Council Meeting: 04/20/2010
Agenda: Unfinished Business
Item #: 10. b.

CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
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MEMORANDUM

To: Marilynne Beard, Interim City Manager

From: Erin Leonhart, Intergovernmental Relations Manager

Date: April 8, 2010

Subject: 2010 ANNEXATION QUARTERLY UPDATE 1

RECOMMENDATION

It is recommended that the City Council receive an update on the following annexation-related subjects:

1. Annexation Area Police Recruitment
2. Solid Waste
3. Financial Items
4. Annexation of Wild Glen Condominiums Parcel
5. Facilities
6. Annexation Neighborhood Boundaries
7. Communications
8. GIS Request for Proposal
9. King County Department of Development and Environmental Services

BACKGROUND

A number of annexation policy issues were presented to the City Council in January. At that time, staff proposed that the identified policy issues be presented to Council over the ensuing 18 months for study and consideration. In addition to the policy issues, nearly all departments are working on operational issues related to the annexation. This is the first quarterly report about the variety of activities underway in advance of the annexation effective date.

ANNEXATION AREA POLICE RECRUITMENT (CONTACT: CAPTAIN GENE MARKLE, POLICE DEPARTMENT)

Currently the biggest issue occurring in the Police Department is surrounding the State's budget cuts which include cuts to the Police Academy budget. The Governor's office has implemented a requirement that academy classes must have a minimum of 30 students before the class will take place. With the downturn in the economy very few police departments are hiring so the academy is having trouble filling the classes to the new imposed 30 minimum. Captain Markle received notice that the new officers scheduled to go to the April academy have now been moved to May because the April class only had 28 students and was cancelled.

Because of this the Police Department has been working with Finance to restructure hiring plans. The uncertainty of scheduled classes actually taking place causes the Police Department to hire officers that need to attend the academy prior to hiring officers from other departments

(lateral officers). This is necessary to ensure we have at least the minimum number of officers on June 1, 2011.

This has a twofold impact to the Police Department. First, the original plan of hiring some lateral officers first to allow them to take over the work being conducted by the Police Annexation Team cannot occur. This causes the staff working on the annexation to continue to do their everyday duties and annexation duties until these officers are hired and on their own, which is several months later than that of a lateral officer. Second, the original plan of the largest number of officers being hired in late 2010 to reduce the budget impact and the volatile nature of the academy class status make this a guessing game as to whether the August and December classes will occur in 2010. If these are pushed into 2011 the police department will not have the expected level of staffing available on the June 1, 2011 effective date. The only option at that point would be to place current officers into the Annexation Area districts on overtime until the other officers are ready so that coverage in the existing City limits is maintained.

The hiring process is going better than expected. To date the interview boards have interviewed over 200 people. The success rate for the board has been higher than originally expected. Unfortunately the success rate for background investigations has been lower than was seen in the past. There are still 325 applicants to interview, with this list growing every day. The Police Department currently has 14 potential officers going through a background investigation and three candidates scheduled to attend the May academy if it is not cancelled.

The interim police workspace remodel is going well to date. Facilities staff has done a great job of working their way through the work plan and are about to start the redesign of the locker room area. This should be done in time for the first of the officers showing up to have a locker.

Many other areas are being addressed such as the NORCOM assumption details, equipment ordering equipment, training the Police Training Officers (PTO), moving the police-seized vehicles and evidence storage to a new location to allow for court expansion and many, many other tasks.

SOLID WASTE (CONTACT: JOHN MACGILLIVRAY, SOLID WASTE COORDINATOR)

Solid Waste staff recently held two meetings with Waste Management in an effort to ensure a seamless transition of customers from Allied Waste Services to Waste Management on July 1, 2011, per the terms and conditions of the 4-Way Agreement. Details of the 4-Way Agreement are provided in the attached Solid Waste Annexation Update #1 memorandum (Attachment A). Discussions covered customer data transfer, customer account input, cart and dumpster requirements and delivery, service day scheduling, and education and outreach needs. A regular meeting schedule will be established in the coming months.

Solid Waste staff is also preparing a strategy to enforce Kirkland's mandatory garbage code in the annexation area. With the assistance of GIS staff, approximately 1,200 residential and commercial self-haulers have been identified by parcel number and address. A breakdown of the self-haulers is included as an attachment to the Solid Waste Annexation Update #1 (Attachment A). Later in 2010, an informational postcard will be mailed to out to encourage customers without service to sign up before the effective date of annexation on June 1, 2011 and to explain the environmental and financial benefits of curbside service.

FINANCIAL ITEMS (CONTACT: TRACEY DUNLAP, DIRECTOR OF FINANCE AND ADMINISTRATION)

Annexation Budget Development

Activity - To get a jump start on the budget process, staff prepared initial 2011-2012 annexation services packages in February that are currently under review by Finance and the City Manager's Office. Finance has developed a month-by-month revenue projection showing the estimated revenue receipts from the annexation area beginning June 1, 2011. As discussed at the City Council Retreat, the expected on-going revenues in 2013 from the annexation area are reasonably close to earlier financial modeling. The initial annexation service package requests (including estimated facilities costs) exceed the anticipated revenues for 2011 and 2012, indicating that we will need to phase-in service levels over more slowly.

Current Status -- Finance and the City Manager's Office will be meeting with each department in late April/early May to review the service packages as part of the process of developing "revenue-based" recommendations for phasing-in services. This "mini-budget process" will result in recommended expenditures that match available revenues, so that the costs of annexation do not make the existing City's budget challenges worse.

Timeline -- We expect to present the preliminary results of this process to the City Council by the July Annexation Study Sessions.

Solid Waste Billing/Systems Issues

Activity – Finance staff is assessing the resources required to assume responsibility for billing for solid waste services in the Annexation Area. Earlier indications were that Allied Waste would continue billing in that area for some period of time, so the assumption was made that this assessment would not be required until after the effective date. Given that Allied Waste intends to allow Waste Management to assume service delivery to the area on July 1, 2011, ensuring that the City has the capability to bill the approximately 10,000 additional customers has become a high priority.

Current Status – The existing utility billing software was scheduled for an upgrade at some point to ensure compatibility with Windows 2007, but with the anticipated requirement to add a large number of new customers, IT and Finance have moved up the timeline to begin the process this fall. The costs of the upgrade and associated resources to add the large volume of new customers will come to the City Council as a mid-year adjustment (rather than being part of the 2011-12 budget process) and would be paid for in its entirety by the appropriate utility funds.

Timeline – The budget adjustment for required upgrade is anticipated in June 2010 and the upgrade is expected to begin in September/October 2010 and be completed in February/March 2011.

State Sales Tax Credit

Activity – In February 2010, the City Council passed an ordinance imposing the annexation 0.2% sales tax credit beginning in July 2010. This action was taken because staff was still engaged in discussion with the Department of Revenue (DOR) on the timing and applicability of the tax. Finance received notification from DOR dated March 31, 2010 that the annexation sales tax credit cannot be imposed prior to the effective date of annexation.

Current Status – At this stage, staff is assessing whether there is any further recourse regarding DOR's position. If we have exhausted our options, we will continue our discussions with DOR to ensure that we can maximize the benefit of the sales tax credit after the effective date and that we will be able to apply it to costs accumulated before the effective date.

Timeline – As part of the annexation budget discussion anticipated for July, we expect to have a clearer picture of the application of the sales tax credit and its role in the City's financing plan.

CIP and Facilities Financing
Activity – As part of the 2011-2016 CIP development, the immediate needs in the annexation area will be identified (for the 2011-12 budget) recognizing that staff will be developing and prioritizing annexation area needs over the next few years. A more comprehensive look at how the annexation CIP projects fit into the overall picture will occur in the next CIP process. However, the need to develop a detailed financing plan for the Public Safety/City Hall improvements will be a focus of this CIP update.

Current Status – Once the architect provides detailed costs estimates by year, a more detailed financing plan will be developed including recommendations regarding the timing of debt issuance.

Timeline – The initial CIP is expected to be presented to the City Council on May 18 and the facilities financing plan will be brought forward (likely in June) after the cost estimates are available.

<u>ANNEXATION OF WILD GLEN CONDOMINIUMS PARCEL (CONTACT: ERIC SHIELDS, PLANNING DIRECTOR)</u>
Wild Glen is a condominium located on a triangle of land west of 100th Avenue NE and north of Simmons Road just north of the Finn Hill/Juanita/Kingsgate annexation (see Attachment B). The property is within Fire District 41 and unless it is also annexed to Kirkland it would be the only remaining property in the Fire District. This would create practical problems for the Fire District. Consequently, City staff has been investigating the most expeditious process for annexation. Planning Department staff discussed annexation with the condominium homeowners' association officers and they were agreeable to initiate a "petition" annexation. Petitions requesting City Council consideration of the annexation signed by owners of over 10% of the assessed value of the property in the Wild Glen area were received by the City on March 31st. Staff will need to bring the petition to the Council within 60 days (by the end of May). At that meeting, the Council will be asked to authorize the circulation of formal annexation petitions to all homeowners. Those petitions must be signed by owners of at least 60% of the property value in order for the annexation to move forward.

The goal has been to have the requisite petitions submitted in time to process the annexation through the Boundary Review Board (BRB) so that the annexation would take effect simultaneously with the larger Finn Hill/Juanita/Kingsgate annexation; however, the clerk of the BRB has told City staff that the Wild Glen annexation may not be <u>submitted</u> to the BRB until after the larger annexation <u>takes effect</u>. If that is the case, the Wild Glen annexation would not be effective until three or more months after the larger annexation. This would leave Fire District 41 in place during that interim period of time, creating complications that the District and City would like to avoid. The City Attorney's office has been in contact with the attorney for the BRB to try to resolve this matter, but a final decision has not yet been made.

FACILITIES (CONTACT: DONNA BURRIS, INTERNAL SERVICES DIVISION MANAGER)
The Public Works Internal Services Division is currently preparing estimates for Phase 1 (Interim) facilities work which includes temporary parking for City Hall and a solution to provide additional parking for the Municipal Court building; preparing an RFP for design work at the Maintenance Center for storage mezzanines in Fleet Shop (Bldg B), Field Crew Shop (Bldg C), and Facilities Shop and general yard storage (Bldg E) as well as expanded parking at the Maintenance Center Administration Building.

Staff is also working on Phase 2 (Intermediate) which includes finalization of the conceptual drawings and cost estimate for the Public Safety Expansion at City Hall and reviewing options to relocate the Police functions from the Municipal Court building to allow for an expansion of the Court functions. Finally, staff continues to look at Phase 3 which is the long-term plans for a future Public Safety building to be located in another part of the City – possibly in Totem Lake.

ANNEXATION NEIGHBORHOOD BOUNDARIES (CONTACT: JEREMY MCMAHAN, PLANNING SUPERVISOR)
Staff has started the process of talking to residents of the Annexation Area and Kirkland's boundary neighborhoods about neighborhood boundaries. The meeting schedule is as follows:

March 25 – Juanita Neighborhoods (North & South Juanita)
April 13 – Annexation Area leadership
April 21 – Totem Lake Neighborhood
May 12 – Kirkland Alliance of Neighborhoods
May 13 – Planning Commission Study Session

Following our initial listening tour this spring, staff will coordinate the process of any potential boundary changes through the 2010 Comprehensive Plan amendment process. The public hearing for the amendments will take place in the fall and a Planning Commission recommendation will be forwarded to the City Council in late 2010.

COMMUNICATIONS UPDATE (CONTACT: MARIE STAKE, COMMUNICATIONS PROGRAM MANAGER)
The City's Annexation communications efforts since the November 2009 election have been focused on updating all public information (printed, web, email) to de-emphasize the "potential annexation" and emphasize "the effective date of annexation."

Communications Plan
A draft 2010-2011 Annexation Outreach Plan was provided to the City Council via the March 11, 2010 Reading File (Attachment C). The Plan identifies communications and outreach strategies that will be continued and proposes new ideas. The City will use multiple means to communicate:

- Person-to-person outreach
- Web-based communications
- Media-based communications
- Printed materials

New strategies in the plan include:

- New Citizen Orientation: an informative series of workshops that could cover topics such as "City Government 101," "Budget Basics," "Decision making in Land Use and Capital Project Planning," and "Q&A with Elected and Appointed Officials."

- Informational Kiosk: an informational display that could be displayed at the Kingsgate Library or other public places.
- Public Information Partnership with Utility Service Providers and Chambers of Commerce: as a means to communicate annexation information to affected utility customers and the business community.
- Possible Use of Social Media: as an opportunity for citizens to ask questions that are not currently addressed in other city-produced public information and to receive current information quickly.
- All Staff Informational Meetings: as an opportunity for departments to share annexation planning efforts and for employees to ask questions.

Public Outreach
The City continues to be available for neighborhood and community organization meetings and staff is already scheduled to provide an update at an upcoming neighborhood meeting in the annexation area. All departments are responding to an increase in public inquiries about annexation and staff is responding promptly to call-in and walk-in customers. Approximately 2-3 email inquiries are received each week through the "Ask a Question" feature on the City's website. Common questions include:

- Development Services: The Building, Planning and Public Works Departments report an increase in inquiries about permitting and project development regulations
- Addressing: A common question received via "Ask a Question" relates to when the Post Office will change Woodinville and Bothell addresses in the annexation area to Kirkland.
- City Jobs: The HR Department reports an increase in inquiries about openings in departments other than the Police Department.
- Utility Tax on AT&T bills: The Finance & Administration Department has received several inquiries from annexation area residents who report that AT&T charges a "city utility tax" on their wireless phone bills. Customers are directed to AT&T as the charge should not be in place at this time.
- Fire Service: The Fire and Building Department reports questions about the status of the Woodinville Fire & Life Safety District fire station in the Kingsgate neighborhood.

The Planning & Community Development Department has initiated its outreach with the neighborhood leadership in the annexation area and north city limits to begin to define neighborhood boundaries in the annexation area. (See "Annexation Neighborhood Boundaries" section above.)

Annexation Website
The City's annexation webpage continues to be a primary source of information and all public materials and messaging promotes www.ci.kirkland.wa.us/annexation. The homepage content was updated in January 2010.

Requests were made to the Northshore Utility District (NUD), Woodinville Water District (WWD) and Allied Waste Service (Allied) to post a link to the City's annexation webpage. To date, Allied has added the link; NUD and WWD have committed to do the same in the future.

Email Alerts (List Serv)
A great deal of information is released by the City through the Annexation List Serv (email notification) which currently has 995 subscribers. The City has sent four (4) updates since January 1, 2010 on the Annexation list serv.

Annexation information can also be released through other City list serv notifications. If the City issues a news release about annexation, it is forwarded to 292 subscribers. If the City's newsletter, City Update, contains an article on annexation, then 703 subscribers are notified.

Printed Materials

Frequently Asked Questions (FAQ) Handouts – In mid-March the Frequently Asked Questions (FAQ) handouts (listed below) were updated and posted to the website. Hard copies were provided to the City Council and are available at City Hall. They will be made available at neighborhood association and other meetings.

- Annexation Process
- City Finances
- Public Safety (fire, EMS, police, court)
- Zoning & Building Requirements
- Utility, Solid Waste & Other Services
- Parks, Recreation & Community Service
- Community Involvement

City Update Newsletter - City Update is published quarterly (March, June, September and December). Annexation is often featured. Current budget provides for one printed version each year. All editions are posted on the City's website.

If the 2011-2012 Annexation service package for communications is approved, it will allow for the printing and mailing of City Update to reach annexation area homes and businesses.

Informational Mailer to Annexation Area – If the 2011-2012 Annexation service package for communications is approved, it will allow for the printing and mailing of an informational brochure to reach annexation area residents and businesses. The topics and timing of the mailing will need to be carefully considered. In the coming months, city communications intended to be mailed by various departments will be identified to best coordinate our messages about city services.

Media Messaging

News releases about annexation topics are typically issued when a significant policy issue has been decided by the Council. News releases are forwarded internally and then released to media (TV, radio, newsprint), community organizations, other cities, and community blogs.

Annexation has been featured in recent editions of "Currently Kirkland," the City's weekly TV City News show. Kirkland's annexation has been featured in recent months by the TV media.

Internal Communications

An internal "Annexation Liaison" list has been provided to employees to help direct annexation inquiries to the appropriate person. All-staff meetings will be scheduled in June 2010 and January 2011 to ensure employees are informed about annexation issues that affect them.

<u>GIS REQUEST FOR PROPOSALS (CONTACT: XIAONING JIANG, GIS ADMINISTRATOR)</u>

The GIS priority data development for the annexation area Request for Proposals was published on April 1st and the due date is April 30th. Additional information about this project was provided in an April 1, 2010 Reading File memo (Attachment D).

TRANSITION OF PERMITTING SERVICES (CONTACT: ERIC SHIELDS, PLANNING DIRECTOR)
On April 6th, the Interim City Manager, Planning Director, managers from the Planning, Fire and Building and Public Works Departments, and officials from the cities of Burien and Renton met with John Starbard, the newly appointed director of the King County Department of Development and Environmental Services (DDES). At the meeting they discussed issues related to the transfer of permitting from the County to cities within annexation areas. Because the meeting involved cities with somewhat different interests and which are at different phases in our annexation processes, the meeting did not result in any definite outcomes.

At the meeting, Kirkland expressed the following interests:

- Obtaining accurate and up-to-date information about permit and code enforcement activity in the annexation area.
- Having the County adopt interim regulations limiting new billboards and cell towers.
- Adopting an agreement to allow Kirkland to process permits for the planned construction of three new public schools in the annexation area prior to the effective date of annexation (see Attachment E – request letter from Lake Washington School District).
- Prior to the effective date of annexation, consider assigning one or more County staff working on permit applications in the annexation area to spend some time in Kirkland City Hall, where Kirkland staff can participate in the review process.
- As soon as possible, begin working on an interlocal agreement to establish the transfer to the City of County permit applications that are active on the date of annexation.

Mr. Starbard expressed a clear willingness to work with cities to address our needs, but he also noted several institutional barriers that could present challenges. We agreed to set up additional meetings with key members of his and the County Executive's staff to further discuss specific issues in more detail.

CITY OF KIRKLAND
Department of Public Works
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MEMORANDUM

To: Dave Ramsay, City Manager

From: John MacGillivray, Solid Waste Coordinator
Ray Steiger, Interim Public Works Director

Date: March 30, 2010

Subject: Solid Waste Annexation Update #1 – READING FILE

The purpose of this reading file memorandum is to keep the Council apprised of issues related to providing solid waste services to the Kirkland annexation area.

SOLID WASTE CONTRACT BACKGROUND

The City currently contracts with Waste Management, Inc. (WMI) to provide garbage and recycling collection services. The original seven year term of the contract was October 1, 2003 through September 30, 2010. In March 2009, the City exercised the first of its two options to extend for two years under the original terms and conditions. The contract is now set to expire on September 30, 2012. The City may, however, extend the contract again for an additional two years under the original terms and conditions which would move the expiration date to September 30, 2014. Based upon the advantageous terms and conditions of the contract, staff will likely recommend that Council exercise the second extension by March 30, 2011 (contractual due date to provide notification of intent to extend). Alternatively, the City may also elect to negotiate a new, long-term contract with WMI at any time.

MANDATORY GARBAGE COLLECTION

Kirkland Municipal Code 16.08.030 requires all residents and businesses to subscribe to garbage collection. This requirement prevents residents and businesses from accumulating large amounts of refuse on their property, reduces traffic, emissions, and road wear, and contributes to our high recycling diversion rate. The annexation area does not have a mandatory curbside garbage collection ordinance and staff has identified approximately 1,200 self-haulers in the annexation area roughly equivalent to 12 percent of all annexation area customers (*Attachment 1*).

Self-haulers typically do not recycle as much as customers provided with convenient, weekly garbage, recycling, and yard waste curbside service. In 2008, the recycling diversion rate in unincorporated Juanita was approximately 52 percent whereas, in Kirkland, the recycling diversion rate was 69 percent. In the annexation area, every-other-week recycling service is included on the customer's bill as a mandatory charge so most customers subscribing to service have a recycling cart. However, annexation area residents must pay extra for yard waste service, which is a barrier to the annexation area achieving a higher recycling diversion rate. Currently, only 68 percent of annexation area customers with curbside service subscribe to yard waste service. In 2009, in Kirkland, yard and food waste tonnage collected accounted for over 43 percent of all single family waste and almost 60 percent of all single family recycling collected.

The Kirkland City Attorney's Office has indicated that the City must uniformly enforce its mandatory garbage code among all of its residents. Upon the effective date of annexation, self-hauling residents and businesses will be required to subscribe to garbage service. An outreach campaign to encourage self-haulers to sign up for service before annexation will begin in 2010 and will continue leading up to and beyond the effective date of annexation. Initially, a reminder postcard will be mailed to all AWS and WMI-served annexation area self-haulers.

ANNEXATION CUSTOMER TRANSFER

The "4-Way Agreement" (Applies to ~9,556 annexation customers in AWS territory)
In 1991, Rabanco (AWS), WMI, and the cities of Bellevue and Kirkland entered into what is colloquially referred to as the "4-Way Agreement". The 4-Way Agreement addresses state law by establishing an orderly means by which to swap and consolidate annexed areas between haulers to complement each city's main collection contract, instead of issuing fragmented franchises as each city annexes areas over the years. The agreement was put in place so as to expedite and simplify the transfer of customers to and from contracted haulers in the event Kirkland or Bellevue annexed a competing hauler's territory. The 4-Way Agreement may not be modified, amended, or terminated without the written consent of all signatories.

Key provisions in the 4-Way Agreement as they apply to the Juanita, Finn Hill, and Kingsgate annexation include:

- On July 1, 2011, AWS will transfer all of its residential and commercial customers to WMI. Per the 4-Way Agreement, the customer transfer from AWS to WMI must occur on the January 1 or July 1 immediately following the effective date of annexation.

- Waste Management will pay AWS in cash an amount equal to six times the monthly revenue of each residential customer at the tariffed rate in effect at the time of annexation (about $2 million). Allied Waste has a pending rate increase request with the WUTC to be effective April 1, 2010 which, if adopted, would increase WMI's cash payment.

- The annexed customers transferred to WMI will receive the same rates and services provided under Kirkland's current contract. The City will pay WMI the current contract bid rates.

- The new hauler (WMI) has the right to provide service in the annexed area for five years under the 4-Way Agreement; however, our existing contract with WMI supersedes this clause and authorizes franchise rights to WMI for seven years (through July 1, 2018).

- Allied Waste retains ownership of all of its carts and dumpsters. Per our contract, WMI will provide contractor-owned carts and dumpsters to all annexed residential and commercial customers. The estimated number of carts to be provided would be 30,000 and each cart costs, on average approximately $30 each.

Applies to annexation area customers in WMI territory (~393)
Staff has identified approximately 393 customers in the annexation area served by WMI not subject to the 4-Way Agreement. Per the terms of our contract and upon the effective date of annexation on June 1, 2011, these 393 customers will receive the services and pay the rates included in our contract with WMI for a seven year period through June 1, 2018. The parcels in green currently have garbage accounts and the parcels in pink are either not developed or do not subscribe to curbside service (74).

Waste Management Annexation Area Customers

A customer transition like this occurred with the 2009 Bridle View annexation.

Waste Management, Inc. Interests
In some circumstances, it may be reasonable to assume that WMI would be eager to add a territory the size of the Kirkland annexation area to its service area using the existing Kirkland contract. However, WMI has clearly expressed their concerns about this option largely due to the age of our contract, its contractor bid rate structure, and specific provisions that are currently included in the 4-Way Agreement. Concerns expressed by WMI include:

1) *Start-up Costs:*
   Per the 4-Way Agreement, WMI will begin providing service in the annexation area on July 1, 2011 and will have to make a fairly large short-term capital investment in collection vehicles, carts, and dumpsters to fulfill its contractual obligations. In addition, WMI will have to pay AWS the equivalent of six months residential service at the tariffed rate in place on the effective date of annexation (about $2 million). Based upon customer data received from AWS we roughly estimate WMI's initial "start up" costs to be between $5.3 and $6.4 million. This estimate does not factor in labor costs.

2) *Contract Profitability:*
   The City's solid waste rate structure spreads costs equitably between commercial/multifamily and residential customers. However, Waste Management asserts that they bid our contract with a substantial commercial/multifamily to single family residential subsidy (not reflected in our rate structure). Waste Management relies upon its commercial line of business to subsidize the lack of profit or limited profit gained in the single family residential sector. Under current conditions sans annexation, WMI claims to be operating at a "breakeven point." Annexation would add a substantial amount of single family residential customers (approximately 9,700) but relatively few multifamily/commercial (236) customers. This would likely tip WMI's current neutral profit/loss on the Kirkland contract toward a substantial net operating loss, exclusive of the aforementioned start up costs expenditures. Incorporated Kirkland currently has approximately 11,000 single family and 2,100 commercial/multifamily customers.

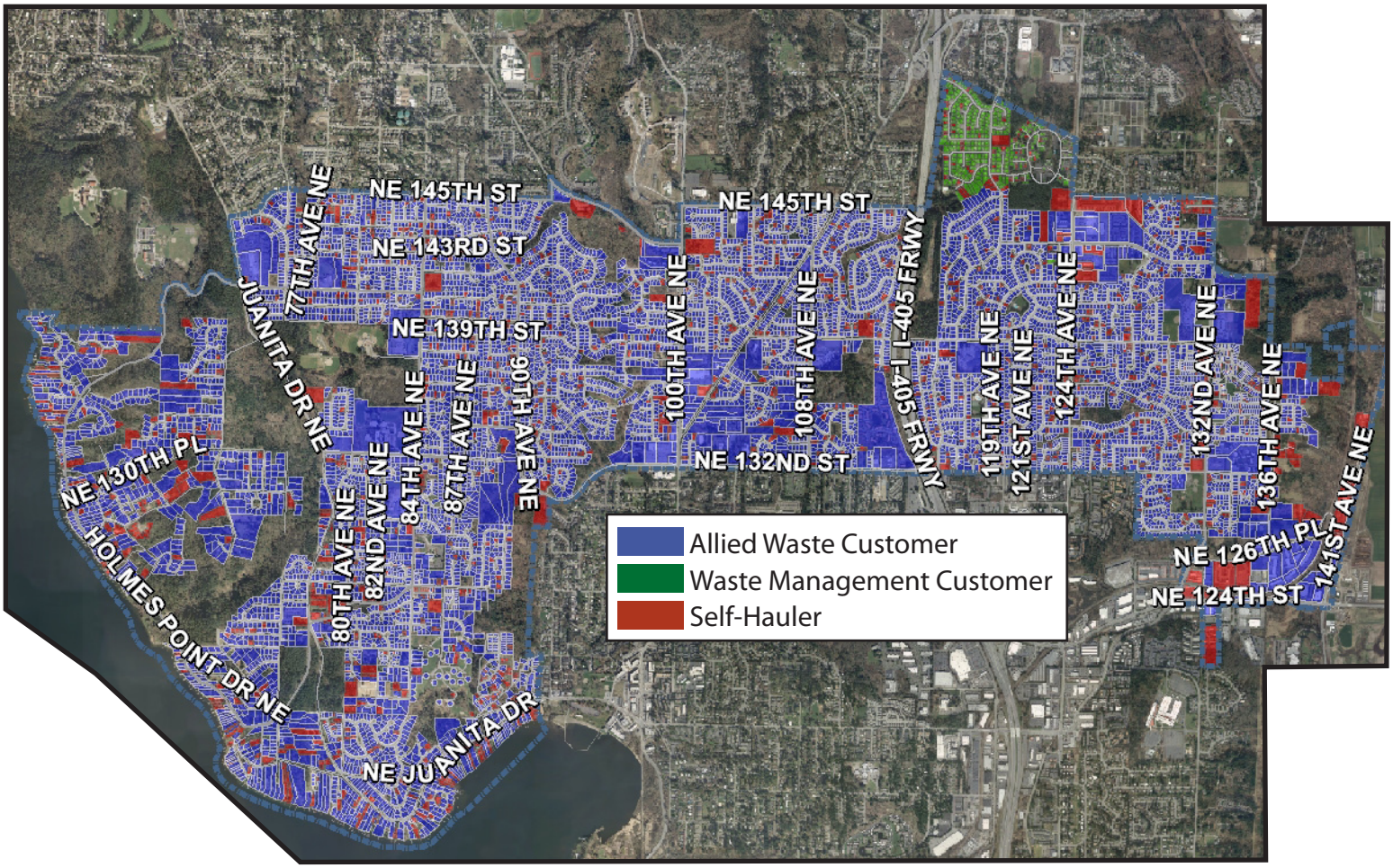
3) *Contract Age and Alignment:*
   Our contract is due to expire on September 30, 2012 but may be extended until September 30, 2014. Per the 4-Way Agreement, WMI is obligated to begin providing service to the annexation area on July 1, 2011. Given our existing contract's expiration date, WMI is in a position where they could lose a competitive bidding process in September 2014 to provide services in the more lucrative, incorporated Kirkland. At the same time, WMI may be obligated to provide service in the less lucrative annexation area under the original terms and conditions of its current contract with Kirkland for an additional three years and nine months through July 1, 2018.

NEXT STEPS

On March 16, City staff and WMI met to discuss the details of the customer transition process. Several key issues were identified and discussed to include cart and dumpster distribution, billing and account data transfer, billing cycles, service day scheduling, and education and outreach activities. A follow-up meeting on March 26 took place during which Waste Management requested that the City consider negotiating a new, long term contract to provide them relief from the terms of the 4-Way Agreement. Staff will be meeting internally to evaluate and discuss this proposal, other options, and to formulate a recommended course of action.

Any questions can be sent to John MacGillivray at extension #3804 or via email at jmacgillivray@ci.kirkland.wa.us.

Attachment 1: Kirkland Annexation Area - Self-Hauler Map

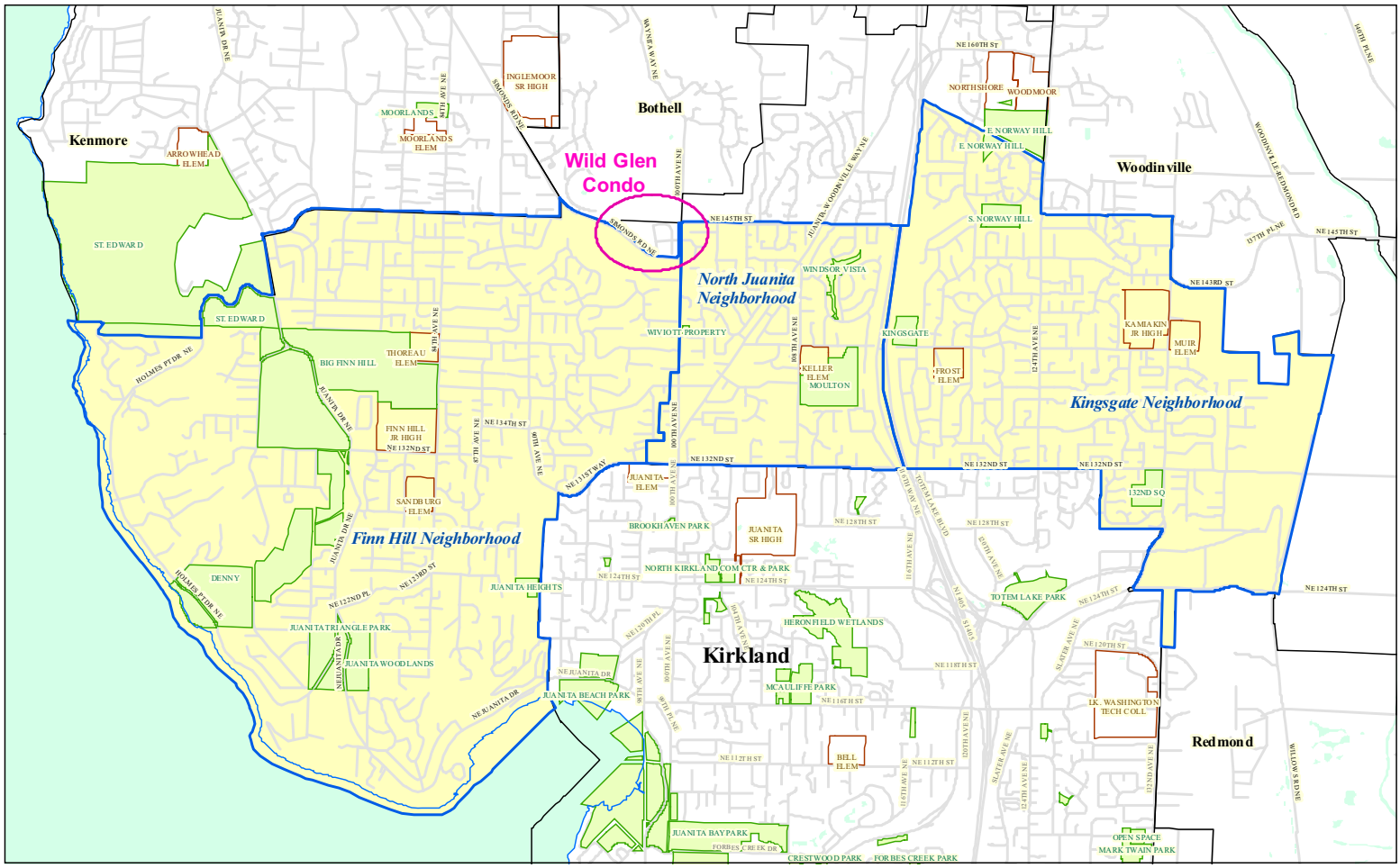


Overall Statistics	
Total Potential Customers	9,950
Total Customers with Garbage Accounts	8,760
Total Self-Haulers	1,190
Total Single-Family Self-Haulers	1,126
Total Multifamily/Commercial Self-Haulers	64
Self-Haulers as a Percentage of Total Customers	12%

Allied Waste-Served Sub-Area	
Single Family Customers	8,270
Multifamily/Commercial Customers	170
Single Family Self-Haulers	1,053
Multifamily/Commercial Self-Haulers	63
Self-Haulers as a Percentage of Total Customers	11.7%
Total Potential Customers	9,556

Waste Management-Served Sub-Area	
Single Family Customers	317
Multifamily/Commercial Customers	2
Single Family Self-Haulers	73
Multifamily/Commercial Self-Haulers	1
Self-Haulers as a Percentage of Total Customers	18.9%
Total Potential Customers	393

Attachment B



KIRKLAND'S NORTH ANNEXATION
FINN HILL - NORTH JUANITA - KINGSGATE
2010-2011 ANNEXATION OUTREACH PLAN

The purpose of this Outreach Plan is to identify communications strategies to effectively communicate with current and future City of Kirkland residents about issues related to the annexation of the Finn Hill, North Juanita and Kingsgate neighborhood areas. This Plan identifies communications efforts that will be continued and proposes new strategies. Strategies are intended to be implemented during the time after the election (November 2009) and beyond the effective date of annexation (June 1, 2011). City communications will be integrated with the key messages contained in this Plan.

The City will use multiple means to communicate:

- Person-to-person outreach
- Web-based communications
- Media-based communications
- Printed materials

Outreach and public information activities conducted in 2009 are contained in Appendix A. Estimated costs for communications efforts in 2010 and 2011 are contained in Appendix B (Annexation Service Package). Appendix C is an internal resource document that identifies staff members who are most knowledgeable about annexation issues who will be considered Annexation Liaisons.

Key Messages

- ***The Kirkland City Council has accepted the annexation of the Finn Hill, North Juanita and Kingsgate neighborhoods.***
    - The City Council placed the question of annexation, zoning and assumption of indebtedness to the voters in the annexation
    - Although the threshold for assuming indebtedness was not reached in the election, the City Council, as allowed by state law, decided to accept the annexation without asking the area residents to assume City debt.
    - The annexation and adopted zoning regulations will take effect June 1, 2011.

- ***Economic health is a top priority for the City Council and current and annexation residents.***
    - Similar to other cities, Kirkland is facing budget challenges due primarily to an economic downturn

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        - The cost of doing city business continues to grow faster than revenue due to tax limitation measures and other economic forces.
        - The imbalance between Kirkland revenues and expenditures occurs with or without annexation.
        - To close the gap between revenue and expenditure and balance the 2009-2010 budget, the City Council cut expenditures, used reserves and increased taxes.
        - Due to a continued decline in the primary sources of revenue, the City implemented service and staff reductions in 2009 and 2010.
        - The annexation area is also impacted by revenue declines which will most likely require a slower phasing of city service levels.
    - Kirkland is eligible to receive state sales tax credit funding as an incentive.
        - Kirkland is eligible to receive funds for a ten year period.
            - Note that the sales tax credit is only available up to the amount needed to offset shortfalls due to annexation and must be spent on services to the annexation area.

- ***The City is committed to providing levels of service that are sustainable with available resources.***
    - Levels of service will be phased into the annexation area over time.
    - The most noticeable changes in service levels would be higher staffing in police services.
    - School District boundaries, library services, public transit services, and water and sewer utility providers are not affected by the annexation.

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Public Outreach

Continued Outreach

The following outreach efforts will continue to be offered and provided by the City. City communications staff will conduct in-person contact with key annexation area residents to help identify the primary sources of information, organized neighborhood groups and associations, media and other means to effectively communicate with the City's new residents. City Council members will be notified of outreach opportunities:

- City's Speakers Bureau
  - The appropriate members of the City's Annexation Team will be available for public presentations.
- Neighborhood Association meetings
  - The City will continue to be available to attend neighborhood association meetings in existing Kirkland and the annexation area.
- Community Organizations
  - The City will begin to identify community organizations in the annexation area to connect with and will continue to be available to groups within current city limits.
- Phone, walk-in and email customer requests & inquiries
  - The City has been responding to incoming email and written correspondence regarding annexation.
  - The City created an annexation email (annexation@ci.kirkland.wa.us) to receive inquiries.
- Community events
  - The City sponsors and/or participates in several annual events, such as informational booths at local markets, recreation events and tourism-related activities that are an opportunity to engage annexation area residents.

If staffing resources are available, the City will have a presence at appropriate community events to help educate current and future residents about the transition of government and services.

Enhanced Outreach

As a more detailed means to inform new residents about city government and services and encourage their involvement with the City, the City could host a "New Citizen Orientation" to cover such topics as:

- City Government 101
- Budget Basics
- Decision Making in Land Use & Capital Project Planning
- Q&A with Elected and Appointed Officials

Costs associated with the Orientation may include paid advertising and supplies. The Orientation could be held immediately before the annexation effective date or soon after.

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- Phone, walk-in and email customer requests
  - The City has created an "annexation liaison" system within the organization to effectively track and respond to inquiries about annexation. (Appendix C)
  - If the number of phone calls to all departments increases significantly, the City may choose to set up an Annexation Hotline that would include any current information and direct the caller to the annexation webpage.
    - The IT Department advises it is possible to establish a 24-hour hotline with greeting options that could direct the caller to a particular department.
- Annexation Kiosk
  - The City may want to create an informational kiosk that could be on display at the Kingsgate Library, grocery stores or other appropriate businesses in the annexation area.

Print messaging

- **Frequently Asked Questions (FAQ) handouts** will be updated to reflect that the annexation will take effect June 1, 2011 and will address issues regarding service effective dates:
  - Annexation Process
  - City Finances
  - Public Safety (fire, EMS, police, court)
  - Zoning & Building Requirements
  - Utility, Solid Waste & Other Services
  - Parks, Recreation & Community Service
  - Community Involvement

- **City Update is the City's official newsletter**. The current budget provides for the printing and mailing of one issue per year.
  - The 2010 funding (printing & postage) would need to be increased from $6,246 to $10,600 in order to include the 12,000 new homes and businesses in the annexation area.
  - 2011-2012 funding ($6,200/year) is included in the Communications Annexation Service Package request. (Appendix B)

- **Direct Mailer to Annexation Area**. Similar to the mailer sent in September, 2009, the City may develop a folio addressing effective "service dates." (When services become available to annexation residents).
  - The estimated cost to print and mail a folded 11x17 folio is approximately $5,200. (Appendix B)

- **Newspaper Paid Advertisements.** Current city limits residents are mostly served by the Kirkland Reporter newspaper. In addition to the Kirkland Reporter, The Woodinville Weekly and Bothell-Kenmore Reporter are circulated in the annexation area. It may be preferable to place paid advertising in one or all of the newspapers should the City need to advertise an event or publish important annexation information.
  - The estimated cost is $750 in 2011. (Appendix B)

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- **Utility Service Providers.** As a means to reach residents in the annexation area, the City has made contact with Allied Waste Industries, Northshore Utility District and the Woodinville Water District to seek their help in directing their affected customers to the City's information about annexation.
    - Allied Waste Industries has approximately 80,000 (total) customers in its service area; 8,500 are within the annexation area.
        - Allied does not publish a newsletter.
        - Allied has placed a link to the City's annexation website from its website. (www.alliedwastenorthwest.com)
        - Utility bill inserts are available but due to Allied changing billing companies, the cost of the inserts are unknown at this time and not therefore not included in the Annexation Communications Service Package.
    - Northshore Utility District (NUD) has approximately 25,000 (total) water & sewer connections within its service area; and approximately 10,000 are within the annexation area.
        - NUD produces a newsletter 4 times per year and inserts it into its billing statements
        - NUD has a website (www.nud.net) and is currently redesigning it. It has committed to placing a link to the City's annexation webpage.
        - NUD has interest working with the City to produce a "joint" insert.
        - NUD's billing cycles are completed by geographical areas
            - NUD is working to identify its customers in the annexation area so that a targeted mailing (insert) could be achieved.
    - Woodinville Water District has approximately 13,000 total water and sewer connections; 1,975 are within the annexation area
        - WWD has a printed newsletter that is published 4 times per year (January, April, July, & October) and mailed to all customers. The newsletter is posted online.
        - WWD has a website (www.woodinvillewater.com) and has pledged to placing an link to the City's annexation webpage.
        - WWD allows bill inserts and there is a cost associated with printing them. Costs were not included in the Annexation Communications Service Package.

Web-based messaging

Continued Outreach

Annexation Webpage

The City's Annexation webpage (www.ci.kirkland.wa.us/annexation) has been a primary source of information. All materials produced by the City have promoted the website. The main homepage and the homepage for each city department has an Annexation icon that directs browsers to the Annexation webpage.

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In early 2010, the navigation was simplified to the following:

- Frequently Asked Questions (by topics)
- Annexation Zoning Information & Maps
- Council Annexation Agenda Items
- Join Annexation List Serv

During the pre-effective date transition, the City is primarily responding to service questions (e.g. permitting, regulations, service providers). The following pages have been deactivated from the site:

- Handouts (combined with FAQ page)
- On-line comment form (browsers can link to the "Ask a Question" feature to submit an inquiry about annexation.)
- Studies & Reports – content was more than 3 years old.
- Listening Log from 2007-2008 "Let's Talk" Campaign

As City GIS maps are updated to include the annexation area, they will be posted to the Annexation website.

As the annexation date approaches, the City will revise the homepage content with a "Welcome to the City of Kirkland" theme. Links to common pages within the entire City website will be added to the annexation homepage to assist browsers with finding information they seek.

City Update newsletter webpage:
The City Update newsletter is produced 4 times per year. All editions are posted online at www.ci.kirkland.wa.us/cityupdate. Browsers subscribe to the page and when a new edition is posted, they receive an email with a link to the publication. See Appendix A for the current number of subscribers and the issues of City Update that contained annexation articles.

Enhanced Outreach

Social Media Tools
The City is beginning to experiment with social media tools and as it gains more experience in their use, it may be decided to use a social media tool, such as a blog, to provide links to the City's Annexation webpage for current annexation information and to allow for a means to have an "online" question and answer with browsers who have annexation questions. A blog would allow for more "real time" information.

Email-based messaging

Continued Outreach

The City will continue to use email as an effective means of communication through list servs and direct emails. See Appendix A for the number of subscribers to the List Servs.

List Servs: Annexation, Neighborhood E-Bulletin, City Update, News Room

Direct Email: Neighborhood Leader email distribution, Response letter to citizen correspondence

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Enhanced Outreach

The City has requested that the Greater Kirkland Chamber of Commerce and the Greater Woodinville Chamber of Commerce include annexation information in their electronic newsletters; which both have agreed

Media Messaging

Continued Outreach

News Releases
The Communications Program Manager will continue to issue news releases about annexation related issues and key decisions made by the City Council. The distribution of news releases includes:

- City Council + City Manager's Office + City PIOs (email)
- KirkNet Announcement
- City webpage (News Room page)
- Posted hard copy to public buildings (community centers, libraries)
- Emailed to television, newspaper & radio media
- Emailed to community contacts (business associations, school district)

Editorial/Opinion Letters
Editorials would allow the City to share its perspective about annexation related issues. Editorials could be written on behalf of the entire Council or by individual Council members. Editorials would be forwarded to local (Kirkland Reporter) and regional (Seattle Times) newspapers.

Kirkland TV
The City manages two government access channels: KLIFE and KGOV. The channels can be viewed by current city residents on:

- KLIFE: Comcast Channel 75, Verizon Channel 32
- KGOV: Comcast Channel 21, Verizon Channel 31

Currently, Comcast services the annexation area. When annexation becomes effective, the City's franchise agreement with Verizon for cable (FIOS) television services will apply to the annexation area. (NOTE: Verizon is in the process of transferring its FIOS services to Frontier Communications Company).

KLIFE airs the "Currently Kirkland" TV show. In late 2009, the show transitioned from a monthly broadcast to a weekly (Friday) broadcast. The show lends nicely to "news desk" items. The show will continue to broadcast annexation announcements. Both channels currently air a "bulletin board" announcement that advertises the annexation webpage.

If funding is available, the City may want to produce a "Welcome to Kirkland" video as an educational tool for new residents. Video production would be coordinated between the City Manager's Office and the MultiMedia Services Division (IT Department). Costs are associated with the filming and editing of the video and will vary based upon the length and time for editing.

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Internal Communications

Continued Outreach

The City will continue the following internal communications to keep employees informed.

- **Annexation Steering Team:** The Steering Team is comprised of the City Manager, Assistant City Manager, Finance Director, Planning & Community Development Director, City Attorney and Intergovernmental Affairs Manager. It meets regularly to discuss policy and operational issues identified by the Annexation Team.
- **A+ Team:** The A+ Team is comprised of the Assistant City Manager, Communications Program Manager, Intergovernmental Affairs Manager and CMO Administrative Assistant who meet to discuss internal and external communications issues.
- **Solid Waste Annexation Team:** A subcommittee of the "A" Team, the core Solid Waste group is comprised of Public Works, Finance, and CMO staff and meets as needed to address and discuss issues specific to providing solid waste collection services in incorporated and annexed Kirkland.
- **Budget Briefings with City Manager** – Since 2009, two briefings have been held each month in which the City Manager shares the status of the City finances and addresses annexation issues with employees.
- **KirkNet Annexation site:** A page within KirkNet (employee intranet) that posts current information relevant to employees. The page is maintained by the City Manager's Office.
- **In Tune:** City employee electronic newsletter that is produced by the City Manager and Assistant City Manager and posted to KirkNet.

Enhanced Outreach

- **All Staff Meetings:** As a means to communicate current annexation information, effective service dates and other vital information, the City Manager's Office will host "all staff meetings."

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Appendix A: Annexation Communications Update 2009 Activities

Neighborhood Meetings

Name	Date	Number Attended
Denny Creek Alliance	April 22, 2009	
Totem Lake Neighborhood Association	May 20, 2009	20

City Sponsored Community Meetings

Date	Location	Number Attended
June 18, 2009	Juanita High School	101
June 23, 2009	Finn Hill Jr. High	155
June 29, 2009	Kamiakin Jr. High	80

2009 City Council meetings

January 6	Potential Annexation fiscal model and proposed timeline
March 3	Potential Annexation update and updated financial model
April 6	Special Study Session: Potential Annexation follow-up
April 7	Special Meeting and Public Hearing: Resolution of Intent
	Council response letter to citizens in Kirkland and the PAA
May 19	Council review of draft annexation zoning
June 2	Proposed Annexation Area—Public Hearing #1
June 16	Study Session—Ballot Title, Pro/Con Committee, Effective Date
July 7	Zoning Public Hearing #2, File No. ANN09-00001
	Operation of card room, pro/con committee for ballot measure
July 21	Zoning Public Hearing #2 (continued), File No. ANN09-00001
	Resolution requesting election date for annexation ballot
September 1	Letter to King County requesting transition funding/updates
December 15	Proposed Annexation Resolution and Ordinance

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To view agendas, staff reports and video of City Council discussions on annexation from 2006 to present day, go to www.ci.kirkland.wa.us/depart/CMO/Annexation/CA.

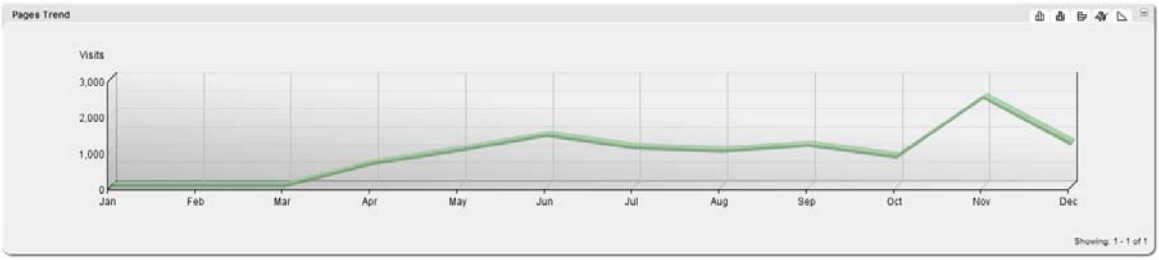
Print Messaging

News Releases	FAQ Handouts	City Update Newsletter
March 25, 2009 "Next Steps"	The following Frequently Asked Question (FAQ) were developed in April, 2009 and updated in September, 2009: • Annexation Process • City Finances • Public Safety • Zoning & Building Requirements • Parks, Recreation & Community Services • Community Involvement *The FAQs were reviewed by the Public Disclosure Commission.*	2nd Quarter edition (online) "Council decides key issues"
April 7, 2009 "Council to file with BRB"		4th Quarter edition (online) "Council accepts annexation"
May 13, 2009 "Public Participation Opportunities"		
June 17, 2009 "Pro/Con Committees"		**Direct Mailer to PAA**
July 8, 2009 "Annexation Key Decisions"		A Q&A folio was mailed to homes in the PAA in September, 2009.
December 16, 2009 "Council Accepts Annexation"		

Web-based Messaging

The City's Annexation webpage (www.ci.kirkland.wa.us/annexation) is a main source of public information. The landing page (homepage) received more than 10,000 visits in 2008 and more than 13,000 in 2009 (January 1 – December 20, 2009).

2009 Web Trends/Annexation Homepage



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Email-based Messaging

Public information about the annexation is "pushed out" via email primarily using three list servs:

- Annexation
- Neighborhood E-Bulletin
- News Room

Any City news release about annexation is sent via these email notifications. The "City Update" newsletter webpage has a page watch feature that notifies subscribers when a new edition is posted online.

List Serv	# of Email Notifications (Jan-Dec 2009)	# of subscribers as of 4/24/09	# of subscribers as of 6/1/09	# of subscribers as of 12/31/09
Annexation	22	682	709	936
Neighborhood E-Bulletin	6	730	740	799
News Room	6	143	153	237
City Update newsletter	2			647
TOTAL NUMBER OF LIST SERV SUBSCRIBERS AS OF 12/31/09 RECEIVING ANNEXATION INFORMATION				2,619

The City continues to receive and reply to email correspondence about annexation. In 2009, the following was received.

Emails/Letters to City Council and annexation@ci.kirkland.wa.us	Annexation Online Comment Forms	Ask A Question (online form)	Total Correspondence Received
165	45	10	220

Media Messaging

Communications staff tracked media coverage of annexation to the extent possible. Some highlights are listed below.

Newspaper

Kirkland Reporter

- Kirkland Annexation gets green light (04.08.09) http://www.pnwlocalnews.com/east_king/kir/news/42698667.html#storyComments
- Fireworks could go up in smoke for annexation area (06.30.09) http://www.pnwlocalnews.com/east_king/kir/news/69620002.html
- County Council places PAA vote on November ballot (07.29.09) http://www.pnwlocalnews.com/east_king/kir/news/52019712.html
- Annexation losing by 11 votes, latest election results show (11.13.09) http://www.pnwlocalnews.com/east_king/kir/news/70079952.html
- Annexation: Kirkland population could nearly double, but budget problems linger (11.9.09) http://www.pnwlocalnews.com/east_king/kir/news/69620002.html

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- Kirkland annexation fails, could go back to city council (11.23.09) http://www.pnwlocalnews.com/east_king/kir/news/71663162.html
- Kirkland Council to vote on annexation after measure fails (12.04.09) http://www.pnwlocalnews.com/east_king/kir/news/78564727.html
- Annexation on brink of approval; McBride, Sweet, Walen, Marchione lead council race (11.05.09) http://www.pnwlocalnews.com/east_king/kir/news/69334102.html
- Kirkland City Council set to vote on annexation (12.09.09) http://www.pnwlocalnews.com/east_king/kir/news/78922337.html
- Kirkland annexation a go: Effective date set June, 2011 (12.16.09) http://www.pnwlocalnews.com/east_king/kir/news/79423567.html

Seattle Times

- Kirkland considers annexation, keeping Casino Caribbean open (4.7.09) http://seattletimes.nwsource.com/html/localnews/2008997033_casino07m.html
- Areas to decide on annexation (7.29.09) http://seattletimes.nwsource.com/html/localnews/2009555405_dige29m.html
- Kirkland annex 'yes' could be slipping away (11.14.09) http://seattletimes.nwsource.com/html/localnews/2010271958_kirklandannex14m.html
- Kirkland annexation barely fails; council could pass it http://seattletimes.nwsource.com/html/localnews/2010344985_kirklandannex24m.html (11.24.09)
- Kirkland to annex Finn Hill, North Juanita and Kingsgate (12.16.09) http://seattletimes.nwsource.com/html/localnews/2010517360_kirklandannex16m.html
- Kirkland's smart annexation vote (editorial) (12.17.09) http://seattletimes.nwsource.com/html/editorials/2010535884_edit18kirk.html

Television

Kirkland TV

The City's "Currently Kirkland" TV show highlighted annexation on the following dates:

- 11/16 Election Update
- 12/04 Annexation Update
- 12/21 Annexation Update
- 12/29 Annexation Update

*KOMO TV Channel 4**

- Kirkland moves step closer to annexing Finn Hill, Juanita, Kingsgate (4.7.09) http://www.komonews.com/news/local/42652947.html
- Kirkland mulls annexing Finn Hill, Juanita, Kingsgate (4.7.09) http://www.komonews.com/news/local/42644112.html

KOMO has a blog (http://kirkland.komonews.com) that often posts city news releases.

*KING 5 Channel 5**

- Kirkland annexation vote seems likely (4.6.09)
  http://www.king5.com/archive/60344552.html
- Kirkland annexation vote likely (8.15.09)
  http://www.king5.com/news/local/59758762.html

*Links below are to video files, not to online articles posted to the TV's website.

Community Blogs

There are two active Kirkland community blogs that publish annexation information.

- Kirkland Views: www.kirklandviews.com
- Kirkland Weblog: www.kirklandweblog.com

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Appendix B: 2011-2012 Annexation Service Package

NUMBER OF FTE's REQUESTED	0.00				
	2011		2012		
COST SUMMARY	Ongoing	One-Time	Ongoing	One-Time	Total
Personnel Services	$ -	$ -	$ -	$ -	$ -
Supplies & Services	$ 3,100	$ 5,950	$ 3,100	$ -	$ 12,150
Capital Outlay	$ -	$ -	$ -	$ -	$ -
Total Service Package Cost	**$ 3,100**	**$ 5,950**	**$ 3,100**	**$ -**	**$ 12,150**
Expenditure Savings	$ -	$ -	$ -	$ -	$ -
Offsetting Revenue	$ -	$ -	$ -	$ -	$ -
Net Service Package Cost	**$ 3,100**	**$ 5,950**	**$ 3,100**	**$ -**	**$ 12,150**

SUPPLIES & SERVICES							
Printing -City Update	0100201310	5490400	$ 1,000		$ 1,000		$ 2,000
Postage -City Update	0100201310	5420200	$ 2,100		$ 2,100		$ 4,200
Printing -mailer, utility insert, etc.	0100201310	5490400		$ 2,900			$ 2,900
Postage -mailer, etc.	0100201310	5420200		$ 2,300			$ 2,300
Newspaper Advertising	0100201310	5440100		$ 750			$ 750
							$ -
		Total	**$ 3,100**	**$ 5,950**	**$ 3,100**	**$ -**	**$ 12,150**

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Appendix C: Annexation Liaisons

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CITY OF KIRKLAND
Information Technology Department
123 Fifth Avenue, Kirkland, WA 98033 425.587.3050
www.ci.kirkland.wa.us

MEMORANDUM

To: Marilynne Beard, Interim City Manager

From: Brenda Cooper, Chief Information Officer

Date: 03/26/2010

Subject: Geographic Information Systems Annexation RFP

City Council recently inquired as to whether it is possible to delay annexation GIS work. GIS data is used by most departments and, in some cases, it is critical to their work. The following are examples of how GIS data is used to provide services:

Captain Gene Markle, Police Department

Our public safety responders depend heavily on accurate data for addresses, premises, streets, jurisdictional boundaries, and landmark features found in the citywide GIS. Prompt dispatching can't happen without this information being available, current, and correct. Reliable GIS information is paramount to getting the correct public safety resources to the correct location as quickly as possible which improves the safety of the first responder and our citizens.

Eric Shields, Director, Department of Planning and Community Development

The development departments need accurate mapping for parcels and other property features in the annexation area to administer zoning codes, permitting, comprehensive planning, neighborhood planning, updating and administering the shoreline master program, and code enforcement. Many of the pre-annexation preparation steps have been hampered by the lack of satisfactory GIS parcel data.

Bobbi Wallace, Manager, Surface and Wastewater Division, Department of Public Works

Public Works makes heavy use of GIS data in CIP planning, maintenance, and emergency events for street infrastructure such as surface water drainage utility, signs and other traffic control, pavement management, streetlights, sidewalks, and street trees. Except for the surface water drainage utility mapping done in the Juanita Creek Basin by city staff, none of this GIS data exists. Without the GIS data, we place ourselves on unstable ground, and with added cost, to research critical information for our claim responses for WCIA as well as our ability to file for damages to FEMA for storm clean up and rehab reimbursements and for damage claims we make on private

utilities who install gas, power, phone, fiber lines and impact our system(s). These are significant returns (often six figures annually when added up together) to our utilities as well as our other infrastructure. Also our GIS system helps us to provide audit required information to the Federal EPA and State DOE in order to be in compliance for NPDES-required documentation for the surface water system.

We are close to ready to release the RFP to begin the GIS work in the Annexation area. As a reminder, the service package was funded is through reallocation of already-planned and approved projects and staff time in the GIS division. The GIS Steering Team put off other important projects because accurate GIS data is so critical to the city's success in the annexation area. The current approved funding will allow us to start this work and to complete the base layers necessary for a foundation on which to add specialty information. Almost daily, we receive requests for data about that area which we do not have. The King County data has not been developed to our standards or with our required levels of accuracy, and we have many problems using it to try to perform analysis work.

We are already getting a late start in developing GIS for the annexation area. It will take nearly ten years to complete all of the work we have completed here in the last ten years. It is important for us to begin as soon as possible.

Lake Washington School District No. 414

Attachment E

P.O. Box 97039
Redmond, WA 98073
425 702-3257
www.lwsd.org

DR. CHIP KIMBALL
Superintendent

JANENE FOGARD
Deputy Superintendent

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cc: Marilynne
Eric
Robin

RECEIVED
APR 01 2009
CITY OF KIRKLAND
CITY MANAGER'S OFFICE

March 31, 2010

Fred Jarrett, Deputy County Executive
King County
401 5th Ave. Suite 800
Seattle, WA 98104

David Ramsay, City Manager
City of Kirkland
123 5th Avenue
Kirkland, WA 98033

RE: Proposed Interlocal Agreement between King County, the City of Kirkland, and Lake Washington School District

Dear Mr. Jarrett and Mr. Ramsay:

I am writing to follow up on your recent meeting regarding annexation issues and the telephone call of March 19 between Fred Jarrett and Grace Yuan, the District's legal counsel.

The voters have authorized the Lake Washington School District to rebuild three elementary schools that are located in unincorporated King County, but in an area that will be annexed to the City of Kirkland: Muir, Sandburg, and Keller elementary schools. This letter is to formally request that King County, the City of Kirkland, and Lake Washington School District enter into an Interlocal Agreement regarding the permitting process for these three schools.

An Interlocal Agreement is necessary to facilitate the schools' development schedules. We started planning the schools in 2008. The earthwork at Muir Elementary is scheduled to begin in June 2010 to take advantage of the dry summer months and construction is scheduled to start in fall 2010. We are starting the Sandburg Elementary and Keller elementary projects and anticipate submitting applications in fall/winter 2010 for construction in summer 2011.

While the City is in the process of annexing this area, the annexation will not go into effect until June 1, 2011. Many of the permitting activities for the three schools will start before the annexation's effective date. We are requesting that the Interlocal Agreement provide for:

1) the City of Kirkland to manage the development review processes for these three schools modernization projects based on the existing King County Zoning Code, and
2) the City of Kirkland to manage the issuance of the building permits for three schools based on the Kirkland Municipal Code.

Please contact me at (425) 702-3257 or by email at CKimball@lwsd.org so we can determine the next steps. We look forward to working with you.

Sincerely,

Chip Kimball
Superintendent

cc: John Starbard, Director, King County Department of Development and Environmental Services
Eric Shields, Planning Director, City of Kirkland
Grace Yuan, K & L Gates
Forrest Miller, Director of Support Services
Ralph Rohwer, Program Manager