



CITY OF KIRKLAND
Department of Parks & Community Services
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MEMORANDUM

To: Kurt Triplet, City Manager
From: Jennifer Schroder, Director
Date: February 12, 2015
Subject: POTENTIAL AQUATICS, RECREATION AND COMMUNITY CENTER (ARC) FUNDING SOURCES AND DRAFT SURVEY

RECOMMENDATION

That the City Council:

1. Receives an overview of the Metropolitan Park District model as a potential financing strategy for the proposed Aquatics, Recreation, and Community Center (ARC); and
2. Reviews and provides input on draft questions for an upcoming statistically-valid random telephone survey seeking information on the opinions and attitudes of Kirkland residents related to the proposed project, potential costs, and siting preferences.

BACKGROUND DISCUSSION

On October 21, 2014 the City Council approved Resolution R-5076, authorizing additional search for and analysis of sites to be considered for a potential facility to provide for the recreation and aquatic needs of Kirkland residents. The resolution (included as Attachment A) also directed staff to explore potential funding mechanisms, and authorized the Parks and Community Services Department to solicit additional community input, including a statistically-valid random telephone survey of Kirkland residents.

Potential funding mechanism:

The overall cost of the proposed ARC cannot be determined until the site and building components are finalized. However, planning completed to-date provides cost estimates to build the proposed center at two City-owned sites: Juanita Beach Park and the North Kirkland Community Center (NKCC). The cost estimate to build the proposed 86,000 square feet ARC on city-owned property ranges from \$48 million at Juanita Beach to \$60 million at the NKCC.

To illustrate the potential cost to the taxpayer, a project that costs \$48 million, financed over 30 years, could result in a monthly tax levy amount of \$5.50 for a median-priced home in Kirkland (\$435,000 value in 2015 per King County Assessor).

Funding options available to municipalities under state law include:

- **Levy lid lift** (RCW 84.55.050(1)) can be for any purpose and can be for any period of time or permanent. If proceeds are used for debt service on bonds, the maximum period is nine years. The initial "lift" occurs in the first year, with annual increases in subsequent years limited to the lesser of one percent or the implicit price deflator (IPD). If this levy option were selected the

maximum period would be 9 years to pay the debt of a Councilmanic bond. This option requires a simple majority (50% +1 approval) vote on any election date.

- **Excess levy** (Article VII, section 2(b) of the Washington State Constitution) is available for capital purposes and the term is determined by the life of the proposed bonds, not to exceed the useful life of the facility. An excess levy requires a supermajority (60% approval) plus minimum 40% turnout based on last general election (validation). The election can occur on any election date.
- **Metropolitan Parks District (MPD)** (RCW 35.61), a metropolitan park district may be created for the management, control, improvement, maintenance, and acquisition of parks, parkways, boulevards, and recreational facilities. MPDs have the authority to levy up to \$0.50 per \$1,000 of assessed valuation for operations and maintenance and another \$0.25 per \$1,000 of assessed valuation for capital projects, for a total of \$0.75 per \$1,000.

Metropolitan Park District

Although there are multiple funding options to explore, for the purposes of the Council retreat the discussion will focus on gaining a better understanding of the Metropolitan Park District model and the potential for an MPD to fund the ARC.

The purpose of an MPD is "to manage, control, improve, maintain and acquire parks, parkways, boulevards and recreational facilities within a defined area." MPDs are also permitted access to property taxes available to Junior Taxing Districts, thus granting an MPD an increment of taxing authority that is not otherwise available to cities. In effect, an MPD provides new resources that are outside the competition with other City departments for General Fund resources.

Tacoma voters approved an MPD one month after the original law was enacted in 1907. In 2001 the State amended the legislation in order to make the creation of MPDs more accessible for all cities, counties and unincorporated areas. The new legislation made it possible for an MPD to be created within a single jurisdiction and allowed existing city councils or county commissioners to act as the governing board of the MPD. As of 2015 there are 17 metropolitan park districts in Washington. The City of Seattle is the most recent city jurisdiction to form an MPD, with Seattle voters approving the Seattle Park District in November 2014.

At the retreat, Council will receive a presentation on MPDs and an overview of the Seattle Park District. We will be joined by Alice Ostdiek, a member of the law firm of Foster Pepper PLLC. Ms. Ostdiek has practiced public finance and municipal law for a number of years and serves as bond counsel and disclosure counsel on general governmental and utility financings. She is also well known for her advice to governmental entities regarding statutory and constitutional limitations on taxes, fees and other revenue sources. Ms. Ostdiek worked closely with the City of Seattle in the recent successful formation of the Seattle Park District.

Statistically valid random telephone survey

The City has commissioned the firm of EMC Research to conduct a random telephone survey of Kirkland citizens. A draft of the questions proposed for the survey are attached for Council's review and discussion. (Attachment B)

The following schedule is necessary to conduct the survey and provide results for upcoming Park Board and City Council meetings in March to meet the March 17 timeline set by R-5076. The Council could also choose to extend the timeline for receiving the information.

Finalize Questionnaire	February 20 th
Data Collection	February 22 th – March 2 nd
Draft Report	March 11 th
Final Report	March 17 th

ARC Next Steps

No decision related to the siting or the funding of the ARC is being sought at the Council retreat. The primary purpose of the discussion is to understand how an MPD works, and to review the survey questions. However, staff will be returning to the Council on March 17 or soon thereafter with the survey results and the compilation of the other public outreach and analysis to date authorized by R-5076. At that point, staff will be seeking direction on whether to consider a potential ballot measure to fund the ARC in either 2015 or 2016.

Attachments:

Resolution R-5076
Draft Survey Questions

City of Kirkland Survey

EMC Research 15-5542

DRAFT

n=400

Hello, my name is _____. May I speak to **(NAME ON LIST)**.

Hello, my name is _____, and I'm conducting a survey for EMC Research to find out how people in your area feel about some of the different issues facing them. We are not trying to sell anything, we will not ask for a donation, and we are collecting this information on a scientific and completely confidential basis.

1. GENDER **[RECORD FROM OBSERVATION]**

1. Male
2. Female

2. Would you say things in the City of Kirkland are going in the right direction or are they pretty seriously off on the wrong track?

1. Right Direction
2. Wrong Track
3. (DNR: Don't know)

I'd like you to tell me how you think the City of Kirkland is doing in each of the following areas. Use a scale of excellent, good, only fair, or poor. If you aren't sure one way or the other, please just say so.

SCALE: 1. Excellent 2. Good 3. Only fair 4. Poor 5. Not Sure 6. (DNR: Refused)

(AFTER EACH AS NECESSARY: How would you rate [QX]? Would you say excellent, good, only fair, or poor?)
[RANDOMIZE]

3. The job Kirkland City government does overall
4. The job Kirkland City government does spending your tax dollars responsibly
5. The overall quality of the parks and recreation system in Kirkland

[END RANDOMIZE]

6. As you may know, the Lake Washington School District may need to close the indoor pool at Juanita High School as soon as twenty seventeen. This is the only publically available indoor pool in Kirkland and supports the activities of a number of aquatic sports clubs, public exercise time, and lifeguard training and water safety classes and swim lessons. Knowing this would you say you strongly support, somewhat support, somewhat oppose, or strongly oppose the City developing plans for a new Aquatic, Recreation and Community Center in Kirkland?

1. Strongly Support
2. Somewhat Support
3. Somewhat Oppose
4. Strongly Oppose
5. (DNR: Don't Know/NA)

7. The City of Kirkland would need to present a voter-approved property tax ballot measure to voters in order to fund a new Aquatic, Recreation and Community Center. This measure would provide funds to build a facility that includes a competition and exercise pool, a warm water recreation pool, a gymnasium, fitness rooms and exercise studios, classrooms for arts and education, and community gathering and banquet spaces. In general, do you strongly support, somewhat support, somewhat oppose or strongly oppose a Kirkland Aquatic, Recreation and Community Center measure?
 1. Strongly Support
 2. Somewhat Support
 3. Somewhat Oppose
 4. Strongly Oppose
 5. (DNR: Don't Know/NA)

8. The City of Kirkland currently owns property at Juanita Beach Park and estimates the cost to build an Aquatic, Recreation and Community Center on the ball field portion of the park at forty-eight million dollars. If voter approved, the City would issue general obligation bonds maturing within thirty years and levy annual excess property taxes to repay the bonds. Knowing this would you say you strongly support, somewhat support, somewhat oppose, or strongly oppose building an Aquatic, Recreation and Community Center at Juanita Beach Park?
 1. Strongly Support
 2. Somewhat Support
 3. Somewhat Oppose
 4. Strongly Oppose
 5. (DNR: Don't Know/NA)

9. This thirty year measure would cost the average Kirkland homeowner with a four hundred and thirty-five thousand dollar home about sixty-six dollars a year or about five dollars and fifty cents a month. Knowing this would you say you strongly support, somewhat support, somewhat oppose, or strongly oppose building an Aquatic, Recreation and Community Center at Juanita Beach Park?
 1. Strongly Support
 2. Somewhat Support
 3. Somewhat Oppose
 4. Strongly Oppose
 5. (DNR: Don't Know/NA)

10. Some have opposed building a facility at the Juanita Beach Park site because of concerns about current traffic congestion in and around Juanita Beach Park. They say that an Aquatic, Recreation and Community Center would make the traffic problem much worse. Knowing this would you say you strongly support, somewhat support, somewhat oppose, or strongly oppose the building an Aquatic, Recreation and Community Center at Juanita Beach Park?
 1. Strongly Support
 2. Somewhat Support
 3. Somewhat Oppose
 4. Strongly Oppose
 5. (DNR: Don't Know/NA)

11. And some have opposed building a facility at the Juanita Beach Park site because they say the open space and trees should not be sacrificed. Knowing this would you say you strongly support, somewhat support, somewhat oppose, or strongly oppose the building an Aquatic, Recreation and Community Center at Juanita Beach Park?
 1. Strongly Support
 2. Somewhat Support
 3. Somewhat Oppose
 4. Strongly Oppose

5. (DNR: Don't Know/NA)

12. Another option would be to purchase and build on private land which may cost an additional ten to twenty million dollars, or a total between fifty-eight and sixty-eight million dollars. Knowing this, which would you prefer the City do?

[ROTATE FIRST TWO STATEMENTS]

1. Build an Aquatic, Recreation and Community Center on City owned property at Juanita Beach Park
OR
2. Build an Aquatic, Recreation and Community Center at a different location even if it requires purchasing private property.
3. (DNR: Makes no Difference)
4. (DNR: Neither)
5. (DNR: Don't Know/Not Sure)

13. One alternate location suggested would be in or near Totem Lake Mall. Again it would cost between ten and twenty million dollars more to purchase land to build there. Would that decision make you much more likely, somewhat more likely, less likely or make no difference in your support for an Aquatic, Recreation and Community Center?

1. Much more likely
2. Somewhat more likely
3. Less likely
4. No difference
5. (DNR: Don't know/Refused)

[IF Q13=3 LESS LIKELY THEN ASK Q14]

14. Why do you say that? _____ **[OPEN END RESPONSE, DO NOT PROBE]**

15. And some have suggested purchasing land to build an Aquatic, Recreation and Community Center near the Cross Kirkland Corridor, again it would cost as much as twenty million dollars more to build. Would that decision make you much more likely, somewhat more likely, less likely or make no difference in your support for an Aquatic, Recreation and Community Center?

1. Much more likely
2. Somewhat more likely
3. Less likely
4. No difference
5. (DNR: Don't know/Refused)

[IF Q15=3 LESS LIKELY THEN ASK Q16]

16. Why do you say that? _____ **[OPEN END RESPONSE, DO NOT PROBE]**

And for statistical purposes only:

17. What year were you born? **[RECORD YEAR - VALID RANGE: 1910-1997; IF REFUSED, CODE AS 9999]**

18. **[AGE RANGE - CODE FROM PREVIOUS QUESTION]**

[IF Q17=9999 THEN ASK FOLLOWUP: "Would you say you are age (READ LIST)..."]

1. 18-29
2. 30-39
3. 40-49
4. 50-64
5. 65 or over

6. (DNR: Refused)

THANK YOU!

RESOLUTION R-5076

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING ADDITIONAL SEARCH FOR AND ANALYSIS OF SITES TO BE CONSIDERED FOR A POTENTIAL FACILITY TO PROVIDE FOR THE RECREATION AND AQUATIC NEEDS OF RESIDENTS AND AUTHORIZING THE PARKS AND COMMUNITY SERVICES DEPARTMENT TO SOLICIT ADDITIONAL COMMUNITY INPUT.

WHEREAS, since 2001 the City of Kirkland's Comprehensive Park, Recreation, and Open Space (PROS) Plan has identified the need for more multi-use recreation space in the community; and

WHEREAS, the 2007 Kirkland Indoor Recreation Feasibility Study described a prototype multi-use recreation center which would respond to community needs and interests and which included an aquatics facility component; and

WHEREAS, aquatic facilities have been an essential part of the Kirkland community and culture for over 45 years, beginning with construction of Peter Kirk Pool in 1968, followed in 1971 with the construction of the Juanita Aquatic Center at Juanita High School; and

WHEREAS, according to the standards of the National Recreation and Parks Association, the current Kirkland public aquatic facilities do not meet local needs; and

WHEREAS, Kirkland lacks recreation and aquatic facilities to more broadly serve its general population, especially in comparison with national statistics and trends; and

WHEREAS, the Lake Washington School District has determined that the Juanita Aquatic Center has reached the end of its useful life and has furthermore decided that the Aquatic Center will not be retained at the time of Juanita High School's modernization or replacement; and

WHEREAS, the Juanita Aquatic Center is the sole public indoor, year-round aquatic facility in the Kirkland community which provides a variety of critical recreational, educational, competitive, and health and wellness activities for residents of all ages; and

WHEREAS, the City is committed to partnering with interested public and private organizations to explore options for meeting both the current and future general recreation needs of Kirkland residents and for replacing the Juanita Aquatic Center; and

WHEREAS, the City Council believes a new public recreation and aquatic facility must serve all members of the public from children to seniors and must provide programming, including instruction, recreation

and competition opportunities as well as wellness, fitness and rehabilitation options; and

WHEREAS, on September 16, 2014, the Parks and Community Services Department and Park Board presented findings and recommendations to the City Council for a proposed Aquatic, Recreation, and Community (ARC) Center, including recommendations on facility components and siting preferences; and

WHEREAS, as a result of extensive community, stakeholder, and program user input, an evaluation of the City's existing recreation programs and facilities, and an assessment of market conditions, the Park Board's recommended ARC Center would include a 300-person community hall/banquet facility with outdoor/rooftop deck, caterer's kitchen/classroom, party room, arts rooms, a two-court gymnasium with elevated walking/jogging track, fitness room, studios, activity room, recreation pool, 50-meter lap pool, therapeutic hot tub, coffee bar, locker rooms, administrative office and other support spaces; and

WHEREAS, such a broad mix of facility components not only responds to the current and future health and wellness needs and interests of residents but also provides the greatest opportunity for the facility to annually generate the revenue sufficient to offset program and operating expenses, thus reducing a need for the facility to receive an ongoing general fund tax support; and

WHEREAS, a report commissioned by the Parks and Community Services Department analyzed the north (ballfield) portion of Juanita Beach Park and the North Kirkland Community Center sites as potential locations for the ARC Center and concluded that Juanita Beach Park is a suitable and preferred location; and

WHEREAS, the Park Board has recommended that the City pursue additional sites which may be preferable to Juanita Beach Park and the North Kirkland Community Center site; and

WHEREAS, the City Council concurs with the Park Board and wishes to consider additional siting options for the proposed ARC Center, including potential to-be-identified private properties, and wishes to better understand how the facility could be successfully integrated into Juanita Beach Park.

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

Section 1. The Parks and Community Services Department is authorized to:

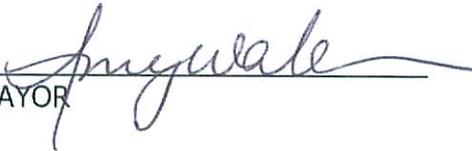
1. Conduct further investigation and analysis of potential sites for the proposed ARC Center.

2. Complete additional conceptual design analysis to demonstrate how the proposed ARC Center could be successfully integrated into Juanita Beach Park.
3. Conduct additional broad outreach with the community, including business interests and all neighborhoods, to inform about the proposed facility, to solicit siting preferences, and to better understand level of interest and support. Outreach efforts shall include public meetings, informational brochures, telephone surveys, and additional outreach to key stakeholders and interested parties.
4. Further explore partnership opportunities and parameters with interested community organizations.
5. Further explore potential financing mechanisms and timelines, including those that require voter approval, in compliance with all state laws and regulations.
6. Provide a report to the City Council with recommendations from the Park Board by March 17, 2015, or as soon as possible thereafter.

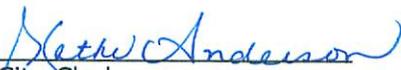
Section 2. The City Manager is authorized and directed to implement steps necessary to achieve these tasks.

Passed by majority vote of the Kirkland City Council in open meeting this 21st day of October, 2014.

Signed in authentication thereof this 21st day of October, 2014.


MAYOR

Attest:


City Clerk



CITY OF KIRKLAND
123 Fifth Avenue, Kirkland, WA 98033 425.587.3000
www.kirklandwa.gov

MEMORANDUM

To: Kurt Triplett, City Manager

From: J. Kevin Nalder, Director of Fire and Building
Marilynne Beard, Deputy City Manager
George Dugdale, Senior Financial Analyst

Date: February 13, 2015

Subject: POTENTIAL FIRE AND EMERGENCY SERVICES BALLOT MEASURE

During the 2015-2016 Budget process, the City Council was presented a preliminary Work Program that included the siting and construction of a new fire station located in north Kirkland. The "Wants, Needs and Resources" discussion during the budget process also included exploration of possible ballot measures over the next six years such as a capital ballot measure for fire and emergency services, the Aquatic, Recreation and Community Center, and a transportation package. The Public Safety Committee asked that potential costs of options for a fire and emergency services operating ballot measure also be provided at the retreat. The purpose of this memo is to provide a list of potential investments in fire and emergency services, the estimated cost of each and the potential taxpayer impact of each.

The Fire Strategic Plan was completed in 2012 and presented 90 recommendations for operational, capital and policy improvements that should be considered for Kirkland's Fire and Emergency Services system. A number of the Fire Strategic Plan recommendations have been implemented or are in the process of being implemented. Others require additional time or resources and will be addressed over time. One of the recommendations of the Fire Strategic Plan was to complete detailed standard of coverage study to better understand coverage issues and potential investments. The Standard of Cover and Deployment Study was presented to the City Council in August 2014. The investments described below reflect the options and costs required to implement the Standard of Cover and Deployment Study.

Capital Investments

The Standard of Cover and Deployment Study presented a series of investments to improve response time coverage throughout the system. One of the recommendations was a modification of an earlier plan to address coverage gaps on Finn Hill. For at least ten years, first Fire District #41, and then the City after annexation, have been studying the consolidation of Stations 25 and 24 on Finn Hill into one consolidated station on Finn Hill in a more strategic location that could better serve the area. The City approved an Interlocal Agreement with Fire District #41 to close Station 25 and build a consolidated fire station on Finn Hill shortly before the Fire District expired when annexation occurred. The Standard of Cover and Deployment Study suggested a "dual station" approach where Station 25 would remain in operation and a

new station would be built in the vicinity of NE 132nd Street and 100th Avenue NE would provide a better long term solution. In the short term, staff recommended that the new station be staffed by moving one of the engine companies currently at Station 27, so that both Station 27 and the new station would be staffed. Significant funding for a new station is already in place based on \$5.2 million provided by Fire District #41 before their dissolution in 2011 with an additional \$3 million contribution from the City's capital reserves as part of the 2015-2016 budget. In the longer term, the study recommended also moving Station 27 to a location east of the Interstate 405. In addition to the new stations, modernization of four older existing stations is needed. The study also recommended staffing additions which are discussed in the next section of this memo.

Debt financing for capital projects can either be **voted** or **councilmanic**. Councilmanic debt is allowed by City Council action. Total councilmanic debt (also called Limited General Obligation Bonds) is restricted by state law to a percentage of the City's total assessed valuation. The debt service period can be over any period, but is generally not any longer than the useful life of the improvement. General obligation bonds for capital facilities are generally issued for 20 or 30 year. For the purposes of this analysis, a 20 year bond issue was assumed. Debt service on councilmanic debt must be paid from current revenue sources of the government. In other words, it constitutes a new demand on general fund revenues – it does not add any more revenue to service the debt.

Voted debt can take the form of a **levy lid lift** or an **excess levy**.

An excess levy requires 60 percent voter approval and allows for taxes to be levied in excess of the City's regular levy sufficient to retire the debt. Excess levies (also referred to Unlimited General Obligation Bonds) can be issued for any length of time, consistent with the life of the asset (similar to councilmanic debt).

Debt can also be financed through a levy lid lift whereby voters approve an increase in the regular levy to service debt. A levy lid lift only requires 50 percent voter approval but limits the debt issue to nine years. Since the debt is retired over a shorter period of time, the annual debt service is higher and the tax impact is greater, albeit shorter.

A variation on both levies is the creation of a **Regional Fire Authority (RFA)**. The RFA is a taxing district that can fund capital and operating for fire and emergency medical services. The RFA must be created by voters and has the ability to accomplish a levy lid lift or an excess levy with essentially the 50% + one and 60% approval requirements. Currently any RFA must include more than one jurisdiction to be formed. However there is legislation in Olympia that would allow a single-city RFA. Kirkland supports this legislation. The Kirkland City Manager has also entered into very preliminary exploratory discussions with the Bellevue City Manager about the possibility of forming an RFA with Bellevue for purposes of funding key capital needs for both cities. A purely capital RFA has not yet been done in Washington and while it does appear feasible, additional legal research and analysis is necessary.

There are pros and cons associated with each of these methods that can be discussed in further detail at a later time. The purpose of this memo is to provide a general sense of the tax impacts of the potential capital improvements.

Since the new North Kirkland station already has \$8.2 million identified, a potential ballot measure could be one funding mechanism for the remaining capital needs and any additional amount needed for the North Kirkland station. Staff is in the process of securing more accurate cost information for Station 27 and the other station modernization projects so the tables represent a low and high range of cost for discussion purposes. More accurate projections are expected to be available by late March.

The table below provides a general estimate of each project and the resulting debt service under two different financing scenarios – 20 year bonds issued either as voted debt or councilmanic debt and 9 year bonds issued through a levy lid lift. The estimates were derived from the analysis done for the new North End station and assume an interest rate of 4.5%.

The table below summarizes the low and high ranges of capital costs and property tax impacts to a median home value of \$435,000. More detailed tables are provided on the following page.

Summary of Low to High Range Costs and Tax Impact

Station	Low Estimate	High Estimate
St #25 Remodel	\$2,000,000	\$3,000,000
St #26 Remodel and Expansion	1,700,000	2,500,000
St #22 Remodel and Expansion	1,600,000	2,400,000
St#21 Remodel and Expansion	1,500,000	2,250,000
St #27 Land and Construction	9,142,959	14,713,156
Total Costs	\$15,942,959	\$24,913,156
Annual Tax Impact Levy Lid Lift 9-year Bonds	\$51.70	\$80.79
Annual Tax Impact Voted 20-year Bonds	\$28.89	\$45.15

If debt were issued as councilmanic debt, it would be repaid from existing General Fund revenues and not a new tax levy. The table below demonstrates the annual debt service payment that would be required for each \$1 million of debt issued in this manner, ranging from a 9 year to a 30 year financing term. A 20 year bond at the high end estimate of \$25 million would require an annual contribution of \$1,921,900 from the general fund.

Annual General Fund Impact Per \$1 million of Issued Debt at 4.5% Interest

Debt Term (years)	Annual Impact
9	\$137,574
20	\$76,876
30	\$61,391

Low estimate of capital costs

Remodel	4,820,000	307	25	1973	6,488	2,000,000
Remodel + 200sq ft expansion	1,600,000	175	26	1994	9,795	1,700,000
Remodel + 200sq ft expansion	1,600,000	175	22	1980	9,071	1,600,000
Remodel + 200sq ft expansion	1,600,000	175	21	1997	8,541	1,500,000
Subtotal						6,800,000

Low End Estimated Costs for Kirkland Station 27 Rebuild

Sq Footage	Land Cost	Site Development	Building Cost	Soft Costs	Programmatic Requirements	Total
8,159	1,780,515	1,502,409	2,320,427	2,689,608	850,000	9,142,959
Subtotal						9,142,959

Total Debt Amount						15,942,959
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	Levy Lid Lift (9 yrs)	Councilmanic or Voted Bonds (20 yrs)
Bond Duration	9	20
Interest Rate	4.50%	4.50%
Annual Debt Service	\$2,193,344	\$1,225,633
Total AV in City	18,453,587,963	18,453,587,963
Median Value of a Home	435,000	435,000
Levy Rate to Repay Debt	0.11886	0.06642
Annual Impact Homeowner	51.70	28.89
Monthly Impact Homeowner	4.31	2.41

Operating Investments

The Standard of Cover and Deployment Study recommended long term staffing additions to improve response times. The combination of capital and operating investments would take the fire and emergency services system to a point where response time goals could be met (meeting response time standards 90% of the time). Implementation of any strategic plan is generally accomplished in increments over time, as resources are available. The following investments are service enhancements that could be approached incrementally to achieve the long range staffing levels recommended in the study.

The enhancement options shown on the table below are not all additive. Not all of them need to be done and some of the options eliminate the need for other options. For instance, if a new engine company were added, the City probably would not invest in a 12-hour Aid Unit at the same station.

Another dynamic is the staffing needed for 24 hour/7days per week coverage. For every one firefighter on duty, an average of 4.8 FTE's need to be hired in order to account for shift coverage, holidays, vacations, training etc. Firefighters work in one of three shifts (A, B or C shift). One shift composed of a minimum of 19 firefighters is currently assigned to staff all five fire stations. Three shifts rotate through to cover the 24/7 time period. As shown in the table below, if three firefighters are needed each shift to staff an engine company (an Aid Unit and a fire engine), a total of 15 new firefighters must be hired to cover all shifts.

Following is a brief description of each investment package and the operating impacts:

Add a Cross-Staffed Engine Company to Station 24, rather than transfer one

While the current proposal is to initially transfer a cross staffed engine company to the new Station 24, (the "North Kirkland" Fire Station), adding a new company to staff a fire engine and aid unit to supplement current staffing levels, apparatus and equipment at the existing fire stations is the ultimate recommendation in the Standard of Cover and Deployment Study. Adding 15 new firefighters would be necessary to accomplish the new engine company but such an action would allow Station 27 to remain staffed with six firefighters 24/7. Adding a new engine company would also increase the effective response force for the north end.

Adding a Second Ladder Truck and Staffing

Both the Standard of Coverage and Deployment Study and recent Washington State Rating Bureau Survey recommend eventually adding a staffed second ladder truck, which requires three staff to operate for a total of 15 new firefighters. Both sited Effective Response Force as the basis for this recommendation. The lack of automatic aid on the City's western border is a major reason for this resource need. A ladder truck is a specialized apparatus with specialized equipment and staffed with personnel having specialized training. There is only one ladder truck in Kirkland while there are five fire engines that can potentially respond to all areas within the City. Providing a second ladder truck with staffing will improve high risk ERF performance goals.

Add a Fourth Firefighter to Each Engine Company

Current daily minimum staffing on each cross-staffed apparatus is three firefighters. Eventually providing a fourth firefighter on each cross-staffed apparatus is recommended in the Strategic Plan, Standard of Coverage and Deployment Study and recent Washington State Rating Bureau Survey of the Kirkland Fire Department. NFPA 1710 and Center for Public Safety Excellence guidelines are the basis of these recommendations. Adding one additional firefighter to each engine company would allow two firefighters to respond on the aid unit and leave two available to staff the engine. The second crew can use the engine to respond as an aid unit or take the engine to a fire incident, although it would still need to be joined by other crews to attack the fire. Implementation of this recommendation would add five additional firefighters per shift based on current staffing, which would require 24 new firefighters. The response system will benefit by nearly doubling the number of available response units from six to eleven.

Dedicated Aid Cars

One option to address the ability to respond to concurrent medical calls for service is to staff an aid unit with two firefighters as opposed to the current cross-staffed model. This option is recommended in the Strategic Plan, Standard of Coverage and Deployment Study and recent Washington State Rating Bureau Survey of the Kirkland Fire Department. There is no need to purchase or maintain additional Aid Units regardless of the number of staffed Aid Units as the current cross-staffed Aid Units would be utilized. Each new dedicated Aid Unit creates redundancy in the system that improves in-service time for engine companies. Dedicated Aid Units are recommended primarily for the busiest stations – Stations 27 and 22.

12 Hour Staffed Aid Unit

Another option to address the ability to respond to concurrent medical calls for service is to staff an aid unit with two firefighters, as opposed to the current cross-staffed model, for a twelve hour period during the peak call volume time of day. This option is recommended in the Strategic Plan and Standard of Coverage and Deployment Study. While it is possible to hire firefighters and develop a schedule to accommodate this model, it would be necessary to negotiate working conditions with Local 2545 prior to implementation. Therefore, implementation of this model under current negotiated working conditions would require staffing with current department firefighters at an overtime rate of pay. There is no need to purchase or maintain additional Aid Units regardless of the number of staffed Aid Units as the current cross-staffed Aid Units would be utilized. There are no one-time costs associated with this model as current firefighters would be utilized. Twelve hour staffed Aid Unit provides the same benefit as the full-time staffed Aid Unit previously discussed.

The table on the following page shows the relative cost and tax impact of each package. By way of context, the City's current operating levy rate is \$1.459 per \$1,000 of assessed valuation. The median value of a single family home in Kirkland is \$435,000. The annual regular property taxes paid by the average single family home is \$635 per year or \$53 per month.

Ballot Measure Timing

State law provides for local ballot measures at two special election dates, a primary election and a general election. For discussion purposes, the election schedules for 2015, 2016 and 2017 are shown below. The resolution date represents the deadline for the City to submit an authorizing resolution to King County. If Council wishes to pursue a ballot measure for fire and emergency medical services, the earliest likely date would be August or November of 2016 due to the engineering, financial and operational analysis and public outreach efforts necessary to create an appropriate measure.

Year	Resolution Due	Special Election	Resolution Due	Special Election	Resolution Due	Primary Election	Resolution Due	General Election
2015	N/A	2/10/15	3/13/15	4/28/15	5/8/15	8/4/15	8/4/15	11/3/15
2016	12/25/15	2/9/16	3/11/16	4/26/16	5/13/16	8/2/16	8/2/16	11/8/16
2017	12/30/16	2/14/17	3/10/17	4/25/17	5/12/17	8/1/17	8/1/17	11/7/17

Summary

The information provided in this memo was developed for the purpose of the City Council's discussion about potential future ballot measures. The estimates are preliminary and are only intended to provide an order or magnitude cost for potential investments. Further refinement of options and costs estimates can be prepared at Council's direction.

Staff is seeking input from the City Council regarding the following policy questions:

1. What conditions should be in place before the City Council is ready to prepare a ballot measure for voter consideration (e.g. Station 24 location and staffing resolved)?
2. What factors would contribute to a successful fire and emergency services ballot measure?
3. Would Council like staff to develop other interim options for Council consideration prior to a ballot measure?
4. Does the Council need additional information on any of these issues?