\$ 2,590		\$ 2,590	\$ 5,180
IT Reserve Charges	0104111410*5459102		\$ -		\$ -	\$ -
IT Reserve Charges	0104111410*5459102		\$ 467		\$ 467	\$ 934
Office Supplies	0104111410*5310100		\$ 100		\$ 100	\$ 200
Training	0104111410*5490200		\$ 400		\$ 400	\$ 800
Travel & Subsistence	0104111410*5430100		\$ 600		\$ 600	\$ 1,200
Computer	0104111410*5350300		\$ 2,150			\$ 2,150
						\$ -
						\$ -
						\$ -
						\$ -
Total			\$ 21,307	\$ -	\$ 19,157	\$ 40,464

CAPITAL OUTLAY						
						\$ -
						\$ -
						\$ -
						\$ -
Total			\$ -	\$ -	\$ -	\$ -

EXPENDITURE SAVINGS / OFFSETTING REVENUE						
						\$ -
						\$ -
Total			\$ -	\$ -	\$ -	\$ -

NET SERVICE PACKAGE COST	\$ -	\$ 56,162	\$ -	\$ 55,650	\$ 111,812
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CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation - Planning Department Support	
DEPARTMENT	DIVISION	FUND
Planning & Community Dev	Policy and Planning	General

CITY PHILOSOPHIES

- Unique Community Character
 - Community Involvement

DESCRIPTION AND JUSTIFICATION

Provide staff support to the potential annexation of Finn Hill, North Juanita and Kingsgate:
 Phases II and III:

- * Prepare Zoning Regulation: research County Zoning regulations and meeting with County planners; meet with group(s) of annexation area residents and businesses; draft zoning regulations; conduct public meetings/ hearings
- * Prepare interlocal agreement regarding transfer of permits and inspections: meet with County planners to review permit status; identify and evaluate options; draft and negotiate agreement
- * Prepare report to King Co. Boundary Review Board (BRB): draft report; assist with BRB hearing presentation
- * Public Information: respond to public inquiries; provide information for and make presentations at public meetings; prepare written information for printing and internet viewing

Phase IV:

- * Hire new staff
- * Train staff
- * Revise/ amend procedures as appropriate
- * Prepare for transfer of permits and records
- * Assume responsibilities for development services for the annexation area

Is this Service Package tied to a CIP Project? No Yes **CIP #** _____

NUMBER OF FTE's REQUESTED					
COST SUMMARY	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
Personnel Services	\$ -	\$ 79,033	\$ -	\$ 82,667	\$ 161,700
Supplies & Services	\$ -	\$ 7,140	\$ -	\$ 3,017	\$ 10,157
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ 86,173	\$ -	\$ 85,684	\$ 171,857
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 86,173	\$ -	\$ 85,684	\$ 171,857

SERVICE PACKAGE COST SUMMARY WORKSHEET

TITLE	Annexation - Planning Department Support
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Planning & Community Dev	Account #	2007		2008		Total
		Ongoing	One-Time	Ongoing	One-Time	
PERSONNEL SERVICES						
Temporary Salary	0105105810*5100200		\$ 55,134		\$ 57,528	\$ 112,662
Temporary Benefits	0105105810*5200200		\$ 19,975		\$ 21,165	\$ 41,140
Hourly Wages (Admin)	0105105810*5100200		\$ 3,405		\$ 3,405	\$ 6,810
Hourly Benes (Admin)	0105105810*5200200		\$ 519		\$ 569	\$ 1,088
						\$ -
						\$ -
Total		\$ -	\$ 79,033	\$ -	\$ 82,667	\$ 161,700

SUPPLIES & SERVICES						
Office Supplies	0105105810*5310100		\$ 600		\$ 600	\$ 1,200
Travel	0105105810*5430100		\$ 300		\$ 300	\$ 600
Training	0105105810*5490200		\$ 450		\$ 450	\$ 900
Dues	0105105810*5490300		\$ 350		\$ 350	\$ 700
Copier Charge	0105105810*5459701		\$ 850		\$ 850	\$ 1,700
Computer Purchase	0105105810*5350300		\$ 2,189		\$ -	\$ 2,189
IT Reserve	0105105810*5459102		\$ 467		\$ 467	\$ 934
Office Furniture	0105105810*5350200		\$ 1,934		\$ -	\$ 1,934
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ 7,140	\$ -	\$ 3,017	\$ 10,157

CAPITAL OUTLAY						
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -				

EXPENDITURE SAVINGS / OFFSETTING REVENUE						
						\$ -
						\$ -
Total		\$ -				

NET SERVICE PACKAGE COST	\$ -	\$ 86,173	\$ -	\$ 85,684	\$ 171,857
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CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation - Recruitment and Liaison Officer
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DEPARTMENT	DIVISION	FUND
Police	Administration	General

CITY PHILOSOPHIES

- Financial Stability
- Organizational Values

DESCRIPTION AND JUSTIFICATION

The proposed annexation of three separate areas to the City of Kirkland places an onus on the department to adequately plan, hire, and staff these areas, as well as planning a facility that will adequately meet the needs of an expanded department. Currently, Command personnel are working at above maximum levels and do not have sufficient time to devote the necessary attention to annexation issues and details. A temporary Captain position to deal solely with annexation will ensure the department is ready to field officers and support staff should Council determine to move forward with annexation, as well as create the potential to reduce the initial start up costs of pre-hiring entry level sworn positions. It will also provide a single point of contact for annexation matters to Council, City staff, and the current and proposed citizenry and businesses as well as County and State agencies. The temporary Captain will be responsible for all annexation related issues including financial, staffing, hiring, and facilities, and will have the authority to make decisions as they relate to annexation. The position will act as the spokesperson for the department and will be the Police liaison with the King County Sheriff's Office, other County and State agencies as needed, and will act as the media agent for the department on annexation related matters. The Captain will be the department representative on all committees and attend all meetings related to annexation.

In an endeavor to attract a high caliber of lateral entry officers from other agencies, the Captain will, at times, travel to other law enforcement agencies nationwide and act as an ambassador for the department. This is key to the overall success of reducing the number of sworn personnel the department will need to pre-hire. Pre-hiring entry level officers would need to occur at a minimum of one year prior to the annexation date for the department to provide even minimal service in the proposed annexation area.

It is understood that this temporary position and the individual appointed to the position, as well as all subsequent promotions as a result of this appointment, are temporary and should Council determine to forgo annexation, all individuals would resume their prior rank and position within the department.

Is this Service Package tied to a CIP Project? **No** **Yes** **CIP #** _____

NUMBER OF FTE's REQUESTED

COST SUMMARY	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
Personnel Services	\$ -	\$ 68,073	\$ -	\$ 62,923	\$ 130,996
Supplies & Services	\$ -	\$ 52,968	\$ -	\$ 39,675	\$ 92,643
Capital Outlay	\$ -	\$ 49,000	\$ -	\$ -	\$ 49,000
Total Service Package Cost	\$ -	\$ 170,041	\$ -	\$ 102,598	\$ 272,639
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 170,041	\$ -	\$ 102,598	\$ 272,639

SERVICE PACKAGE COST SUMMARY WORKSHEET

TITLE	Annexation - Recruitment and Liaison Officer
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Description	Account #	2007		2008		Total
		Ongoing	One-Time	Ongoing	One-Time	
PERSONNEL SERVICES						
Salaries	0108102110*5100100		\$ 56,010		\$ 52,972	\$ 108,982
Benefits	0108102110*5200100		\$ 7,413		\$ 8,201	\$ 15,614
Uniforms & Maintenance	0108102110*5204200		\$ 4,650		\$ 1,750	\$ 6,400
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ 68,073	\$ -	\$ 62,923	\$ 130,996

SUPPLIES & SERVICES						
Body Armor, Taser, Weapon	0108302122*5350100		\$ 2,925			\$ 2,925
Chair, Desk, File Cabinet, Phones	0108102110*5350200		\$ 3,423			\$ 3,423
EPSCA Radio Operating Fees	0108102110*5459301		\$ 1,108		\$ 1,132	\$ 2,240
Fleet Operating & Replacement	0108102110*545920*		\$ 7,560		\$ 7,680	\$ 15,240
Portable Radio	0108302122*5350100		\$ 2,750			\$ 2,750
IT Operating & Replacement	0108102110*545910*		\$ 10,262		\$ 10,605	\$ 20,867
Telecom Operating	0108102110*5459401		\$ 251		\$ 258	\$ 509
Pre-Employment Background Check	0108202121*5410100		\$ 2,500			\$ 2,500
Standard City PC	0108102110*5350300		\$ 2,189			\$ 2,189
Recruitment Travel Expenses	0108102110*5430100		\$ 20,000		\$ 20,000	\$ 40,000
						\$ -
						\$ -
Total		\$ -	\$ 52,968	\$ -	\$ 39,675	\$ 92,643

CAPITAL OUTLAY						
Unmarked Vehicle w/Police Pkg	5212414860*5646404		\$ 34,000			\$ 34,000
Laptop for Vehicle w/Install	5212414860*5646403		\$ 15,000			\$ 15,000
						\$ -
						\$ -
Total		\$ -	\$ 49,000	\$ -	\$ -	\$ 49,000

EXPENDITURE SAVINGS / OFFSETTING REVENUE						
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -

NET SERVICE PACKAGE COST	\$ -	\$ 170,041	\$ -	\$ 102,598	\$ 272,639
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CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation - Help Desk	
DEPARTMENT	DIVISION	FUND
Information Technology	Network & Ops	Information Technology

CITY PHILOSOPHIES

- Organizational Values

DESCRIPTION AND JUSTIFICATION

If a significant number of staff (over twenty or so) are hired during this biennium as annexation ramp up, we need to increase Help Desk FTE's by one. This will then hold us until we're somewhere between 70 and 100 more. Essentially, Help Desk needs scale pretty evenly to city staff - if we add 20% more city staff, we should add 20% more help desk staff.

The Help Desk is currently operating pretty close to capacity, with all staff having ten to thirty open calls at any one time during 2006. New staff tend to be high consumers of help desk services as we bring them on board and start training them. Because of that, we think we can absorb up to about twenty new staff without adding resources, particularly if the intern request in the regular service package list is approved. Since the amount of work generated for us by new staff varies by the type of staff, twenty is not a particularly hard number, but its close.

Is this Service Package tied to a CIP Project? No Yes CIP # _____

NUMBER OF FTE's REQUESTED	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
	COST SUMMARY				
Personnel Services	\$ -	\$ 65,956	\$ -	\$ 69,032	\$ 134,988
Supplies & Services	\$ -	\$ 6,694	\$ -	\$ 2,380	\$ 9,074
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ 72,650	\$ -	\$ 71,412	\$ 144,062
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 72,650	\$ -	\$ 71,412	\$ 144,062

SERVICE PACKAGE COST SUMMARY WORKSHEET

TITLE	Annexation - Help Desk
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Description	Account #	2007		2008		Total
		Ongoing	One-Time	Ongoing	One-Time	
PERSONNEL SERVICES						
Salary	5226101880*5100200		\$ 47,148		\$ 49,200	\$ 96,348
Benefits	5226101880*5200200		\$ 18,808		\$ 19,832	\$ 38,640
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ 65,956	\$ -	\$ 69,032	\$ 134,988

SUPPLIES & SERVICES						
Telephone Service Office & Cell	5226101880*5420100		\$ 780		\$ 780	\$ 1,560
Cellular Equipment	5226101880*5350300		\$ 300			\$ 300
Travel	5226101880*5430100		\$ 300		\$ 300	\$ 600
Training	5226101880*5490200		\$ 1,200		\$ 1,200	\$ 2,400
Office Furniture	5226101880*5350200		\$ 1,675			\$ 1,675
Computer	5226101880*5350300		\$ 2,189			\$ 2,189
Office Supplies	5226101880*5310100		\$ 100		\$ 100	\$ 200
Printing	5226101880*5490400		\$ 150			\$ 150
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ 6,694	\$ -	\$ 2,380	\$ 9,074

CAPITAL OUTLAY						
						\$ -
						\$ -
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -

EXPENDITURE SAVINGS / OFFSETTING REVENUE						
						\$ -
						\$ -
Total		\$ -	\$ -	\$ -	\$ -	\$ -

NET SERVICE PACKAGE COST

\$ -	\$ 72,650	\$ -	\$ 71,412	\$ 144,062
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CITY OF KIRKLAND
2007-2008 SERVICE PACKAGE REQUEST

TITLE	Annexation - GIS Mapping	
DEPARTMENT	DIVISION	FUND
Information Technology	GIS	Information Technology

CITY PHILOSOPHIES

- Unique Community Character
- Community Involvement
- Investment in the Infrastructure
- Financial Stability
- A Safe Community

DESCRIPTION AND JUSTIFICATION

This annexation-related request is to start the process of getting the core GIS data layers in the annexation area into our enterprise-wide GIS and up to our data standards. This is a one-time request for funds, and the work is largely consultant based with some implications for ongoing map data maintenance, since GIS staff required for a larger city essentially scale to the amount of land being added, and that scaling factor should account for maintenance. No matter when we start this process or how we fund it, there is approximately a two year span time beginning to end for this project.

Annexation preliminary analysis is expected to include maps of the Potential Annexation Area (PAA) for land use, transportation, environmental issues, public safety, utilities, and parks/recreation, among others. In the PAA, available GIS data consists of King County sources and some Kirkland project mapping. However, the PAA GIS data is substandard and not current, and will not meet the needs of detailed spatial analysis needed. In order to support the city's PAA planning, the GIS program requires funding to extend key data layers out to the full extent of the PAA plus a nominal buffer. The primary data layers required for this planning and analysis work are: addresses, land parcels, easements, zoning, comprehensive plan land use, surface water drainage utilities, and street network.

If the annexation proceeds, other important GIS data layers such a tree inventories, ESA work, etc., will be needed. Most of that data is not needed for annexation planning and so we propose waiting until there is a firm and final decision before we begin planning for these. If the cash is not available or scarce, another option is to put off existing GIS work plan items and shift priorities and funding to this need. We have not explored this option with GIS Steering.

Is this Service Package tied to a CIP Project? **No** **Yes** **CIP #** _____

NUMBER OF FTE'S REQUESTED					
COST SUMMARY	2007		2008		Total
	Ongoing	One-Time	Ongoing	One-Time	
Personnel Services	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies & Services	\$ -	\$ 140,960	\$ -	\$ 140,960	\$ 281,920
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -
Total Service Package Cost	\$ -	\$ 140,960	\$ -	\$ 140,960	\$ 281,920
Expenditure Savings / Offsetting Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
Net Service Package Cost	\$ -	\$ 140,960	\$ -	\$ 140,960	\$ 281,920

RESOLUTION R-4639

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND RELATING TO PROCEEDING TO THE SECOND PHASE OF THE ANNEXATION PROCESS.

WHEREAS, in 2006, the City Council began a four-phase process to study the annexation of Finn Hill, Upper Juanita, and Kingsgate; and

WHEREAS, over the past eight months, phase one activities were implemented; and

WHEREAS, during phase one, the City Council wanted to inform Kirkland residents about the potential annexation; and

WHEREAS, the City Council also wanted to hear from Kirkland residents about their concerns and questions; and

WHEREAS, the City engaged the consulting firm of Envirolssues to assist the City in developing and implementing a communications strategy to accomplish these goals; and

WHEREAS, the City engaged the services of Berk and Associates to develop a financial model to enable the City to more fully understand the long-term financial implications of annexation; and

WHEREAS, the City Council finds that phase one activities have been successfully completed and that further study and planning for annexation is in the best interest of the citizens of the City of Kirkland;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The City Manager is hereby authorized and directed to lead staff in undertaking phase two annexation activities, to include: presenting annexation budget recommendations; expanding outreach to the Potential Annexation Area; continuing public information and outreach to Kirkland residents; conducting a preliminary assessment of infrastructure conditions; negotiating an initial Interlocal Agreement with King County; beginning land use planning and zoning; facilities planning; performing further financial analysis; and operation and facilities planning.

Passed by majority vote of the Kirkland City Council in open meeting this ____ day of _____, 2007.

Signed in authentication thereof this ____ day of _____, 2007.

MAYOR

Attest:

City Clerk