



# CITY OF KIRKLAND CITY COUNCIL

Joan McBride, Mayor • Penny Sweet, Deputy Mayor • Dave Asher • Jessica Greenway  
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## AGENDA KIRKLAND CITY COUNCIL MEETING City Council Chamber Tuesday, April 20, 2010 6:00 p.m. – Study Session – Peter Kirk Room 7:30 p.m. – Regular Meeting

COUNCIL AGENDA materials are available on the City of Kirkland website [www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us), or at the Public Resource Area at City Hall on the Friday afternoon prior to the City Council meeting. Information regarding specific agenda topics may also be obtained from the City Clerk's Office on the Friday preceding the Council meeting. You are encouraged to call the City Clerk's Office (587-3190) or the City Manager's Office (587-3001) if you have any questions concerning City Council meetings, City services, or other municipal matters. The City of Kirkland strives to accommodate people with disabilities. Please contact the City Clerk's Office at 587-3190, or for TTY service call 587-3111 (by noon on Monday) if we can be of assistance. If you should experience difficulty hearing the proceedings, please bring this to the attention of the Council by raising your hand.

1. *CALL TO ORDER*
2. *ROLL CALL*
3. *STUDY SESSION, Peter Kirk Room*
  - a. Animal Care and Control Services
4. *EXECUTIVE SESSION*
  - a. To Discuss Potential Litigation
5. *HONORS AND PROCLAMATIONS*
6. *COMMUNICATIONS*
  - a. *Announcements*
  - b. *Items from the Audience*
  - c. *Petitions*
7. *SPECIAL PRESENTATIONS*
8. *CONSENT CALENDAR*
  - a. *Approval of Minutes:* (1) April 6, 2010  
(2) April 8, 2010
  - b. *Audit of Accounts:*

<i>Payroll</i>	\$
<i>Bills</i>	\$

**EXECUTIVE SESSIONS** may be held by the City Council to discuss matters where confidentiality is required for the public interest, including buying and selling property, certain personnel issues, and lawsuits. An executive session is the only type of Council meeting permitted by law to be closed to the public and news media

**ITEMS FROM THE AUDIENCE** provides an opportunity for members of the public to address the Council on any subject which is not of a quasi-judicial nature or scheduled for a public hearing. (Items which may not be addressed under Items from the Audience are indicated by an asterisk\*.) The Council will receive comments on other issues, whether the matter is otherwise on the agenda for the same meeting or not. Speaker's remarks will be limited to three minutes apiece. No more than three speakers may address the Council on any one subject. However, if both proponents and opponents wish to speak, then up to three proponents and up to three opponents of the matter may address the Council.

P - denotes a presentation from staff or consultant

**GENERAL CORRESPONDENCE**

Letters of a general nature (complaints, requests for service, etc.) are submitted to the Council with a staff recommendation. Letters relating to quasi-judicial matters (including land use public hearings) are also listed on the agenda. Copies of the letters are placed in the hearing file and then presented to the Council at the time the matter is officially brought to the Council for a decision.

**ORDINANCES** are legislative acts or local laws. They are the most permanent and binding form of Council action, and may be changed or repealed only by a subsequent ordinance. Ordinances normally become effective five days after the ordinance is published in the City's official newspaper.

**RESOLUTIONS** are adopted to express the policy of the Council, or to direct certain types of administrative action. A resolution may be changed by adoption of a subsequent resolution.

**PUBLIC HEARINGS** are held to receive public comment on important matters before the Council. You are welcome to offer your comments after being recognized by the Mayor. After all persons have spoken, the hearing is closed to public comment and the Council proceeds with its deliberation and decision making.

*c. General Correspondence*

*d. Claims*

*e. Award of Bids*

*f. Acceptance of Public Improvements and Establishing Lien Period*

- (1) 2009 Striping Program Schedules A,C,D, and E, Apply A-Line Inc., Pacific, WA and Approve \$9,600 Additional Funds
- (2) Peter Kirk Community Center HVAC Replacement Project, Trane U.S. Inc. Comprehensive Solutions Group

*g. Approval of Agreements*

- (1) Resolution R-4811, Approving the Interlocal Agreement Between the City of Kirkland and King County for the Housing of Inmates in the King County Jail and Access to Other Jail Services
- (2) Resolution R-4812, Regarding Supplemental Animal Control Services Between the City of Kirkland and King County
- (3) Resolution R-4813, Authorizing the City Manager to Execute an Interlocal Agreement Between the Seattle Department of Parks and Recreation, the University of Washington, the Port of Seattle, Chateau Ste. Michelle Winery Estates, the Cities of Bellevue, Kent, Renton, Seatac, Mercer Island, Mountlake Terrace, Tukwila, Woodinville and Kirkland to Manage Waterfowl

*h. Other Items of Business*

- (1) Resolution R-4814, Authorizing Application(s) for Funding Assistance for a Washington Wildlife and Recreation Program (WWRP) Project to the Recreation and Conservation Office (RCO) as Provided in RCW Chapter 79A.15
- (2) Ordinance No. 4239, Relating to the Membership of the Lodging Tax Advisory Committee
- (3) Report on Procurement Activities
- (4) Surplus Equipment Rental Vehicles/Equipment for Sale
- (5) Ordinance No. 4240, Amending the Biennial Budget for 2009-2010

*9. PUBLIC HEARINGS*

*10. UNFINISHED BUSINESS*

- a.* South Rose Hill/Bridle Trails Neighborhood Meeting With the City Council
- b.* 2010 Annexation Quarterly Update

**NEW BUSINESS** consists of items which have not previously been reviewed by the Council, and which may require discussion and policy direction from the Council.

11. *NEW BUSINESS*
  - a. Permit System Replacement Purchase
  - b. Emergency Preparedness Program Update
12. *REPORTS*
  - a. *City Council*
    - (1) Regional Issues
  - b. *City Manager*
    - (1) 2010 Legislative Update 8
    - (2) Calendar Update
13. *ADJOURNMENT*

**CITY OF KIRKLAND**

City Manager's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3001  
www.ci.kirkland.wa.us**MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager

**From:** Erin Leonhart, Intergovernmental Relations Manager

**Date:** April 9, 2010

**Subject:** ANIMAL SERVICES OPTIONS

**RECOMMENDATION**

It is recommended that the City Council receive a report of animal services options, provide direction as to the preferred program below and authorize the City Manager to sign a letter of intent to King County. The options for animal services provision are:

- Option A – Regional model/new contract with King County;
- Option B – Sub-regional consortium of cities starting on January 1, 2011 (new contract with King County July 1-December 31, 2010); or
- Option C – Sub-regional consortium of cities starting on July 1, 2010.

Contingent upon approval from the City of Bellevue City Council and City of Redmond City Council, staff recommends pursuing option C. In the absence of approval from these two partners, the sub-regional option does not exist so Option A would be the alternate recommendation. Staff will request a recommendation from the Council Public Safety Committee on April 15<sup>th</sup>.

**BACKGROUND**

As described in a March reading file memo to Council (Attachment A), King County Animal Care and Control (KCACC) has provided animal care and control services since King County was approached by leadership of the Suburban Cities Association in the mid 1980s. At that time, King County agreed to provide animal control, sheltering and licensing functions on behalf of cities on a regional basis, in exchange for keeping all pet licensing revenue.

Thirty-five cities have an animal services contract with the County (Seattle, Renton, Skykomish and Milton do not have contracts). Most cities contract for all three service components: control, shelter and licensing. Five cities, including Kirkland, currently purchase a higher level of animal control services. Kirkland's interlocal is for off-leash dog patrol in City parks. The current service arrangement has not been revisited since its inception and, over time, the gap between system revenue and system cost has grown to a level that is not sustainable for the

County. In recent years, the County has contributed in excess of \$2 million annually from the County general fund to support the services.

In September 2009, the King County Executive expressed his intent to discontinue animal care and control services as a County function and removed funding for this function from the budget starting in July 2010. In November, the King County Council passed a motion to discontinue shelter services by February 2010 and establish new full-cost recovery contracts for King County-provided animal control services before July 2010. In January 2010, the County Council extended the sheltering deadline to June 30<sup>th</sup> and committed to working with a joint Cities-County work group to develop a new regional model for animal services.

Based upon the direction from the County Council and consistent with the interlocal agreement, the County recently issued termination letters to cities for the existing animal services contracts, effective July 1, 2010 (Attachment B).

### **Regional Model/New Contract with King County**

In anticipation of the termination of contracts, a small work group consisting of staff from King County and representatives from cities in sub-regions of the county was formed and began meeting in January (see Attachment A for details about the work group). This group developed a proposed Agreement in Principle ("AIP") for a new regional model for animal services under which King County would continue to provide animal control, licensing and sheltering services, if it is adopted by a sufficient number of cities. This AIP was distributed to cities on April 7<sup>th</sup>.

As the work group reviewed data about the present system, it became clear that cities face very different circumstances with respect to animal services: some are very heavy users of the shelter and control operations; others use it much less. The reasons could relate to demographics, behavior, the geographic proximity of the County shelter or nonprofit shelters, or some combination of factors. The licensing revenue generated by the system also varies dramatically among jurisdictions on a per capita basis, in part based on where the County has in the past focused marketing efforts.

Economies of scale exist in providing animal services: the more cities that participate in a regional system, the lower the costs are for everyone. Conversely, if the geographic distribution of cities participating in the regional system starts to look like a patchwork, the service delivery becomes more challenging and inefficient; at some point, the County will not be willing or able to effectively provide service.

### **Summary of the Agreement in Principle**

The AIP (see Attachment C for a full outline and see Table 1 for services provided, cost allocation and revenue allocation) represents a departure from the existing King County Animal Care and Control Services arrangement. The primary difference is that animal control officers will be dedicated to each of four districts five days per week (currently officers work seven days per week), while allowing individual cities or a sub-regional group to contract for higher levels of service as Kirkland currently does. The Parks & Community Services Department has prepared an interlocal agreement to continue this supplemental service through 2010 for the Council's consideration at the April 20<sup>th</sup> meeting. In the event Kirkland proceeds with a sub-regional option before 2011, the 30-day cancellation clause could be exercised and alternative arrangements would be made.

Operations at the King County Kent shelter will be augmented through closure of the Crossroads shelter and concentration of staff resources in Kent. Due to improvements at the Howard Hansen Dam, the flood threat in Kent has been significantly reduced. King County has a contingency plan in the event of a flood (including temporary facilities at another King County site, agreements with regional partners and a continued lease for the Crossroads shelter facility).

**TABLE 1**  
**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES**  
**OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE (ABBREVIATED)**

	<b>CONTROL</b>	<b>SHELTER</b>	<b>LICENSING</b>
<b>Services</b>	<p><b>4 districts, each staffed with 1 Animal Control Officer, 5-day/week, 8-hour/day (TBD: M-F or T-S).</b></p> <p>Cities may coordinate sub-regionally to purchase higher level of service (specific service options TBD).</p> <p><b>Regionally shared resources:</b> 1 field sergeant; 1 animal cruelty sergeant; 3 FTE call center open 5-day/8-hour, after hours dispatch through Sheriff's Office.</p>	<ul style="list-style-type: none"> <li>▪ Humane standards of care</li> <li>▪ Kent Shelter remains open</li> <li>▪ Crossroads Shelter closes</li> <li>▪ PAWS serves Northern Cities under separate contract</li> <li>▪ Seek future partnerships for adoption, technical assistance with other nonprofit animal welfare organizations</li> </ul>	<p>Administration of licensing system; marketing, education and outreach to maintain and increase licensing sales.</p> <p>County will absorb costs of using mainframe IT system.</p>
<b>Cost Allocation</b>	<p>Allocate one quarter of total costs to each district.</p> <p>Within each district, allocate costs to jurisdictions by combination of usage (calls for service) and population (50% usage/ 50% population).</p>	<p>Allocate costs by combination of usage (shelter intake) and population (50% usage/50% population).</p> <p>Northern Cities pay half of the population-based factor for regional system benefits associated with shelter.</p>	<p>Allocate by usage and population (50% usage/50% population).</p>
<b>Revenue Allocation</b>	<p>Control revenues (e.g., fines for control violations) netted from total control costs before allocating costs.</p>	<p>Shelter revenues (e.g., adoption fees, microchip fees, impound fees) netted from total shelter costs before allocating costs.</p>	<p>Licensing penalty revenue netted from total licensing costs before allocating costs. Regular licensing fees allocated to jurisdiction of resident buying license.</p>

The proposed system costs to be allocated are \$5.6 million (annualized for 2010). The AIP seeks to balance the different situations of cities by proposing a cost allocation methodology based on both population and usage factors (a 50-50 split), which results in a subsidy from jurisdictions with higher licensing revenue and/or lower usage to jurisdictions with lower

licensing revenue and/or higher usage. Licensing revenues (\$3.2 million) are credited to jurisdictions based on the residence of the person buying a pet license. The cost allocation formula is intended to:

- (a) Provide incentives to minimize use of the system and decrease the homeless pet population (use component); and
- (b) Recognize that the system benefits everyone and that animals don't respect jurisdictional boundaries (population component).

Additionally, the cost allocation was designed to balance burdens across jurisdictions in hopes of maximizing participation and preserving a regional system.

The City will be responsible for animal services in the Annexation Area beginning in June 2011 so projected annualized regional program (King County) costs for both the existing city and the Annexation Area are included in Table 2 to demonstrate a projected annual cost for the larger city. Cost allocations for all cities and the unincorporated area allocation are attached to this report (Attachment D).

The AIP proposes a 2.5 year agreement, during which time the parties, through a Joint Cities-County Committee, will focus on increasing system revenue and reducing system costs. Parties would be allowed to terminate for convenience upon six months' notice to effectively contract with King County through 2010 only. The City must state its intention to take advantage of the six month contract extension no later than April 30, 2010. The projected cost for six months of service is also included in Table 2.

**TABLE 2**  
**CITY OF KIRKLAND AND ANNEXATION AREA**  
**ESTIMATED ANNUALIZED REGIONAL PROGRAM COST ALLOCATION**

AREA	ESTIMATED COST ALLOCATIONS				2009 LICENSING REVENUE	EST NET COST ALLOCATION
	ANIMAL CONTROL	SHELTER	LICENSING	TOTAL		
Kirkland	\$50,147	\$97,540	\$38,979	\$186,666	\$159,211	(\$27,455)
<i>Annexation Area**</i>	<i>\$34,400</i>	<i>\$68,200</i>	<i>\$27,300</i>	<i>\$129,900</i>	<i>\$111,100</i>	<i>(\$18,800)</i>
Kirkland & AA	\$84,547	\$165,740	\$66,279	\$316,566	\$270,311	(\$46,255)
Kirkland -6 Months	\$25,074	\$48,770	\$19,490	\$93,334	\$79,606	(\$13,728)

\*\*The Annexation Area allocation amounts are rough estimates based on Kirkland and the nearby city use values. These are 2010 annualized values so the cost allocations may be higher in future years.

Under the proposed regional system, Kirkland's licensing revenue would not cover expenses requiring a payment to King County of the difference ("Estimated Net Cost Allocation"). Previous studies indicate that Kirkland's license revenue is sufficient to cover costs based on actual use. However, the 50/50 cost distribution model allocates more costs to Kirkland to "balance" the regional system.

**Sub-Regional Consortium of Cities**

Staff from Kirkland, Bellevue and Redmond began discussing options for animal services in 2009 when the King County Executive announced his intent to discontinue King County Animal Care and Control. A sub-regional model for animal services is being developed where the City of Bellevue Police Department would conduct the field services portion (the City of Bellevue's Police Chief is developing an option for sub-regional service delivery consisting of two officers providing coverage up to seven days per week). The initial estimated one-time and ongoing costs associated with this aspect are included as Attachment E. These estimates are likely to be on the low end as there are costs that have not been captured.

A request for proposals for licensing services garnered one proposal from a professional licensing company that would charge a nominal set-up charge plus a per-license fee to provide a full range of services. Finally, conversations with Seattle Humane Society have resulted in a proposed flat fee for any stray animal brought to the shelter by the City/animal control officer or by a Good Samaritan. These unit costs were analyzed using historical data to derive Kirkland's estimated costs of a sub-regional program in Table 3. Although the projected cost for the last six months of 2010 is higher than that projected for the regional option, it is projected that those costs would be recovered during the first full year of the program. The full year projections use 2011 rates although the City of Kirkland will not be responsible for animal services in the Annexation Area until June 1, 2011.

**TABLE 3  
CITY OF KIRKLAND AND ANNEXATION AREA  
ESTIMATED ANNUAL SUB-REGIONAL PROGRAM COSTS**

AREA	ESTIMATED COST ALLOCATIONS				2009 LICENSING REVENUE	EST NET (COST)/ REVENUE
	ANIMAL CONTROL	SHELTER	LICENSING	TOTAL		
<b><i>2010 ONE-TIME PLUS 6 MONTHS (JULY-DECEMBER) *</i></b>						
Kirkland	\$52,441	\$14,738	\$11,580	\$78,758	\$63,684	(\$15,074)
<b><i>PROJECTED FULL YEAR KIRKLAND AND ANNEXATION AREA</i></b>						
Kirkland	\$55,463	\$29,475	\$21,160	\$106,098	\$159,211	\$53,113
Annexation Area**	\$36,720	\$21,375	\$13,825	\$71,920	\$111,100	\$39,180
Kirkland & AA	\$92,183	\$50,850	\$34,985	\$178,018	\$270,311	\$92,293

\*Includes one-time costs of \$27,214 for field services (vehicle, equipment, etc.) and \$1000 for licensing set-up.

\*\*The Annexation Area allocation amounts are rough estimates based on Kirkland and the nearby city use values.

If a city chooses to separate from the regional system, King County has stated there will be no transfer of revenues for pet licenses sold before the end of a city's contract. As a result, the sub-regional group and, therefore, Kirkland would incur costs before revenues from new license sales would be received.

It should be noted that these costs and revenues are estimates. The cities would be entering a new line of business and there are likely to be unexpected costs to deliver this service. In

addition, it would take time to ramp-up staff and equipment for animal control services and transfer licensing. This additional time may result in a delay of services so staff would create a contingency plan for the transfer period. One option during the ramp-up period would be to sign a regional contract with King County through December 2010. Another option would be to address only high-priority field calls during this period (in 2008, 25% of Kirkland's field calls for service were considered high-priority).

### **NEXT STEPS**

Due to the July 1<sup>st</sup> termination of existing King County services, there is a very strict timeline for this decision. The full proposed timeline for the Regional Animal Services process is shown in Table 4. The proposed services and related costs are contingent upon participation from all 30 jurisdictions included in the AIP. As a result, there are two check-in points to determine costs and interest. The key decision dates are highlighted.

**TABLE 4 – REGIONAL ANIMAL SERVICES**  
Proposed Timeline for Confirming and Adopting New Interlocal Agreements

<i>Date</i>	<i>Item</i>
April 7	Distribute Agreement in Principle to cities
April 30	<b>Initial statements of interest</b> in contracting from cities due to King County (including statement of whether city wishes to contract only for the first 6 months).
May 3	<b>Adjusted costs circulated to all parties based on April 30 indications of interest.</b> If parties declining to participate result in an estimated 10% or greater increase in total costs to be allocated as compared to the April 7 estimated cost allocation, request <b>second statement of statement of intent from cities and County.</b>
May 19	<b>Second statement of intent</b> due to King County, with any applicable upward limits each party agrees to bear.
May 21	Results of 2 <sup>nd</sup> statement of intent circulated to all parties
May 24-27	Interested parties confer and determine whether/how to proceed
June 3	Final form of contract circulated for action
Mid-late June	<b>All participating jurisdictions act</b> by approximately mid-June in order for agreement to become effective July 1.

In addition to the Regional Animal Services timeline, the sub-regional option for services is contingent upon decisions to be made by the City of Bellevue and City of Redmond City Councils. The schedules for Council action in those two cities are:

- City of Bellevue City Council – Scheduled to consider on April 19<sup>th</sup> but has another meeting on April 26<sup>th</sup> when final action may be taken; and
- City of Redmond City Council – Scheduled to consider on April 27<sup>th</sup>.

Staff must submit a Statement of Interest to King County by April 30<sup>th</sup> expressing one of the following three interests:

- Regional model/new contract with King County – 2.5 year contract;
- Sub-regional consortium of cities starting on January 1, 2011 (new contract with King County July 1-December 31, 2010); or

- Sub-regional consortium of cities starting on July 1, 2010 (no new contract with King County).

If the Council wishes to participate in the King County regional system indefinitely or for six months, staff will return to Council with a revised cost estimate at the May 18<sup>th</sup> Council meeting.

**CITY OF KIRKLAND**

City Manager's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3001

[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)**MEMORANDUM**

**To:** David Ramsay, City Manager

**From:** Erin Leonhart, Intergovernmental Relations Manager

**Date:** March 8, 2010

**Subject:** ANIMAL SERVICES IN KIRKLAND

King County Animal Care and Control (KCACC) currently provides animal care and control services for Kirkland, most cities in King County and unincorporated areas in the County. Through Interlocal agreements and contracts, King County provides animal related field services to 32 cities (excluding Seattle, Renton, Medina, Milton, Skykomish, Des Moines and Normandy Park) and sheltering services to 34 cities (excluding Seattle, Renton, Medina, Milton and Skykomish). Cities provide no direct payment for basic field services or sheltering because King County collects and keeps 100% of the pet license fees. Revenue to support King County's services comes primarily from pet licensing fees from residents and the King County General Fund. A small percentage of expenditures is covered by user fees, including pet adoption fees and impound fees.

In 2009, the King County General Fund contributed \$1.5 million out of a total budget of approximately \$5.5 million. According to 2008 information provided by Animal Care and Control, the license fees collected in most of the north King County cities, including Kirkland, have historically paid for the expenditures in those areas so much of the shortfall occurs in south King County.

It is not statutorily mandated that King County provide animal care and control services on a regional basis. Although the City has the legal authority to establish an animal care and control program, there is no state mandate requiring the City to provide such services.

A fundamental purpose of an animal care and control program is to protect the health and safety of the public. A program can provide protection from dangerous animals as well as reduce animal nuisances, both in neighborhoods and in public parks. Another primary purpose of a program is the humane care and treatment of animals in the community. Shelter services help to reduce pet homelessness, overpopulation and diseases by providing spay and neutering; vaccinations and other medical services; and adoption and rescue services. Finally, pet owners receive additional specific benefits from a program by licensing their pets; in particular, licensing increases the likelihood that owners will be reunited with lost pets.

To address citizen concerns about off-leash dogs, the City of Kirkland has contracted for enhanced services from King County. This contract provides for a dedicated animal control officer who patrols Kirkland's parks during peak hours of the week (approximately 20 hours per

week). This officer ensures that dog owners keep their dogs leashed while in public parks and primarily conducts this duty on foot. The officer does not pick up stray animals or conduct any other activity that would require a specialized vehicle.

#### King County Actions Related to Animal Care and Control

In September 2009, King County Executive Kurt Triplett recommended that King County no longer provide animal care and control services and included only six months of funding in the proposed 2010 budget. Shortly after that announcement, King County staff convened an Animal Services Work Group consisting of representatives from a variety of cities to examine options for provision of these services after June 30, 2010. During the first meeting, the group agreed that the three services that need to be discussed are: pet licensing, animal control/field work and sheltering.

On November 9, 2009 the King County Council passed Motion 2009-0594 requesting that the King County Executive:

- End the provision of animal shelter services provided by King County for contract cities and unincorporated King County as soon as possible, but no later than January 31, 2010;
- Establish a goal of April 1, 2010, for all contract cities to enter into full cost-recovery contracts with King County for animal control services; and
- Establish a firm date of June 30, 2010 for all contract cities to enter into full cost-recovery contracts for animal control services. Cities that do not enter into full cost-recovery contracts by June 30, 2010, will need to find an alternate way to provide animal control services.

On January 11, 2010, the King County Council extended the deadline it set for closing the County's shelters until June 30, to allow for sufficient time for work with the cities. Following that announcement, staff from King County Executive Constantine's office solicited volunteers for a smaller work group to work through the details of a regional model for animal services using this process:

- Convene a small work group with 1-2 representatives from each sub-region (staff from Bellevue and Redmond are representing our sub-region) to work through both large and small details of a regional animal services model;
- King County staff will send regular updates to all cities via email;
- Small work group participants will meet/communicate with other cities in their sub-region as needed;
- Goal of concluding small group work by April 30;
- April 30 until June 30 – work with respective decision-making bodies (King County Council, City Councils, etc.); and
- June 30 – begin implementation of new regional model.

The 2010 King County/Cities Work Group for Regional Animal Services Purpose and Scope Statement (Attachment A) and the Regional Animal Services Model Interests (Attachment B) are included with this memo.

#### Options for Animal Care and Control for Kirkland

In addition to exploring options through the Animal Services Work Group convened by King County, staff is examining options for provision of these services after June 30, 2010. Staff has been meeting with Kirkland departments that have interests in the issue as well as with staff from Redmond and Bellevue. At this juncture, it appears the options would be:

1. Amended contract with King County (through the work group process);
2. Sub-regional consortium of cities (develop a program with adjacent NE King County cities);
3. City-provided service; or
4. Discontinue animal care and control services entirely.

As a result, staff members from Kirkland, Redmond and Bellevue have been meeting with the Seattle Humane Society (located in Bellevue) to discuss potential long-term contracts.

#### Cost and Revenue Projections

It has been challenging to acquire sufficient data from King County to determine services currently provided by the County and the costs of those services. King County has provided 2009 license revenue data for Kirkland, Redmond and Bellevue (Attachment C) indicating that Kirkland's citizens paid nearly \$154,000 for pet licenses.

The Kirkland Police Department developed cost estimates for a one- or two-person animal control operation shown in table 1.

<b>STAFFING OPTION</b>	<b>ONGOING COSTS</b>	<b>ONE-TIME COSTS</b>
1 Full Time Employee	\$126,158	\$84,775
2 Full Time Employees	\$252,316	\$169,550

This projection does not include the cost of administration, animal shelter or pet licensing. Several cities in northeast King County have released a request for proposals (RFP) for licensing services; proposals are due March 16. In early discussions with the Seattle Humane Society about contracting for sheltering services, their staff indicated a desired rate of \$400 per animal that was accepted by the shelter. In February, the Seattle Humane Society revised that projection to \$225 per animal. In 2008, the King County Animal Care and Control Shelter housed 150 animals from the City of Kirkland. At this rate, sheltering costs could be between \$34,000 and \$60,000 per year. Unless there was a significant increase in the number of pets licensed, the current revenues are not sufficient to sustain a one-officer program run by the City of Kirkland plus shelter charges.

There is a potential for increasing the number of licensed pets in the area. To date, King County has conducted very limited outreach to encourage people to license their pets. King County has hired seasonal canvassers to go door-to-door to encourage licensing, which is seen by many in the community as intrusive. Organizations outside the area have worked with veterinarians and pet-related retail establishments to promote licensing with increased success.

#### ANALYSIS OF ANIMAL CARE AND CONTROL OPTIONS

To provide a recommendation, the four options for animal care and control services in Kirkland were analyzed according to the following criteria:

1. **Ensure Community Safety**: While not state mandated, the provision of an animal care and control program is an important service for community safety, enjoyment of public open spaces and provides a benefit for pet owners. The program should provide proper care and control for animals entering the system.

2. **Self-Sustaining Program:** The animal care and control program should be structured to be financially self-sustaining, achieving full cost-recovery through license fees and any other program revenue.
3. **Cost-Effective:** The program should provide customers an acceptable level of benefits for their license fees.
4. **Governance:** A program should provide the ability for the City to determine desired service levels and control costs.
5. **Political Feasibility:** The program should be acceptable to the City Council and the community at large.
6. **Immediacy:** Program should be able to be implemented by July 1, 2010, consistent with the King County Council's deadline.

Table 2 ranks the four options according to the six criteria on a scale of "low" to "high" using information that is currently available.

**TABLE 2 – COMPARISON OF FOUR ANIMAL CONTROL SERVICE OPTIONS**

<b>CRITERIA</b>	<b>OPTION 1 – AMENDED KING CO CONTRACT</b>	<b>OPTION 2 – SUB- REGIONAL CONSORTIUM</b>	<b>OPTION 3 – CITY- PROVIDED SERVICE</b>	<b>OPTION 4 – NO ANIMAL CONTROL SERVICES</b>
Ensure Community Safety	Medium	Medium to high	Medium	Low
Self-Sustaining	Low to medium	Medium	Low	High
Cost-Effective	Low to medium	Medium to high	Low	Low
Governance	Low	Medium to high	High	High
Political Feasibility	Medium	High	Low	Low
Immediacy	High	Low	Low	High

#### Explanation of Matrix

The comparison using currently available information does not provide a definite answer as to the best direction; however, combined with cost and revenue projections, it does suggest a path for additional analysis.

#### Option 1 – Amended King County Contract

There are economies of scale related to options 1 & 2 making them the more cost-effective options. Option 1, in particular, would have lower start-up costs since King County is currently providing the service. There has been some question of King County's ability to ensure community safety across such a large service area, particularly in the last year. Early conversations indicate that discontinuing the County animal shelter will improve field services by redirecting resources to the field.

The King County Council's Motion requires that any new contracts for service be full cost-recovery contracts, ensuring that they will be self-sustaining; however, that direction is from the King County perspective and could mean additional costs to contract cities. Particularly in recent years, the public has expressed concerns about the King County program's cost-effectiveness, with complaints about lack of response for calls for service but cities could attempt to remedy that in a new contract. Cities could also attempt to improve the governance structure in a new contract with King County; however, previous negotiations suggest that the contract cities would not have much influence in a new contract. In addition, some cities have already indicated they will be discontinuing their animal services contracts with King County, leaving fixed costs to be distributed across a smaller number of organizations.

The issues related to governance, cost-effectiveness and community safety result in a medium ranking in political feasibility. Although the City of Kirkland does not likely want to start a new line of business at this time, the reputation of the King County operation is problematic as are concerns about having limited control over a future operation and related costs. A well-negotiated contract could address these issues; however, the short time frame and the large number of organizations involved would make this difficult.

#### Option 2 – Sub-Regional Consortium

Cities in northeast King County have a history of working together to address regional and sub-regional challenges. The most recent success is the NORCOM police and fire dispatch center that starting handling 911 calls on July 1, 2009. This partnership would be instrumental if the cities chose to pursue animal control services sub-regionally. Even with these relationships in place, starting this new operation would be difficult and would require time that may not meet the immediacy needs.

The communities in this area of King County are similar in many ways. Estimated licensing rates for Kirkland, Redmond and Bellevue, for example, are just over 20% for dogs and in the teens for cats. According to King County's estimates, the licensing revenue generated in these communities has supported their usage of the King County Animal Care and Control operation. This would indicate that the potential for cost-effectiveness in the long term would be medium to high and that there is potential for this arrangement to be self-sustaining.

The similarities between the communities and existing relationships support high marks in political feasibility and governance. Our governments are accustomed to working together and would likely see a sub-regional option as an efficient way to provide service. Public safety would also potentially be better served by an operation within the sub-region than one based in south King County, the current and likely future location of King County Animal Control.

#### Option 3 – City of Kirkland Provides Service

Option 3 lags behind options 1 and 2, largely due to the projected cost of starting and sustaining the operation. Projected licensing revenues could not support any operation beyond one focused solely on public safety. The City of Kirkland has made significant operational reductions in the 2009-2010 general fund budget due to revenue shortfalls, including the failure of a utility tax ballot measure that was pursued to balance the 2010 budget. This new service would require support from a general fund that is already strained.

In this option, only governance ranks as "high" since it would be the responsibility of the City and, therefore, the City would have complete control over decision-making. This single high mark does not outweigh the significant challenges of this option.

#### Option 4 – No Animal Control Services

The "high" marks for option 4 are outweighed by the "low" marks in community safety and political feasibility. If the City were to pursue this option, the Police Department would respond to public safety issues related to animals (i.e., dangerous dogs, animal bites, etc.). These calls could impact other police work and response times could suffer. Since no animal care and control program would be provided and perceived cost-effectiveness would be low, it is unlikely the City would provide pet licensing. Previous community interest in increasing animal field service indicates that a complete elimination will not be acceptable to the public.

### RECOMMENDATION

It is recommended that staff continue examining options with a particular focus on the options of a new sub-regional arrangement or a new contract with King County. Important criteria for any program will be cost-effectiveness and its ability to be self-sustaining so either option will need to include a methodology for increasing revenues and controlling costs while providing an acceptable level of service to the community. In the interest of cost-control, staff will continue negotiating with the Seattle Humane Society to reduce sheltering costs. Staff intends to provide a report to Council in April with information from the King County Work Group as well as more specific information about the sub-regional option.

Following the April report, staff will also provide information related to necessary changes to the Kirkland Municipal Code that would be necessary to accommodate any recommended options. Current Washington State law requires that dangerous dogs be addressed but all other requirements are included in the Kirkland Municipal Code, which currently adopts the King County Code.

### Attachments

- A – King County/Cities Work Group for Regional Animal Services Purpose and Scope Statement
- B – Regional Animal Services Model Interests
- C – 2009 License Revenue Data for Kirkland, Redmond and Bellevue



## King County

**Dow Constantine**  
King County Executive  
401 Fifth Avenue, Suite 800  
Seattle, WA 98104-1818  
206-263-9600 Fax 206-296-0194  
TTY Relay: 711  
[www.kingcounty.gov](http://www.kingcounty.gov)

**RECEIVED**

**MAR 30 2009**

**CITY OF KIRKLAND  
CITY MANAGER'S OFFICE**

March 26, 2010

David Ramsay  
City of Kirkland  
123 Fifth Avenue  
Kirkland, WA 98033-6189

Re: TERMINATION OF ANIMAL CONTROL INTERLOCAL AGREEMENT

Dear David Ramsay:

In 1994 King County and City of Kirkland entered into an Animal Control Interlocal Agreement ("Agreement"). A copy can be provided upon request.

Paragraph 5 of the Agreement allows either party to terminate without cause upon 90 days written notice. Please consider this letter notice of the termination of the Animal Control Interlocal Agreement, effective June 30, 2010.

In the 2010 adopted budget, the King County Council directed the Executive to enter into new, full-cost recovery contracts for animal services by June 30, 2010. The reason for this transition is two-fold. First, the county can no longer afford to subsidize animal services, which are a local government responsibility, at a rate of over \$2 million per year. Second, we need to redesign the service model to ensure that the system is cost effective and incorporates appropriate incentives that support the public health, safety, and animal welfare outcomes that are important to our residents.

King County is actively working with city representatives via an Animal Services Work Group to develop a new model for the provision of animal services to cities.

We hope to have an agreement in principle by March 31, which would include services provided, service levels, cost and revenue allocation, and payment methods. This agreement in principle would form the basis of a new contract between the County and cities for adoption by each jurisdiction by June 30.

It is my belief that working together through a new regional model we can provide better and more cost-effective public health, safety, and animal welfare outcomes than jurisdictions can produce on their own. We will continue working with cities and other partners interested in participating in a regional model over the next two months. While the timeline is short, I am hopeful that, through a strong and shared commitment to the outcomes that are important to our residents, we will develop a workable, affordable, and long-term solution.

If your city should choose not to enter into a new service contract with King County by June 30<sup>th</sup>, please be advised that King County will no longer provide animal services to your residents and the current contract will be terminated as of that date. In that event, we will need to coordinate with your city on the transfer of service responsibility for animal sheltering, control, and licensing which would include issues such as notification to the public regarding the change in service and the procedure for dealing with animals coming into the Kent shelter from non-contracting city residents.

If you would like additional information, or if you have any questions, please contact Carrie S. Cihak, Director of Strategic Initiatives, at (206) 263-9634.

Sincerely,



Fred Jarrett  
Deputy County Executive

cc: Carrie S. Cihak, Director of Strategic Initiatives, KCEO  
Caroline Whalen, Director, Department of Executive Services (DES)  
Carolyn Ableman, Director, Records and Licensing Services (RALS)  
Bob Roegner, Special Projects, Department of Executive Services (DES)  
Ken Nakatsu, Manager, Animal Care and Control Program (RALS)  
Sung Yang, Director, Regional Relations, KCEO  
DeSean Quinn, City Relations, KCEO  
Joe Woods, Council Relations, KCEO

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES  
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

	<b>CONTROL</b>	<b>SHELTER</b>	<b>LICENSING</b>
<b>Parties</b> <i>Assumes the following cities do not participate: Federal Way, Seattle, Renton, Des Moines, Normandy Park, Medina, Newcastle, Skykomish, Milton</i>	<b>TBD</b>	<b>TBD</b> Bothell, Woodinville, Lake Forest Park, Shoreline, Kenmore (“Northern Cities”) will contract for primary shelter services with PAWS (a nonprofit shelter located in Lynnwood). The County will also seek to contract with PAWS for sheltering of animals from part of the north County unincorporated area.	<b>TBD</b>
<b>Services</b>	<b>4 districts, each staffed with 1 Animal Control Officer, 5-day/week, 8-hour/day (TBD: M-F or T-S). 6 total officers to cover sick leave, vacation leave, other. Cities may coordinate sub-regionally to purchase higher level of service (specific service options TBD).</b> <b>Regionally shared resources:</b> 1 field sergeant; 1 animal cruelty sergeant; 3 FTE call center open 5-day/8-hour, after hours dispatch through Sheriff’s Office.	<ul style="list-style-type: none"> <li>▪ Humane standards of care</li> <li>▪ Kent Shelter remains open</li> <li>▪ Crossroads Shelter closes</li> <li>▪ PAWS serves Northern Cities under separate contract</li> <li>▪ Seek future partnerships for adoption, technical assistance with other nonprofit animal welfare organizations</li> </ul>	Administration of licensing system; marketing, education and outreach to maintain and increase licensing sales.  County will absorb costs of using mainframe IT system.
<b>Cost Allocation</b>	Allocate one quarter of total costs to each district.  Within each district, allocate costs to jurisdictions by combination of usage (calls for service) and population (50% usage/ 50% population).	Allocate costs by combination of usage (shelter intake) and population (50% usage/50% population).  Northern Cities pay half of the population-based factor for regional system benefits associated with shelter.	Allocate by usage and population (50% usage/50% population).
<b>Revenue Allocation</b>	Control revenues (e.g., fines for control violations) netted from total control costs before allocating costs.	Shelter revenues (e.g., adoption fees, microchip fees, impound fees) netted from total shelter costs before allocating costs.	Licensing penalty revenue netted from total licensing costs before allocating costs. Regular licensing fees allocated to jurisdiction of resident buying license.

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES  
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

<b>Payment Method/ Timing</b>	<p>Payment for July-December 2010 services due January 2011. Estimated fees for July-December 2010 service based on 50% of estimated annualized 2010 regional program cost allocation.</p> <p>For services in 2011 and 2012, semi-annual payments due April 1 and October 1, estimated based on prior year usage and revenue, applied to current year budget.</p> <p>Reconciliation calculated each June based on prior year's actual usage, allocable actual costs and actual revenues. Reconciliation amounts will be applied as credit or charge to October payment. Reconciliation for 2010 fees (calculated in June 2011) based on half of estimated annualized 2010 regional program cost allocation, and actual July-December revenues and usage.</p>
<b>Cost Inflator Cap</b>	<p>The total cost for control, shelter and licensing collectively allocable to the cities (excluding any costs associated with purchases by cities of additional services) will not increase by more than 5.5% per year.</p>
<b>Contract term and termination provisions</b>	<p>Contract Term: 2½ years: July 1, 2010 through December 31, 2012</p> <ul style="list-style-type: none"> <li>▪ 6 month termination for convenience notice (can be used on day one or at back end of contract).</li> <li>▪ Transitional support provided by County for cities with highest cost or lowest revenue per capita; only available to cities contracting for full 2.5 year term.</li> <li>▪ County reserves right to terminate services for areas/services if too many cities withdraw making continuation of service delivery to remaining areas impracticable (e.g., lack of contiguous service area, impracticability in linkages between field and sheltering, records management challenges).</li> <li>▪ Option to extend service contract for 2 additional years upon mutual agreement.</li> </ul>
<b>Services Purchased</b>	<p>Cities must purchase all three services from the County under the contract. Limited exception will be made as follows:</p> <ul style="list-style-type: none"> <li>▪ Northern Cities contracting with PAWS will pay no shelter usage component charge but will pay a regional sheltering charge equal to one-half the population-based sheltering charge (incorporated into current cost estimates).</li> </ul>

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES  
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

<p><b>Ongoing Collaborative Initiatives</b></p>	<ul style="list-style-type: none"> <li>▪ Update of animal services codes as means to increase revenues and incentives for residents to license, retain, and care for pets.</li> <li>▪ Explore practicability of private for-profit licensing system.</li> <li>▪ Pursue linkages between County and private non-profit shelter and rescue operations to maximize opportunities for pet adoption, reduction in homeless pet population, and other efficiencies.</li> <li>▪ Promote licensing through joint marketing activities of cities and the county.</li> <li>▪ Explore options for increasing service delivery efficiencies across the board.</li> <li>▪ Study options for Kent Shelter repair/replacement.</li> <li>▪ Complete compensation and classification study for shelter staffing benchmarked with other publicly operated shelters.</li> </ul>
<p><b>Joint City-County Committee</b></p>	<p>A committee composed of 3 county representatives (appointed by County) and 6 city representatives (appointed by cities) shall meet not less than twice each year to review service issues and make recommendations regarding efficiencies and improvements to services. Members may not be elected officials. The committee shall review and make recommendations regarding the conduct and findings of the collaborative initiatives. Subcommittees to focus on individual initiatives may be formed, each of which shall include membership from both county and city members of the Joint City-County Committee. Recommendations of the Joint City-County Committee are non-binding.</p>

**JOINT CITIES-COUNTY WORK GROUP FOR REGIONAL ANIMAL SERVICES  
OUTLINE OF TERMS FOR AGREEMENT IN PRINCIPLE**

<b>County Transition Funding</b>	<p>The County shall establish an initial annualized level of transition funding for cities as follows:</p> <ul style="list-style-type: none"> <li>▪ \$250,000 shall be allocated by population to those cities with estimated net per capita 2010 regional model costs above the median (net cost &gt; \$3 per capita).</li> <li>▪ An additional \$400,000 shall be allocated by population to the five cities with the highest estimated net per capita 2010 regional model costs (net cost &gt; \$5.50 per capita).</li> </ul> <p>Cities who contract for the full 2.5 year term and qualify for transition funding shall receive:</p> <ul style="list-style-type: none"> <li>▪ One-half of the initial annualized level for the second half of 2010.</li> <li>▪ The initial annualized level in 2011.</li> <li>▪ 66% of the initial annualized level in 2012.</li> <li>▪ 33% of the initial annualized level in 2013, if the city and County enter into a 2-year extension agreement.</li> <li>▪ 0% in 2014.</li> </ul> <p>In addition, the County shall provide in 2010 enhanced licensing marketing support to the five cities with the lowest 2009 licensing revenue per capita. For each unit of enhanced licensing marketing support, the County will provide \$20,000 in services estimated to generate 1,000 licenses or \$30,000 in licensing revenue.</p> <ul style="list-style-type: none"> <li>▪ Two cities over 100,000 in population shall each receive 2 units of enhanced licensing marketing support (estimated \$60,000 in licensing revenue in each city).</li> <li>▪ Three cities under 30,000 in population shall share one unit of enhanced licensing marketing support (estimated \$10,000 in licensing revenue in each city).</li> </ul>
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**Joint Cities-County Work Group on Regional Animal Services**

**Estimated Annualized 2010 Regional Program Cost Allocation (1)**

with Transition Funding and Transitional Licensing Support

		Control	Sheltering	Licensing	Total Allocated Costs	2009 Licensing Revenue	Estimated Net Cost			
<b>Total Regional Program Costs To Be Allocated:</b>		<b>\$1,698,600</b>	<b>\$3,004,900</b>	<b>\$898,400</b>	<b>\$5,601,900</b>	<b>\$3,209,469</b>	<b>-\$2,392,431</b>			
Proposed Animal Control District Number	Jurisdiction	Estimated Animal Control Cost Allocation (2)	Estimated Sheltering Cost Allocation (Excludes Costs to North Side Cities for PAWS Sheltering) (3)	Estimated Pet Licensing Cost Allocation (4)	Estimated Total Cost Allocation	2009 Licensing Revenue	Estimated Net Cost Allocation	Transition Funding (5)	Estimated Revenue from Transitional Licensing Support	Estimated Net Final Cost
<b>200</b>	Bothell	\$34,336	\$22,973	\$30,095	\$87,404	\$102,067	\$14,663	\$0	\$0	\$14,663
	Carnation	\$2,563	\$8,091	\$1,564	\$12,218	\$5,723	-\$6,495	\$1,431	\$0	-\$5,065
	Duvall	\$6,615	\$12,571	\$5,385	\$24,571	\$22,113	-\$2,457	\$0	\$0	-\$2,457
	Unincorporated King County	\$116,932	(see total below)	(see total below)	\$116,932	(see total below)	(see total below)	NA	NA	(see total below)
	Kenmore	\$25,488	\$13,943	\$19,140	\$58,571	\$73,160	\$14,589	\$0	\$0	\$14,589
	Kirkland	\$50,147	\$97,540	\$38,979	\$186,666	\$159,211	-\$27,455	\$0	\$0	-\$27,455
	Lake Forest Park	\$13,759	\$8,741	\$12,726	\$35,226	\$71,987	\$36,761	\$0	\$0	\$36,761
	Redmond	\$50,336	\$97,197	\$41,042	\$188,575	\$134,311	-\$54,264	\$0	\$0	-\$54,264
	Sammamish	\$38,565	\$68,595	\$34,532	\$141,692	\$135,125	-\$6,567	\$0	\$0	-\$6,567
	Shoreline	\$71,289	\$37,036	\$46,034	\$154,359	\$189,347	\$34,987	\$0	\$0	\$34,987
Woodinville	\$14,619	\$7,275	\$9,462	\$31,357	\$37,918	\$6,562	\$0	\$0	\$6,562	
<b>SUBTOTAL FOR CITIES IN 200 (excludes unincorporated area)</b>		<b>\$307,718</b>	<b>\$373,961</b>	<b>\$238,959</b>	<b>\$920,638</b>	<b>\$930,963</b>	<b>\$10,325</b>	<b>\$1,431</b>	<b>\$0</b>	<b>\$11,755</b>
<b>220</b>	Beaux Arts	\$466	\$459	\$301	\$1,226	\$900	-\$326	\$0	\$0	-\$326
	Bellevue	\$151,300	\$233,274	\$90,629	\$475,204	\$274,346	-\$200,857	\$0	\$60,000	-\$140,857
	Clyde Hill	\$3,676	\$4,389	\$2,465	\$10,530	\$8,044	-\$2,486	\$0	\$0	-\$2,486
	Unincorporated King County	\$174,816	(see total below)	(see total below)	\$174,816	(see total below)	(see total below)	NA	NA	(see total below)
	Hunts Point	\$382	\$677	\$229	\$1,288	\$230	-\$1,059	\$0	\$0	-\$1,059
	Issaquah	\$42,683	\$58,181	\$20,013	\$120,876	\$64,509	-\$56,368	\$0	\$0	-\$56,368
	Mercer Island	\$26,827	\$37,530	\$17,142	\$81,498	\$55,113	-\$26,385	\$0	\$0	-\$26,385
	North Bend	\$10,448	\$14,463	\$4,024	\$28,935	\$14,341	-\$14,594	\$3,565	\$0	-\$11,029
	Snoqualmie	\$12,950	\$20,832	\$6,901	\$40,683	\$23,667	-\$17,015	\$0	\$0	-\$17,015
	Yarrow Pt	\$1,102	\$1,405	\$819	\$3,327	\$2,864	-\$463	\$0	\$0	-\$463
<b>SUBTOTAL FOR CITIES IN 220 (excludes unincorporated area)</b>		<b>\$249,834</b>	<b>\$371,210</b>	<b>\$142,523</b>	<b>\$763,567</b>	<b>\$444,014</b>	<b>-\$319,553</b>	<b>\$3,565</b>	<b>\$60,000</b>	<b>-\$255,988</b>
<b>240</b>	Burien (includes North Highline Area X Annexation)	\$85,675	\$161,131	\$35,845	\$282,652	\$119,251	-\$163,400	\$34,634	\$0	-\$128,767
	Unincorporated King County	\$81,257	(see total below)	(see total below)	\$81,257	(see total below)	(see total below)	NA	NA	(see total below)
	Kent (Includes Panther Lake Annexation)	\$169,516	\$643,902	\$84,166	\$897,584	\$255,365	-\$642,219	\$317,628	\$60,000	-\$264,591
	SeaTac	\$50,171	\$105,148	\$18,847	\$174,166	\$53,065	-\$121,101	\$19,272	\$10,000	-\$91,829
	Tukwila	\$38,031	\$78,208	\$12,000	\$128,239	\$30,348	-\$97,892	\$13,609	\$10,000	-\$74,282
<b>SUBTOTAL FOR CITIES IN 240 (excludes unincorporated area)</b>		<b>\$343,393</b>	<b>\$988,390</b>	<b>\$150,858</b>	<b>\$1,482,641</b>	<b>\$458,028</b>	<b>-\$1,024,612</b>	<b>\$385,143</b>	<b>\$80,000</b>	<b>-\$559,469</b>
<b>260</b>	Algona	\$10,146	\$16,087	\$2,418	\$28,651	\$11,415	-\$17,237	\$7,746	\$0	-\$9,491
	Auburn	\$135,980	\$318,537	\$45,052	\$499,569	\$158,415	-\$341,154	\$170,685	\$0	-\$170,469
	Black Diamond	\$10,160	\$17,383	\$3,483	\$31,026	\$13,071	-\$17,954	\$3,131	\$0	-\$14,824
	Covington	\$49,061	\$63,567	\$15,742	\$128,371	\$60,534	-\$67,836	\$13,130	\$0	-\$54,706
	Enumclaw	\$30,292	\$53,472	\$8,541	\$92,304	\$22,464	-\$69,840	\$32,161	\$10,000	-\$27,679
	Unincorporated King County	\$126,254	(see total below)	(see total below)	\$126,254	(see total below)	(see total below)	NA	NA	(see total below)
	Maple Valley	\$45,622	\$63,754	\$17,056	\$126,432	\$62,293	-\$64,139	\$15,609	\$0	-\$48,530
	Pacific	\$17,136	\$33,165	\$4,682	\$54,982	\$18,920	-\$36,062	\$17,400	\$0	-\$18,662
<b>SUBTOTAL FOR CITIES IN 260 (excludes unincorporated area)</b>		<b>\$298,396</b>	<b>\$565,966</b>	<b>\$96,974</b>	<b>\$961,335</b>	<b>\$347,112</b>	<b>-\$614,223</b>	<b>\$259,862</b>	<b>\$10,000</b>	<b>-\$344,362</b>
<b>TOTAL FOR CITIES</b>		<b>\$1,199,341</b>	<b>\$2,299,526</b>	<b>\$629,314</b>	<b>\$4,128,181</b>	<b>\$2,180,117</b>	<b>-\$1,948,064</b>	<b>\$650,000</b>	<b>\$150,000</b>	<b>-\$1,148,064</b>
<b>Total King County Unincorporated Area Allocation</b>		<b>\$499,259</b>	<b>\$705,374</b>	<b>\$269,086</b>	<b>\$1,473,719</b>	<b>\$1,029,352</b>	<b>-\$444,367</b>			<b>-\$444,367</b>
						<b>King County Transitional Costs</b>				
						• IT Costs Associated with Mainframe Systems		<b>-\$170,000</b>		
						• Potential Lease Costs for 2011		<b>-\$150,000</b>		
						• Transition Funding for Cities		<b>-\$650,000</b>		
						• Transitional Licensing Support for Cities		<b>-\$100,000</b>		
						<b>TOTAL FOR KING COUNTY</b>		<b>-\$1,514,367</b>		

Source: KC Office of Management and Budget and Animal Care and Control  
Date: April 7, 2010

Notes:

1. Estimated allocations are based 50% on population and 50% on use. Populations, usage, and revenues have been adjusted to include annexations with 2010 effective dates of July 1, 2010 or earlier (i.e., Burien, Panther Lake). Usage estimated as follows: total calls for control, total intake for sheltering, and total active licenses for licensing. Assumes the following cities do not participate: Federal Way, Seattle, Renton, Des Moines, Normandy Park, Medina, Newcastle, Skykomish, and Milton.
2. One quarter of control costs are allocated to each district, then costs are further allocated 50% by total call volume (averaged from 2007-2009) and 50% by 2009 population.
3. Shelter costs are allocated 50% by King County shelter volume intake (averaged for 2008-2009) and 50% by 2009 population. Values for north cities anticipating using PAWS for sheltering include only the 50% population allocation. North city costs to send animals formerly sent to King County shelters to PAWS are estimated at the following assuming a cost of \$150 per animal: Bothell, \$13,050; Kenmore, \$7,575; Lake Forest Park, \$3,150; Shoreline, \$22,575; Woodinville, \$6,600. The reduction in population-related costs for the north cities is distributed to all other jurisdictions based on
4. Licensing costs are allocated 50% by population and 50% by total number of active licenses (average 2007-2009).
5. Transition funding is allocated per capita in a two tier formula to cities with certain per capita net cost allocations as indicated below. Licensing support is allocated to the five cities with the lowest per capita licensing revenue.
  - \$250,000 is allocated to cities with net costs exceeding \$3.00 per capita
  - \$400,000 is allocated to cities with net costs exceeding \$5.50 per capita

Estimates of  
Animal Control Officer Costs  
2010, 2011, 2012  
**Bellevue Police Department**

Assumptions:

# of Animal Control Officers	2
Avg Hourly Sal	\$26.59
# of Vehicles	1

<b>COST CATEGORY</b>	<b>One-Time Cost</b>	<b>On-Going Cost</b>
Salary	\$0	\$110,614
Benefits	\$0	\$40,588
Overtime	\$0	\$9,011
<b><u>Direct Costs:</u></b>		
Vehicle:		
Purchase Price (inc MDC)	\$80,000	\$0
Maintenance/Replacement	\$0	\$11,800
Basic BPD (PSO)		
Uniform/Equipment (includes all clothing, vests, belts, equipment, including Tasers and radios)	\$14,140	\$2,000
Specialized Equipment: (Come-alongs, lariats, nets, bite sticks, pepper spray, etc.)	\$4,000	\$2,000
MDC for Vehicle(s)	\$2,500	\$833
New World RMS License	\$3,000	\$0
Vehicle Fuel	\$0	\$4,560
Training/Certification	\$1,000	\$500
Operating Supplies	\$200	\$200
Office Supplies	\$50	\$50
Association Dues	\$200	\$200
Background Check Costs	\$2,000	\$0
<b>Subtotal Direct Costs</b>	<b>\$107,090</b>	<b>\$182,356</b>
<b><u>Indirect Costs:</u></b>		
Police Supervisory	\$0	\$5,976
IT Support	\$0	\$17,672
Fleet Other Charges	\$0	\$150
Indirect Overhead (includes HR, Finance, CMO, etc.)	\$0	\$19,272
GSI Premium	\$0	\$3,954
Word Processing/Copying	\$0	\$1,658
<b>Subtotal Indirect Costs</b>	<b>\$0</b>	<b>\$48,682</b>
<b>Totals:</b>	<b>\$107,090</b>	<b>\$231,038</b>

<b>2010 Cost*</b>	<b>\$338,128</b>
<b>2011 Cost</b>	<b>\$235,427</b>
<b>2012 Cost</b>	<b>\$239,901</b>

*\*2010 cost includes both one-time and on-going cost.*

*2011 and 2012 are only on-going costs, using 1.9% as CPI estimate both years*



KIRKLAND CITY COUNCIL REGULAR MEETING MINUTES  
April 06, 2010

1. CALL TO ORDER
2. ROLL CALL

ROLL CALL:

Members Present: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Mayor Joan McBride, Councilmember Bob Sternoff, Deputy Mayor Penny Sweet, and Councilmember Amy Walen.  
Members Absent: None.

3. STUDY SESSION
  - a. Joint Meeting with the Park Board

Joining Councilmembers for this discussion in addition to Interim City Manager Marilynne Beard were Director of Parks and Community Services Jennifer Schroder, Park Planning and Development Manager Michael Cogle, and Park Board members Jennifer Davies, Shelley Kloba, Maggie Lehr, John Smiley, Adam White, Vice Chair Sue Keller and Chair Robert Kamuda.

4. EXECUTIVE SESSION
  - a. To Discuss Property Acquisition
  - b. To Discuss Labor Negotiations
5. HONORS AND PROCLAMATIONS
  - a. Days of Remembrance Proclamation

Mayor Joan McBride read the proclamation which was accepted by Ana and Tod Gobledale of the Kirkland Congregational Church.
  - b. Recognition of Financial Planning Manager Sandi Hines
6. COMMUNICATIONS
  - a. Announcements

b. Items from the Audience

Kate Butcher  
Stepheny Anderson  
Georgine Foster  
Lisa McConnell  
Dwight Baker  
Mike Nykreim  
John Gilday  
Mick Webster  
Jim Volks

c. Petitions

7. SPECIAL PRESENTATIONS

a. Green Tips

Environmental Education and Outreach Specialist Sharon Rodman, Washington Native Plant Society Steward Kim Kuykendall and Juanita Bay Park Volunteer June Fletcher shared information about planned Earth Day activities in Kirkland.

b. Congressman Jay Inslee

8. CONSENT CALENDAR

a. Approval of Minutes:

(1) March 11, 2010

(2) March 16, 2010

(3) March 19-20, 2010

b. Audit of Accounts:

Payroll \$1,919,830.22

Bills \$2,812,716.60

run #901 checks #515883 - 515890

run #902 checks #515893 - 516029

run #903 checks #516055 - 516185

run #904 checks #516186 - 516224

run #905 checks #516226 - 516358

c. General Correspondence

d. Claims

(1) Waterford Court Homeowners Association

e. Award of Bids

f. Acceptance of Public Improvements and Establishing Lien Period

(1) 99th Place NE/100th Avenue NE Sidewalk Project, Langsholt Construction, Monroe, Washington

Acceptance of the project included authorization for additional funding in the amount of \$23,000 from the Street Improvement Fund.

g. Approval of Agreements

h. Other Items of Business

(1) Board Resignation

Lucy Flynn Zucotti's Library Board resignation was acknowledged.

(2) Report on Procurement Activities

Motion to Approve the Consent Calendar.

Moved by Councilmember Dave Asher, seconded by Councilmember Doreen Marchione

Vote: Motion carried 7-0

Yes: Councilmember Bob Sternoff, Councilmember Doreen Marchione, Councilmember Jessica Greenway, Mayor Joan McBride, Deputy Mayor Penny Sweet, Councilmember Dave Asher, and Councilmember Amy Walen.

9. PUBLIC HEARINGS

10. UNFINISHED BUSINESS

a. Eastside Rail Corridor Update

Transportation Engineering Manager David Godfrey responded to Council questions and comments, and received direction for edits to the draft letter.

Motion to authorize the Mayor to sign a letter to King County expressing Kirkland's interest in how a regional public process is developed and conducted.

Moved by Councilmember Bob Sternoff, seconded by Councilmember Jessica Greenway

Vote: Motion carried 7-0

Yes: Councilmember Bob Sternoff, Councilmember Doreen Marchione,

Councilmember Jessica Greenway, Mayor Joan McBride, Deputy Mayor Penny Sweet, Councilmember Dave Asher, and Councilmember Amy Walen.

- b. Resolution R-4809, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND PERTAINING TO THE 2010-2012 PLANNING WORK PROGRAM."

Motion to approve Resolution R-4809, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND PERTAINING TO THE 2010-2012 PLANNING WORK PROGRAM."

Moved by Councilmember Dave Asher, seconded by Councilmember Bob Sternoff

Vote: Motion carried 7-0

Yes: Councilmember Bob Sternoff, Councilmember Doreen Marchione, Councilmember Jessica Greenway, Mayor Joan McBride, Deputy Mayor Penny Sweet, Councilmember Dave Asher, and Councilmember Amy Walen.

Council recessed for a short break.

- c. City Council Code of Ethics:

- (1) Ethics Code Topics

- Interim City Manager Marilynne Beard reviewed the proposed process and requested any additional input from the Council.

- (2) Recommendation of Appointments to Ethics Committee

- Motion to accept the recommendation of the Council Ethics subcommittee for appointments to the Ethics Task Force.

- Moved by Councilmember Bob Sternoff, seconded by Councilmember Jessica Greenway

- Vote: Motion carried 7-0

- Yes: Councilmember Bob Sternoff, Councilmember Doreen Marchione, Councilmember Jessica Greenway, Mayor Joan McBride, Deputy Mayor Penny Sweet, Councilmember Dave Asher, and Councilmember Amy Walen.

- Task Force appointees were Mary-Alyce Burleigh, Kathy Gilles, Carolyn Hayek, Toby Nixon and Sharon Sherrard.

- d. Resolution R-4810, Setting Forth the Current Rules of Procedure for the Conduct of Kirkland City Council

Motion to Approve Resolution 4810, entitled "A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND SETTING FORTH THE CURRENT

RULES OF PROCEDURE FOR THE CONDUCT OF KIRKLAND CITY COUNCIL MEETINGS" as amended.

Moved by Councilmember Dave Asher, seconded by Councilmember Jessica Greenway

Vote: Motion carried 7-0

Yes: Councilmember Dave Asher, Councilmember Jessica Greenway, Councilmember Doreen Marchione, Mayor Joan McBride, Councilmember Bob Sternoff, Deputy Mayor Penny Sweet, and Councilmember Amy Walen.

11. NEW BUSINESS

a. Economic Development Program Update

Economic Development Manager Ellen Miller-Wolfe provided a report on the current status and activities of the Economic Development program.

b. Ordinance No. 4236 and Its Summary, Authorizing and Providing for the Acquisition of Interests in Land for the Purpose of Construction of the NE 68th Street/108th Avenue NE Intersection Improvements Project Within the City of Kirkland, Providing for the Cost of Property Acquisition and Authorizing the Initiation of Appropriate Eminent Domain Proceedings in the Manner Provided for by Law

Motion to approve Ordinance No. 4236 and Its Summary entitled, "AN ORDINANCE OF THE CITY OF KIRKLAND AUTHORIZING AND PROVIDING FOR THE ACQUISITION OF INTERESTS IN LAND FOR THE PURPOSE OF CONSTRUCTION OF THE NE 68TH STREET/108TH AVENUE NE INTERSECTION IMPROVEMENTS PROJECT WITHIN THE CITY OF KIRKLAND, PROVIDING FOR THE COST OF PROPERTY ACQUISITION AND AUTHORIZING THE INITIATION OF APPROPRIATE EMINENT DOMAIN PROCEEDINGS IN THE MANNER PROVIDED BY LAW."

Moved by Councilmember Dave Asher, seconded by Councilmember Jessica Greenway

Vote: Motion carried 7-0

Yes: Councilmember Bob Sternoff, Councilmember Doreen Marchione, Councilmember Jessica Greenway, Mayor Joan McBride, Deputy Mayor Penny Sweet, Councilmember Dave Asher, and Councilmember Amy Walen.

12. REPORTS

a. City Council

(1) Regional Issues

Councilmembers shared information regarding current Suburban Cities Public Issues Committee work on language for the Countywide Planning

Policies on transit and land use; Lake Washington Methodist Church public meeting on Tent City; Eastside Business Association Awards Banquet; 116th Avenue and I-405 Overpass Dedication; Point Cities Mayors breakfast meeting; Governor's Transportation Bill signing; a request for a position letter for the Eastside representative(s) to the Metro Transit Advisory Group; and a happy sixteenth birthday was wished for Kenzie Beard.

(2) City Manager Search

b. City Manager

(1) 2010 Legislative Update 7

(2) City Council Retreat Follow-up

(3) Calendar Update

13. ADJOURNMENT

The Kirkland City Council regular meeting of April 6, 2010 was adjourned at 11:09 p.m.

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City Clerk

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Mayor

**KIRKLAND CITY COUNCIL SPECIAL MEETING****Minutes****April 8, 2010****1. CALL TO ORDER**

Mayor McBride called the Special Meeting of the Kirkland City Council to order at 6:00 p.m.

**2. ROLL CALL**

Members Present: Mayor Joan McBride, Deputy Mayor Penny Sweet, Councilmembers Dave Asher, Jessica Greenway, Doreen Marchione, and Bob Sternoff. Councilmember Amy Walen was absent and excused due to illness.

**3. HUMAN SERVICES ADVISORY COMMITTEE INTERVIEWS**

- a. Jamie Belouskas
- b. Barbara Burns McGrath

**4. LIBRARY BOARD INTERVIEWS**

- a. Michael Berg
- b. Erik Morgenstern
- c. Willard Peterson
- d. Shawn Thornsberry

**5. PARK BOARD INTERVIEWS**

- a. Barbara Bertsch Eckley
- b. Ted Marx
- c. Barbara Ramey

**6. PLANNING COMMISSION INTERVIEWS**

- a. Robert Clark
- b. James Haberzette (telephone interview)
- c. Faire Ferrill Lees
- d. Jon Pascal
- e. George Pressley
- f. Michael Stanger

**7. SELECTION AND APPOINTMENT OF HUMAN SERVICES ADVISORY COMMITTEE, LIBRARY BOARD, PARK BOARD, AND PLANNING COMMISSION**

Following discussion of the applicants' qualifications, Councilmember Asher moved to appoint Jon Pascal to a two year term ending 3/31/2012 on the Planning Commission. Councilmember Marchione seconded the motion, which passed unanimously.

Councilmember Asher moved to appoint George Pressley to a two year term ending 3/31/2012 on the Planning Commission. Councilmember Marchione seconded the motion, which passed unanimously.

Councilmember Asher moved to select Michael Stanger as an alternate appointee to the Planning Commission should an additional annexation area vacancy arise on the Commission within the next six months. Councilmember Marchione seconded the motion, which passed unanimously

Councilmember Asher moved to appoint Jamie Belouskas to a two year term ending 3/31/2012 on the Human Services Advisory Committee. Councilmember Marchione seconded the motion, which passed unanimously.

Councilmember Asher moved to appoint Barbara McGrath to a two year term ending 3/31/2012 on the Human Services Advisory Committee. Councilmember Marchione seconded the motion, which passed unanimously.

Councilmember Asher moved to appoint Shawn Thornsberry to an unexpired four year term ending 03/31/2012 on the Library Board. Councilmember Greenway seconded the motion, which passed unanimously.

Councilmember Asher moved to select Erik Morgenstern as an alternate appointee to the Library Board should an additional area annexation vacancy arise on the Board within the next six months. Councilmember Greenway seconded the motion, which passed unanimously

Councilmember Asher moved to appoint Barbara Ramey to a two year term ending 3/31/2012 on the Park Board. Councilmember Greenway seconded the motion, which passed unanimously.

Councilmember Asher moved to appoint Ted Marx to a two year term ending 3/31/2012 on the Park Board. Councilmember Greenway seconded the motion, which passed unanimously

Councilmember Asher moved to select Barbara Eckley as an alternate appointee should an additional annexation area vacancy arise on the Park Board within the next six months. Councilmember Greenway seconded the motion, which passed unanimously.

## **8. ADJOURNMENT**

The April 8, 2010 Special Meeting of the Kirkland City Council was adjourned at 7:55 p.m.

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City Clerk

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Mayor

**CITY OF KIRKLAND****Department of Public Works**

123 Fifth Avenue, Kirkland, WA 98033 425.587.3800

[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)**MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager

**From:** Ray Steiger, P.E., Interim Public Works Director  
Gina Hortillosa, P.E., Project Engineer

**Date:** April 7, 2010

**Subject:** 2009 STRIPING PROGRAM (CST 0980) – ACCEPT WORK

**RECOMMENDATION:**

It is recommended that City Council accept Schedules A,C,D, & E of the 2009 Striping Program, as constructed by Apply A-Line Inc., of Pacific, Washington, and establish the statutory lien period. It is also recommended that Council approve the use of \$9,600 in additional funds to close out the Project.

**BACKGROUND DISCUSSION:**

The purpose of Annual Striping Program is to maintain the pavement markings that define safe travel paths for motorists, bicyclists, and pedestrians. The Annual Program includes the restriping of vehicle lane lines, bike lanes, and public parking stalls with paint (Schedules A,C,D, & E), as well as replacing worn crosswalk markings, bike lane symbols, stop lines, turn arrows, railroad crossings and other thermoplastic markings (Schedule B).

For the first time, in 2009, the Striping Program was funded in the CIP with an annual budget of \$250,000; prior to 2009, the Program was paid for through the street operating budget with a budget that averaged approximately \$125,000 annually; this budget was consistently exceeded due to the increasing inventory of bike lanes, crosswalks, and other street system growth. By moving the program into the CIP, it highlights the importance of the City's efforts to provide a balanced transportation program for all modes as well as being able to better prioritize and monitor limited transportation funding among capacity, maintenance, and non-motorized facilities.

Also for 2009, as reported to Council in a Reading File memo dated April 13, 2009, staff received Federal assistance through a Federal Emergency Management Agency (FEMA) grant. These funds were made available to the City as a result of the greater-than-normal damage to Kirkland's pavement markings due to excessive snow removal operations during the winter of 2008/2009. The City received \$8,600 from FEMA to address this damage.

At their regular meeting of May 19, 2009, Council awarded the contract for Schedules A, C, D, and E of the 2009 Program to Apply A-Line Inc., in the amount of \$139,136.50. The construction was complete in November, 2009, and a total of \$149,365.37 was paid to the Contractor. The final payment amount includes two change orders that were incurred as a result of partnering with Sound Transit to install temporary bus stops along Central Way and on 6<sup>th</sup> Street prior to the start of work on the new Downtown Transit Center, and for revised markings in association with signal improvements at 3<sup>rd</sup> Street and Kirkland Avenue – Sound Transit will reimburse the City \$22,200 for these change orders.

April 7, 2010

Page 2

After two unsuccessful attempts to obtain bids for the 2009 thermoplastic markings (Schedule B) from private contractors, the City contracted with King County roadway crews by utilizing a standing Kirkland/King County Interlocal Road Maintenance Agreement to perform the work; this element was completed in the fall of 2009 in the amount of \$76,400.

The total expenditures for the 2009 program including all project schedules, design and construction administration services, came to \$290,400 (Attachment A). In combination with FEMA (\$8,600) and Sound Transit (\$22,200), Staff is requesting \$9,600 from the Street Improvement fund in order to complete and close the project (Attachment B).

A comparison of costs between the 2008 and 2009 Programs is as follows:

Category	2008 expenses	% of cost	Miles of Paint*	2009 expenses	% of cost	Miles of Paint*
Design & field lay-out	\$7,400	4.2		\$10,500	3.6	
Inspection services	\$11,600	6.6		\$14,600	4.8	
In-House engineering	\$15,000	8.6		\$39,500	13.6	
Striping	\$89,900	51.6		\$149,400	51.5	
Thermoplastic	\$50,500	29.0		\$76,400	26.5	
<b>TOTAL</b>	<b>\$174,300</b>	<b>100.0</b>	<b>135</b>	<b>\$290,400</b>	<b>100.0</b>	<b>207</b>
Cost per mile of paint	<b>\$1,290</b>			<b>\$1,400</b>		

\* Miles of paint include the counting of dual stripes and bike lanes, etc., and are not equivalent to actual lane miles

As the table indicates, there was a significant increase in production (based on number of miles of paint applied), as well as a proportionate increase in overall costs for the 2009 Project. In general, the percentages of the individual categories were consistent for the two year comparison. One exception to this is for "In-House" engineering, which experienced a five percentage point increase for 2009 (approximately \$25,000). This increase is a result of bidding abnormalities and rebid efforts, and the significant time spent during the construction administration phase of the Project.

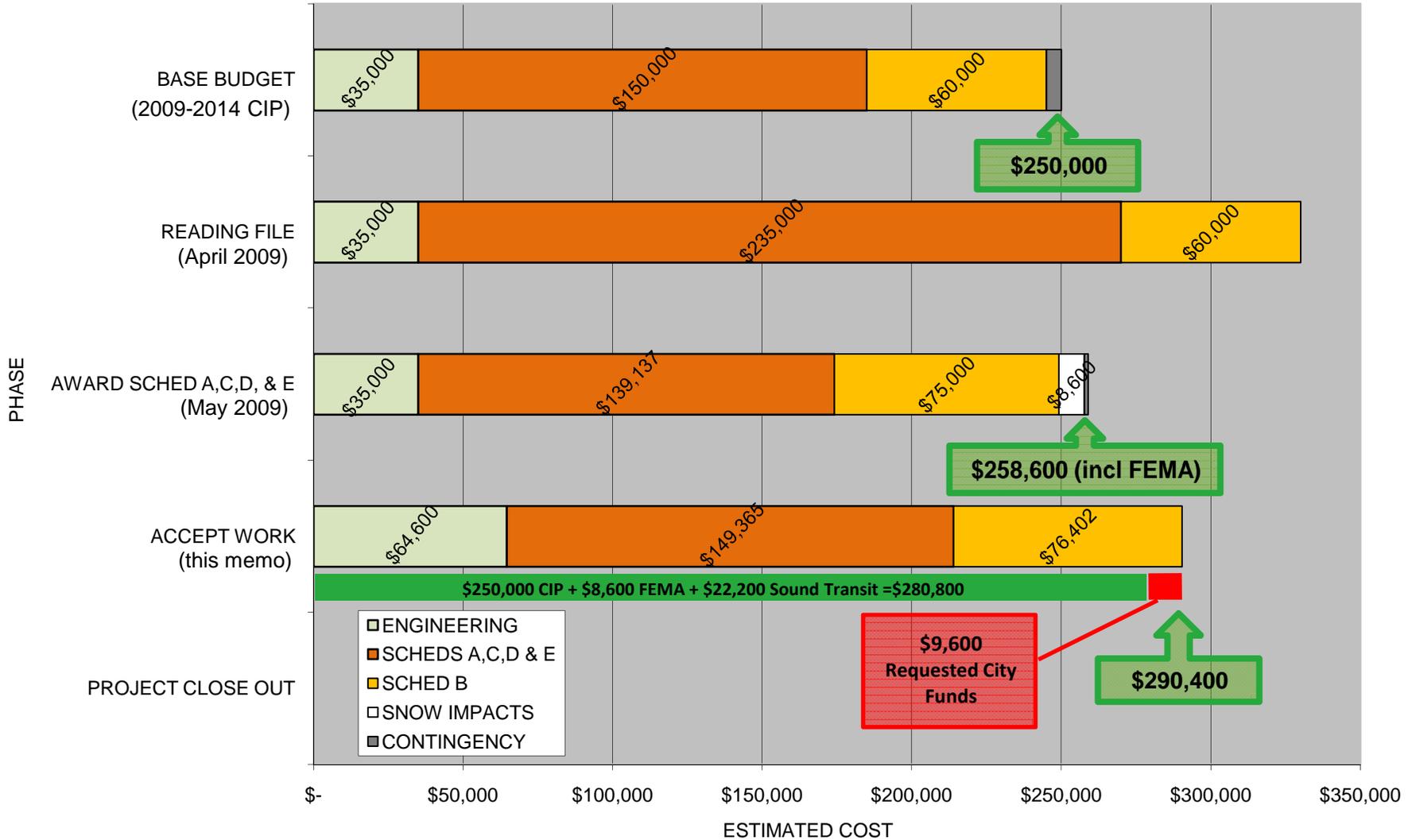
The Project was originally advertised and had three bids submitted; however, based on the budget, the contractor prices were too high to award all schedules, and thus the thermoplastic work (Schedule B) was removed and not included with the Council award of May 19<sup>th</sup>. A second small works bid was subsequently held for the thermoplastic work alone, and again those prices came in too high to be able to recommend an award. At that point, staff utilized an existing Interlocal between the City and King County that allowed for the thermoplastic work to be performed by County forces.

A second amount of in-house time was required as a result of a higher than normal number of complaints and claims for paint splatter on cars as a result of the painting contractor's methods of operation. Staff worked with the contractor to alleviate the cause of the problems while also taking all appropriate measures and extra time to provide good customer service to those residents who called or wrote to complain; the contractor did monetarily reimburse those affected parties with legitimate claims for paint splatter damage.

Attachment: (2)

### 2009 Annual Striping Program -- CST 0980

#### PROJECT BUDGET REPORT



**FISCAL NOTE**

*CITY OF KIRKLAND*

<b>Source of Request</b>							
Ray Steiger, Interim Public Works Director							
<b>Description of Request</b>							
Request for additional funding of \$9,567 from the Street Improvement Fund for the completion of 2009 Annual Striping Program (CST 0980).							
<b>Legality/City Policy Basis</b>							
<b>Fiscal Impact</b>							
<b>One-time use of \$9,567 of the Street Improvement Fund balance.</b> The fund is able to fully fund this request.							
<b>Recommended Funding Source(s)</b>							
<b><i>Reserve</i></b>	Description	2010 Est End Balance	Prior Auth. 2009-10 Uses	Prior Auth. 2009-10 Additions	Amount This Request	Revised 2010 End Balance	2010 Target
	Street Improvement Fund	994,576	23,000	0	9,567	962,009	994,576
	2009-2010 Prior Authorized Uses of this reserve include: \$23,000 for the 100th Ave NE/99th PI NE Sidewalk Project						
<b><i>Revenue/Exp Savings</i></b>							
<b><i>Other Source</i></b>							
<b>Other Information</b>							

Prepared By	Neil Kruse, Budget Analyst	Date	March 26, 2010
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**CITY OF KIRKLAND****Department of Public Works****123 Fifth Avenue, Kirkland, WA 98033 425.587.3800****[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)**

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**MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager

**From:** Ray Steiger, P.E., Interim Public Works Director  
Donna Burris, Internal Services Manager

**Date:** April 6, 2010

**Subject:** PETER KIRK COMMUNITY CENTER HVAC REPLACEMENT PROJECT  
ACCEPT WORK

**RECOMMENDATION**

It is recommended that City Council accept the work on the Peter Kirk Community Center HVAC Replacement Project, as completed by Trane U.S. Inc. Comprehensive Solutions Group (Trane) through the State of Washington's Energy Savings Performance Contracting program, and establish the statutory lien period.

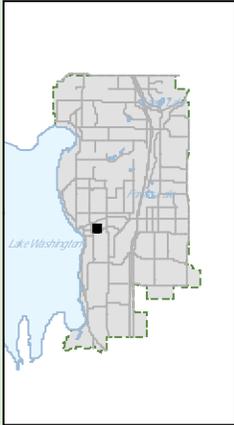
**BACKGROUND AND DISCUSSION**

In January 2008, the City of Kirkland entered into an Interagency Agreement with the State of Washington General Administration, Division of Facilities, Engineering and Architectural Services (GA) to provide Energy Conservation Project Management Services. Through the Interagency Agreement, the GA utilized the State of Washington's Energy Savings Performance Contracting program to identify, design, and implement the best overall solution for optimizing the efficiency of the HVAC and ancillary systems for the Peter Kirk Community Center (PKCC). This project was funded by life cycle reserves that had been set aside for PKCC.

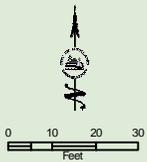
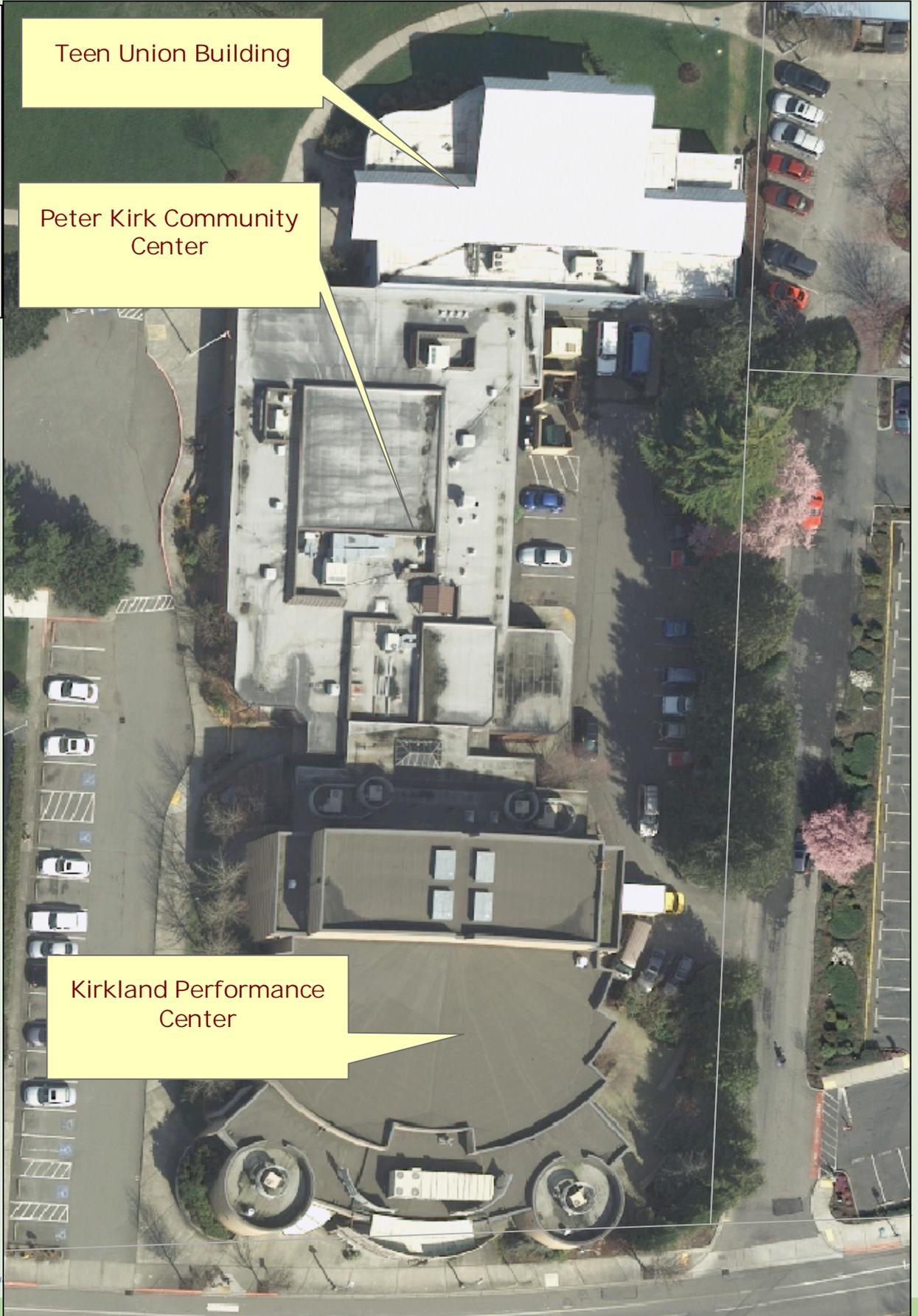
Utilizing the GA's selection process, Trane was chosen to conduct the Energy Audit and Services proposal for the City which resulted in a recommendation to retrofit the six existing rooftop DX / electric resistance heating with seven high-efficiency, low-ambient, rooftop heat-pump systems (Attachment A) providing an estimated 36% reduction in electricity costs and annual greenhouse gas emissions reduction of approximately 144,000 lbs of CO<sub>2</sub>e. In addition to these savings, the units would be controlled by new Delta Control systems and be tied into the City's Facility Management System.

On August 4, 2009, Council authorized the signing of funding approval forms allowing the GA to complete Energy Conservation Project Management Services on behalf of the City of Kirkland for the Peter Kirk Community Center HVAC Replacement Project. Council also authorized funding approval forms for Trane to proceed with the replacement of the HVAC units as recommended in the amount of \$186,347; the final amount paid to the Contractor was \$183,600. Accounting for Puget Sound Energy's incentive credit and overall GA administration fees, there is a remaining project budget of \$6,300 that will be returned to the Facilities sinking fund reserve (Attachment B).

# Peter Kirk Community Center HVAC Project



Vicinity Map  
 0 5,800 11,600 17,400  
 Feet



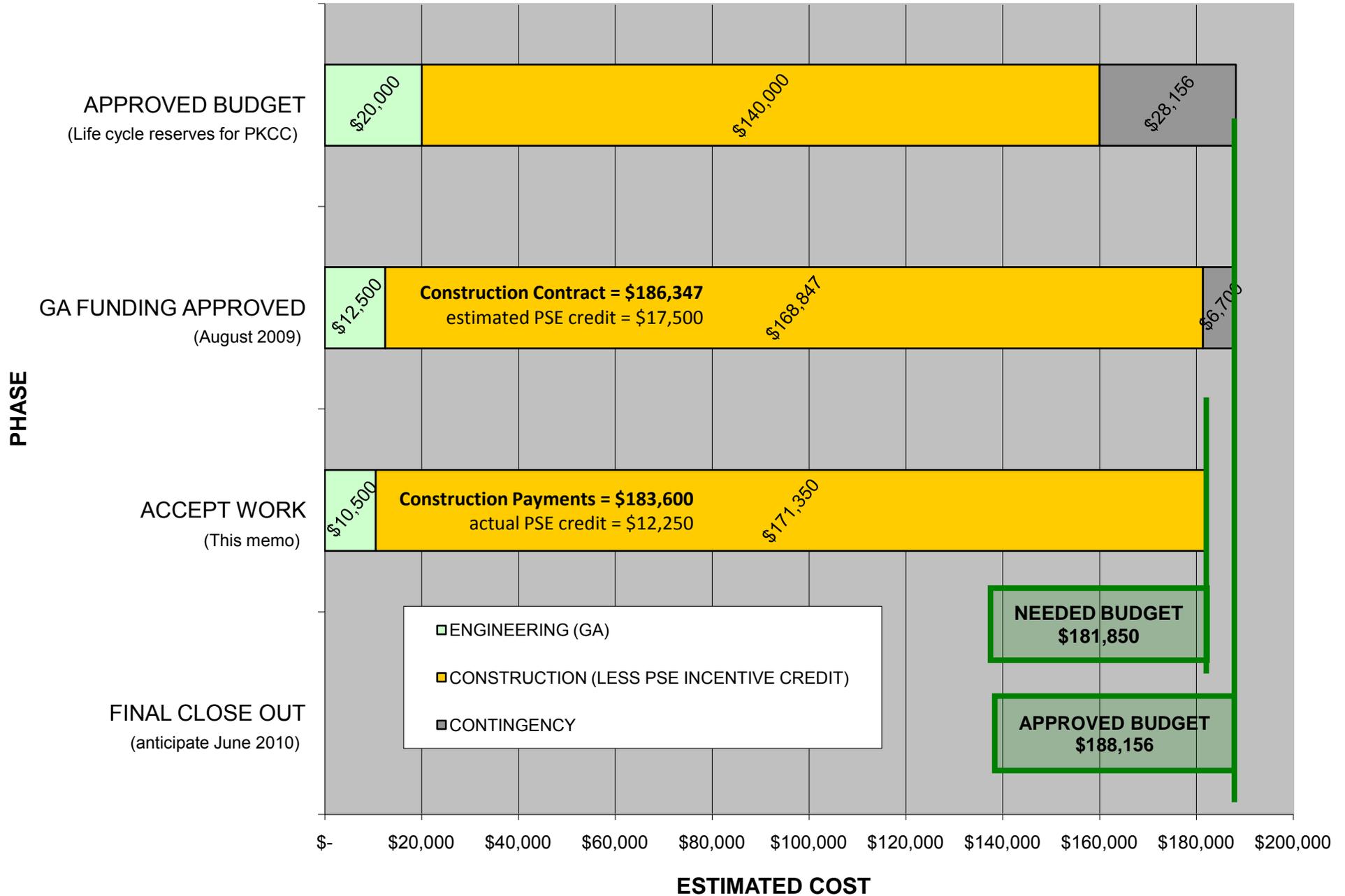
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 fitness or merchantability accompany this product.

-Print Date: 3/31/2010

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# PKCC HVAC REPLACEMENT PROJECT

## Project Budget Report



**CITY OF KIRKLAND****Police Department****123 Fifth Avenue, Kirkland, WA 98033 425.587.3400****[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)**

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**MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager

**From:** Eric Olsen, Police Chief  
Robert Balkema, Corrections Lieutenant

**Date:** April 7, 2010

**Subject:** INTERLOCAL AGREEMENT WITH KING COUNTY FOR JAIL SERVICES

**RECOMMENDATION:**

The City Council adopt the attached resolution authorizing the City Manager to sign an interlocal agreement between the King County and the City of Kirkland for jail services.

**BACKGROUND DISCUSSION:**

The Kirkland Police Department is requesting that Council authorize the City Manager to enter into the attached interlocal agreement to provide housing for City of Kirkland inmates at the King County Jail. Under the terms of the agreement, the City of Kirkland will only be obligated to pay for the specific time an inmate is housed in the King County Jail. If the City does not use the bed space, the City does not pay for it. The Police Department is requesting this agreement to provide the City with more options for short and long term planning. The City of Kirkland has had the present interlocal agreement since November 1, 2002.

The present agreement was originally scheduled to expire on December 31, 2012. After extensive negotiations between King County cities and King County the attached interlocal was developed. This contract differs from the prior contract in that King County has previously charged a flat rate per day for inmates along with a booking fee. In the new contract there is a variable rate structure where inmates that require medical or psychiatric care will be charged an additional fee. In return, the City of Kirkland has access to bed space until December 31, 2016. As noted, City of Kirkland will only pay for beds that we use.

In December of 2009, Kirkland entered into an inter-local agreement with Snohomish County jail to house Kirkland's male and female inmates on an as needed basis. Snohomish County jail can also accommodate inmates with medical and psychiatric issues. With this new option, Kirkland Corrections has shifted from using King County jail for medical, psychiatric, behavioral problems and female populations to the Snohomish County jail as the preferred option. This will allow Kirkland Corrections to better manage Kirkland's population and achieve significant cost savings. Below is a table outlying true cost's from Snohomish County jail for the first quarter of 2010 compared to what would have paid to King County jail under the new contract agreement.

**Actual January- March 2010 Costs**  
Assuming King County new contract rates

	Day Rate	Bed Days/Quarter	Cost
<b>King County:</b>			
Infirmary	\$160.89	354	\$56,955.06
Psych	\$65.90	204	\$13,443.60
Acute Psych	\$154.64	27	\$4,175.28
Booking	\$288.93	66	\$19,069.38
Daily	\$105.93	681	\$72,138.33
<b>Total King County</b>			<b>\$165,781.65</b>
<b>Snohomish County</b>			
Booking	\$90.00	66	\$5,940.00
Daily	\$62.50	681	\$42,562.50
<b>Total Snohomish Co.</b>			<b>\$48,502.50</b>

This shows a net savings of **\$117,279.15** for the first quarter of 2010.

The **Yakima County jail** contract expires on December 31, 2010. This is the only jail contract where Kirkland pays for a set number of beds whether they are used or not. Kirkland's bed commitment is for 11.5 inmates per day and because of Kirkland's conservative approach at the beginning of this contract for the number of beds needed, Kirkland has not been put into a position of having to pay for beds that were not used. Several cities, including Kirkland, have asked Yakima for a contract that would go beyond the present 2010 expiration. Kirkland has completed the negotiations on the verbiage of the contract; however, we are still waiting to hear from Yakima on what the new daily rate will be. We are told that the rates will depend the length of the contract and how many guaranteed beds each city is willing to pay for. One of the reasons it has taken longer than estimated is that Yakima County Jail has a new Director and he is trying to become familiar with the process before making long term commitments. It is estimated that he will provide daily rate figures by June of 2010.

**SCORE** (the south regional jail that includes Renton, Auburn, Burien, Federal Way, Tukwila, Des Moines) has broken ground and is building an 822 bed facility near the Sea Tac airport which will be completed and ready for occupancy in the second quarter of 2012. Several cities, including Bellevue, Redmond, and Seattle have expressed interest in housing inmates at the new facility. The City of Kirkland has asked that when SCORE is ready to start discussions on their rate structure that we would be interested in discussing terms of housing special needs inmates at the SCORE facility.

The **NEC** (Seattle, Shoreline, Redmond, Bellevue, and Kirkland) have been studying building a 640 bed jail for the last several years. The feasibility study was conducted by Carter Global Lee and 6 potential sites were chosen based on criteria from the phase one Carter Global Lee study. All 6 sites had simultaneous preparation of environmental impact statements (EIS). King County was also part of this planning as one of the sites was located next to the current downtown King County jail. This planning was to be completed by spring of 2010 when one final site would be chosen; however, several factors including the possible flooding issues in the south end of King County that related to the Regional Justice Center in Kent diverted resources away from jail planning. Given the many changes that have occurred, SCORE opening in the next 2 years, current economic conditions, and the possibility that Seattle may contract with SCORE for beds rather than build, the NEC is currently reviewing whether continuing on with the EIS study is practical.

The **Bellevue Jail** feasibility study has just been completed. This study was done by NBBJ and the City of Kirkland had a minor financial role and a significant technical role in the study. The

study looked at building a jail with 46 beds, 50 beds, 81 beds, 88 beds and finally 118 beds. These options looked at special populations contracted out, special populations included, housing just Bellevue inmates, housing Kirkland and Bellevue inmates and finally 118 bed facility that would house Bellevue and Kirkland inmates plus rent beds to other cities to help recapture costs. The only site reviewed for this study was land on the same footprint of the current Bellevue City Hall. It was determined that the jail would be 2 stories plus a lower level mezzanine. Quote from NBBJ "This Jail Feasibility Study indicates that an addition to Bellevue City Hall for the purpose of providing a jail facility is physically and operationally feasible." Based on the feasibility study, it also appears that the daily bed rate would be within a reasonable range of other future options.

The Bellevue City Council has not yet had the opportunity to be briefed on this. It will be presented as an option for housing Bellevue inmates in the near and longer term, along with other contract bed options that are likely to be available in the coming years, including Yakima and SCORE.

In conclusion, the **City of Kirkland** has a jail with a capacity of 12 and is a male only facility. Inmates with special needs (those with medical or psychological treatment needs) and females are moved to other contract jails. These special needs populations are now housed primarily at Snohomish County jail. The Kirkland jail has an average daily population (ADP) of 44 inmates and because the ADP exceeds our capacity many of these inmates are contracted to outside jails as we do not presently have capacity for them. With current public safety space needs planning studies, an expanded Kirkland jail is being studied in order to reduce our outside housing costs.

Until all of these studies and contracts are completed, the City needs to continue to have the King County Jail contract as an option, although we have recently minimized our usage of this facility.

Attachment: Resolution and Corresponding Interlocal Agreement for King County Jail

RESOLUTION R-4811

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF KIRKLAND AND KING COUNTY FOR THE HOUSING OF INMATES IN THE KING COUNTY JAIL AND ACCESS TO OTHER JAIL SERVICES.

WHEREAS, the City of Kirkland wishes to secure the use of additional jail bed capacity and other jail services; and

WHEREAS, King County is willing to accept City of Kirkland inmates for a rate of compensation mutually agreed upon by the parties; and

WHEREAS, Chapter 39.34 RCW authorizes the parties to enter into an interlocal cooperation agreement to perform any governmental service, activity or undertaking which each contracting party is authorized by law to perform;

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

Section 1. The City Manager is hereby authorized and directed to execute on behalf of the City of Kirkland an Interlocal Agreement substantially similar to that attached as Exhibit "A", which is entitled "Amendment to Interlocal Agreement between King County and the City of Kirkland for Jail Services."

Passed by majority vote of the Kirkland City Council in open meeting this \_\_\_\_ day of \_\_\_\_\_, 2010.

Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
MAYOR

Attest:

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

## **Amendment to Interlocal Agreement Between King County and the City of Kirkland for Jail Services**

THIS AGREEMENT is dated effective as of the 1<sup>st</sup> day of May, 2010, and, with respect to the parties hereto, amends and restates the November 1, 2002 Original Agreement. The Parties to this Agreement are King County, a Washington municipal corporation and legal subdivision of the State of Washington (the "County") and the City of Kirkland, a Washington municipal corporation (the "City").

This Agreement is made in accordance with the Interlocal Cooperation Act (RCW Chapter 39.34) and the City and County Jails Act (RCW Chapter 70.48).

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

1. Definitions: Unless the context clearly shows another usage is intended, the following terms shall have these meanings in this Agreement:
  - 1.1 "Booking" means registering, screening and examining inmates for confinement in the Jail; inventorying and safekeeping inmates' personal property; maintaining all computerized records of arrest; performing warrant checks; and all other activities associated with processing an inmate.
  - 1.2 "Business Day" means Monday through Friday, 8:00 a.m. until 5:00 p.m., except holidays and County-designated furlough days.
  - 1.3 "City Inmate" means a person booked into or housed in the Jail when a City charge is the principal basis for booking or confining that person. A City charge is the principal basis for booking or confining a person where one or more of the following applies, whether pre-trial or post-trial:
    - 1.3.1 The person is booked or confined by reason of committing or allegedly committing a misdemeanor or gross misdemeanor offense within the City's jurisdiction, whether filed under state law or city ordinance;
    - 1.3.2 The person is booked or confined by reason of a Court warrant issued either by the City's Municipal Court or other court when acting as the City's Municipal Court;
    - 1.3.3 The person is booked or confined by reason of a Court order issued either by the City's Municipal Court or other court when acting as the City's Municipal Court; or,
    - 1.3.4 The person is booked or confined by reason of subsections 1.3.1 through 1.3.3 above, in combination with charges, investigation of charges, and/or warrants of other governments, and the booking or confinement by reason of subsections 1.3.1 through 1.3.3 above is determined to be the most serious charge in accordance with Exhibit I.
    - 1.3.5 A City charge is not the principal basis for confining a person where the person is booked or confined exclusively or in combination with other charges by reason of a felony charge or felony investigation.
    - 1.3.6 A City charge is not the principal basis for confining a person where the person is confined exclusively or in combination with other charges by reason of a

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felony charge or felony investigation that has been reduced to a State misdemeanor or gross misdemeanor.

- 1.4 "Contract Cities" means cities that are signatory to the Original Agreement. The Contract Cities are listed in Exhibit VII.
- 1.5 "Continuity of Care Records" means an inmate's diagnosis, list of current medications, treatments, PPD (tuberculosis screening test) results and scheduled appointments or follow-ups.
- 1.6 "County Inmate" means any inmate that is not a City Inmate.
- 1.7 "Force Majeure" means war, civil unrest, and any natural event outside of the party's reasonable control, including fire, storm, flood, earthquake or other act of nature.
- 1.8 The first "Inmate Day" means confinement for more than six (6) hours measured from the time such inmate is first presented to and accepted by the Jail until the inmate is released, provided that an arrival on or after six (6) o'clock p.m. and continuing into the succeeding day shall be considered one day. The second and each subsequent Inmate Day means confinement for any portion of a calendar day after the first Inmate Day. For persons confined to the Jail for the purpose of mandatory DUI sentences, "Inmate Day" means confinement in accordance with Exhibit II.
- 1.9 "JAG" means the Jail Agreement Administration Group created pursuant to Section 10 of this Agreement.
- 1.10 "Jail" means a place primarily designed, staffed, and used for the housing of adults charged or convicted of a criminal offense; for the punishment, correction, and rehabilitation of offenders charged or convicted of a criminal offense; or for confinement during a criminal investigation or for civil detention to enforce a court order. Upon the date of the execution of the Original Agreement, Jail included the King County Correctional Facility, the detention facility at the Regional Justice Center, the North Rehabilitation Facility; and any Community Corrections Facility and/or Program, such as Work Release, Electronic Home Detention, Work Crews, Day Reporting, and Evening Reporting operated by the County directly or pursuant to contract.
- 1.11 During the Initial Fee Period, "Medical Inmate" means a City Inmate or County Inmate clinically determined by the Seattle-King County Department of Public Health, or its successor charged with the same duties, as needing the level of services provided in the Jail's infirmary or other medical facility that the County may choose to send a Medical Inmate. During the Revised Fee Period, a "Medical Inmate" means a City Inmate or County Inmate clinically determined by the Seattle-King County Department of Public Health, or its successor charged with the same duties, as needing the level of services provided in the Jail's infirmary. During both the Initial Fee Period and the Revised Fee Period, if an inmate is moved to the general population then the inmate is no longer considered a Medical Inmate.

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- 1.12 "Official Daily Population Count" is an official count of inmates in the custody of the Jail made at a point in time in a 24-hour period for, among other purposes, security and population management. It is not used for billing purposes.
- 1.13 "PARP" means the Population Alert and Reduction Plan attached as Exhibit IV.
- 1.14 During the Initial Fee Period, "Psychiatric Inmate" means a City Inmate or County Inmate clinically determined by the Seattle-King County Department of Public Health, or its successors charged with the same duties, as needing the level of services provided in the Jail's psychiatric housing units or other medical facility that the County may choose to send a Psychiatric Inmate. If an inmate is moved to the general population then the inmate is no longer considered a Psychiatric Inmate. During the Revised Fee Period, "Psychiatric Inmate" means either an Acute Psychiatric Inmate or a Non-Acute Psychiatric Inmate, as defined below:
- 1.14.1 An "Acute Psychiatric Inmate" is an inmate clinically determined by the Seattle-King County Department of Public Health, or its successor charged with the same duties, as needing the level of services provided in the Jail's acute psychiatric housing units (as further described in Exhibit III, Attachment III-2). If an Inmate is moved to housing outside the Jail's acute psychiatric housing units then the Inmate is no longer considered an Acute Psychiatric Inmate.
- 1.14.2 A "Non-Acute Psychiatric Inmate" is an inmate clinically determined by the Seattle-King County Department of Public Health, or its successor charged with the same duties, as needing Psychiatric Care Services (as further described in Exhibit III, Attachment III-2) and housed outside the Jail's acute psychiatric housing units.
- 1.15 "Agreement" means the Interlocal Agreement by and Between King County and the City for Jail Services in 2002 as amended by the Amendment.
- 1.16 "Amendment" means this Amendment to the Interlocal Agreement by and Between King County and the City for Jail Services in 2002.
- 1.17 Amendment JAG" means the Amendment Jail Administration Group created pursuant to Section 10.
- 1.18 "DAJD" means the King County Department of Adult and Juvenile Detention or its successor agency.
- 1.19 "Extension Cities" means the City and other cities that are signatory to this Amendment or to an agreement in substantially identical form to this Amendment.
- 1.20 "Extension Period" means the calendar years 2013 through 2016.
- 1.21 "Non-Extension Cities" means Contract Cities that are not Extension Cities.

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- 1.22 “Extension City Inmate” means a City Inmate that is the responsibility of an Extension City.
- 1.23 “Initial Fee Period” means the period from the effective date of the Original Agreement until the commencement of the Revised Fee Period.
- 1.24 “Revised Fee Period” means the period from and after the date the Revised Fees and Charges are first imposed on the City, (which date is June 1, 2010, for the City of Seattle and November 1, 2010 for all other Extension Cities) through the expiration of this Agreement on December 31, 2016 or its earlier termination.
- 1.25 “Revised Fees and Charges” are the Fees and Charges imposed during the Revised Fee Period as described in Section 3 and Exhibit III.B.
- 1.26 “Surcharge” means any of the following special charges, defined at Exhibit III.B.3 and further described in Attachment III-2: Infirmarium Care Surcharge; Non-Acute Psychiatric Care Surcharge; Acute Psychiatric Care Surcharge; 1:1 Guarding Surcharge.
- 1.27 “Offsite Medical Care Charges” means those pass through charges for treatment of a City Inmate where that inmate is clinically determined by the Seattle-King County Department of Public Health, or its successor charged with the same duties, as needing a level of services provided from offsite medical institutions, as further defined in Exhibit III.B.4 and Attachment III-2. An Inmate may receive Offsite Medical Care that triggers an Offsite Medical Care Charge without being otherwise classified as a Medical or Psychiatric Inmate (e.g., some inmates held in the general population receive offsite medical care that will result in Offsite Medical Care Charges being incurred).
- 1.28 “Original Agreement” means the interlocal agreement for jail services between King County and the City as originally executed between the County and the City effective November 1, 2002. The Contract Cities each signed a separate agreement with the County in form substantially similar to the Original Agreement.
- 1.29 “WER Charge” is the daily housing charge incurred for City Inmates housed in the Work and Education and Release program as further described in Exhibit III.B.
2. Jail and Health Services. The County shall accept City Inmates for confinement in the Jail, except as provided in Sections 4.5 and 11 of this Agreement. The County shall also furnish the City with Jail facilities, booking, transportation among County facilities, as determined necessary in the County’s sole discretion, including the various Jail facilities, Harborview Medical Center and Western State Hospital, and custodial services, and personnel for the confinement of City Inmates at least equal to those the County provides for confinement of County Inmates. However, the County reserves the right to operate specific programs and/or facilities exclusively for County Inmates. The County shall furnish to City Inmates all Jail medical, dental and other health care services required to be provided pursuant to federal or state law. Also, the County shall make every reasonable effort to release a City Inmate as expeditiously as possible after the County has received notification of a court order to release.

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3. City Compensation. The City will pay the County a booking fee and a maintenance charge as follows:
  - 3.1 Booking Fee. The booking fee shall be assessed for the booking of City Inmates by or on behalf of the City into the Jail. The booking fee shall be as provided in Exhibit III. During the Revised Fee Period, two different booking fees will be available to the City on the terms and conditions described in Exhibit III.B. The effective date of each annual adjustment for booking fee(s) will be January 1<sup>st</sup>. In both the Initial Fee Period and the Revised Fee Period:
    - 3.1.1. The County will maintain its program of contacting the City after booking a City Inmate in order to give notice that the City Inmate has been booked and to provide the opportunity for release to the City if the City so desires. Such action will take place as soon as reasonably possible but no later than the next business day after booking and will result in no maintenance charges if the City Inmate is released to the City within six hours of booking. The parties agree that the issue of providing earlier notice to the Contract Cities of booking of City Inmates shall be immediately referred to JAG for resolution.
    - 3.1.2. The County will maintain its program to notify the City of the status of its inmates in cases where confinement is the result of multiple warrants from two or more jurisdictions. This program will allow the City to take custody of a City Inmate if it so desires after the other jurisdictional warrants are resolved and thereby prevent unnecessary maintenance charges.
  - 3.2 Maintenance Charge. The maintenance charge shall be assessed for a City Inmate for each Inmate Day. The effective date of each annual adjustment will be January 1<sup>st</sup>. During the Initial Fee Period, the maintenance charge shall be as provided in Exhibit III.A. Also during the Initial Fee Period, the City will be billed the daily maintenance charge for Medical and Psychiatric Inmates, except as provided for in Section 11.7 of this Agreement. During the Revised Fee Period, the maintenance charge shall be assessed for a City Inmate for each Inmate Day as provided in Exhibit III.B. During the Revised Fee Period, the City may qualify for a WER Charge in lieu of the maintenance charge as described in Exhibit III.B.3.
  - 3.3 Surcharges and Offsite Medical Charges. During the Revised Fee Period, in addition to the booking fee, maintenance charge and WER charge, the City will be charged for Offsite Medical Charges and Surcharges as detailed in Exhibit III.B.
    - 3.3.1 Proposed Notice of Certain Surcharges. The County intends to provide or make available to the City timely information of occurrences when a City Inmate is *admitted* to Harborview or other offsite medical institution, or is receiving infirmary care or psychiatric care that will subject a City to Surcharges. Information provided or made available will be based on information known to DAJD at the time (since billing status of an Inmate may be changed retroactively based on new information or other factors). The County intends to provide or make available this information within 2 business days following the day in

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which the chargeable event occurs and will make good faith efforts to provide information sooner if practicable. The County will make good faith efforts to try to institute a means to inform the City within 24 hours of the admittance of a City Inmate to Harborview or other offsite medical institution. The County's failure to provide or make available information or develop quicker means to provide information to the City as detailed above shall not excuse the City from financial responsibility for related Offsite Medical Charges or Surcharges, and shall not be a basis for imposing financial responsibility for related Offsite Medical Charges or Surcharges on the County.

- 3.4 Proportional Billing. The parties intend to develop a system of proportional billing which will divide the costs of incarceration between two or more jurisdictions where multiple jurisdictions have a hold on a City Inmate. The parties agree to negotiate, in good faith, in an attempt to develop such a system.
4. Billing and Dispute Resolution Procedures.
- 4.1 The County shall transmit billings to the City monthly. Within forty-five (45) days after receipt, the City shall pay the full amount billed or withhold a portion thereof and provide the County written notice specifying the total amount withheld and the grounds for withholding such amount, together with payment of the remainder of the amount billed (if any amount remains). Notwithstanding the foregoing, during the Revised Fee Period, the County shall bill the City for Offsite Medical Charges as such charges are periodically received by the County from third party medical institutions or other offsite medical providers. This may or may not occur on a monthly basis. Such Offsite Medical Charges shall be due within such time and subject to such withholding and dispute resolution procedures as otherwise provided in this Section 4.
- 4.2 Withholding of any amount billed or alleging that any party is in violation of any provision of this Agreement shall constitute a dispute, which shall be resolved as follows:
- 4.2.1 The County shall respond in writing to billing disputes within 60-days of receipt of such disputes by the DAJD billing offices. To ensure the soonest start to the 60-day timeline, the City should send billing disputes directly to the DAJD billing office rather than any other County office or officer. The DAJD billing office address as of the date of this Amendment is:
- KC DAJD  
Attn: Finance – Inmate Billing  
500 5<sup>th</sup> Avenue  
Seattle, WA 98104                      FAX Number: 206-296-0570
- 4.2.2 Thereafter, the County and the City shall attempt to resolve the dispute by negotiation. If such negotiation is unsuccessful, either party may refer the dispute to JAG for resolution. For disputes involving fees and charges incurred

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during the Revised Fee Period or otherwise solely arising under the terms and conditions of the Amendment, the dispute shall be referred to the Amendment JAG. In the event JAG or Amendment JAG, as applicable, is unable to resolve the dispute within 30-days of referral, either party may appeal. All appeals shall be referred to the Chief Executive Officer of the City, or designee, and the County Executive, or designee, for settlement. If not resolved by them within thirty (30) days of the referral, the Chief Executive Officer and the County Executive by mutual written consent may seek arbitration or mediation of the matter. Each party shall pay one-half of the arbitrator's or mediator's fees and expenses. If mutual written consent to apply for the appointment of an arbitrator or mediator is not reached, or the dispute is not resolved through arbitration or mediation, either party may seek court action to decide the dispute. If either party prevails in a court action to enforce any provision of this Agreement, it shall be awarded reasonable attorney's fees to be based on hourly rates for attorneys of comparable experience in the community.

- 4.3 Any amount withheld from a billing, which is determined to be owed to the County pursuant to the dispute resolution procedure described herein, shall be paid by the City within thirty (30) days of the date of the negotiated resolution or appeal determination.
- 4.4 Any undisputed billing amount not paid by the City within sixty (60) days of receipt of the billing, and any amounts found to be owing to the County as a result of the billing dispute resolution procedure that are not paid within thirty (30) days of resolution, shall be conclusively established as a lawful debt owed to the County by the City, shall be binding on the parties and shall not be subject to legal question either directly or collaterally. This provision shall not limit a City's ability to challenge or dispute any billings that have been paid by the City.
- 4.5 If the City fails to pay a billing within 45-days of receipt, the County will notify the City of its failure to pay and the City shall have ten (10) days to cure non-payment. In the event the City fails to cure its nonpayment, the City shall be deemed to have voluntarily waived its right to house City Inmates in the Jail and, at the County's request, will remove City Inmates already housed in the Jail within thirty (30) days. Thereafter, the County, at its sole discretion, may accept no further City Inmates until all outstanding bills are paid.
- 4.6 The County may charge an interest rate equal to the interest rate on the monthly County investment earnings on any undisputed billing amount not paid by the City within forty-five (45) days of receipt of the billing, and any amounts found to be owing to the County as a result of the billing dispute resolution procedure.
- 4.7 Each party may examine the other's books and records to verify charges. If an examination reveals an improper charge, the next billing statement will be adjusted appropriately. Disputes on matters related to this Agreement which are revealed by an audit shall be resolved pursuant to Section 4.2.

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5. Term. This Agreement shall commence on November 1, 2002 and shall supersede all previous contracts and agreements between the parties relating to the Jail and jail services. This Agreement shall extend to December 31, 2016.
6. Termination. Either party may initiate a process to terminate this Agreement as follows:
  - 6.1 Ten-Day Notice of Intent to Terminate. Any party wishing to terminate this Agreement shall issue a written notice of intent to terminate, not less than ten (10) days prior to issuing a ninety (90) day termination notice under Section 6.2 of this Agreement. Upon receipt of the written notice of intent to terminate, the parties will meet to confer on whether there are steps that the non-terminating party can take in order to avoid a ninety (90) day termination notice under section 6.2 of this Agreement.
  - 6.2 Ninety-Day Termination Notice. After the ten (10) day period has run under Section 6.1 of this Agreement, the party desiring to terminate this Agreement may provide the other party ninety (90) days written termination notice, as provided in RCW 70.48.090.
7. [Section number reserved].
8. Indemnification.
  - 8.1 The County shall indemnify and hold harmless the City and its officers, agents, and employees, or any of them, from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by reason of or arising out of any negligent action or omission of the County, its officers, agents, and employees, or any of them. In the event that any suit based upon such a claim, action, loss, or damage is brought against the City, the County shall defend the same at its sole cost and expense; provided, that, the City retains the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment be rendered against the City and its officers, agents, and employees, or any of them, or jointly against the City and the County and their respective officers, agents, and employees, or any of them, the County shall satisfy the same.
  - 8.2 The City shall indemnify and hold harmless the County and its officers, agents, and employees, or any of them, from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by reason of or arising out of any negligent act or omission of the City, its officers, agents, and employees, or any of them. In the event that any suit based upon such a claim, action, loss, or damage is brought against the County, the City shall defend the same at its sole cost and expense; provided that the County retains the right to participate in said suit if any principle of governmental or public laws is involved; and if final judgment be rendered against the County, and its officers, agents, and employees, or any of them, or jointly against the County and the City and their respective officers, agents, and employees, or any of them, the City shall satisfy the same.
  - 8.3 In executing this agreement, the County does not assume liability or responsibility for or in any way release the City from any liability or responsibility, which arises in whole or

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in part from the existence or effect of City ordinances, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, rule or regulation is at issue, the City shall defend the same at its sole expense and if judgment is entered or damages are awarded against the City, the County, or both, the City shall satisfy the same, including all chargeable costs and attorney's fees.

- 8.4 The terms of Section 8 "Indemnification" shall survive the termination or expiration of this Agreement.
9. Most Favored Treatment. The County represents and assures the City that no other city or town has or will receive more favored treatment under a contract with the County covering the Jail or jail services. If advantages are provided inmates of another city or town, like advantages shall be extended to City Inmates; and if lower rates are provided in any contract with another city or town, such reduced charges shall be extended to the City under this Agreement. This Section shall not apply to a) temporary service contracts twelve months' or less in duration; provided that such temporary service contracts shall not cause the City to pay more in maintenance charges and booking fees than the City would have paid without such a temporary service contract; b) reciprocal bed use agreements; c) any agreement among the County and any city or town related to additional jail capacity at a new or expanded Jail; and d) any agreements for services among the County and any city or town for additional services not provided for in this Agreement.

Notwithstanding anything in this section to the contrary, the City of Seattle has by separate agreement waived its rights under this section with respect to the date on which the City of Seattle will begin paying rates and charges per the Revised Rates described in Exhibit III.B. Other than the waiver described in the preceding sentence, the parties agree that this Section 9 is otherwise not triggered by execution of the Amendment.

10. Jail Agreement Administration Group (JAG). JAG is hereby established to work together to assure the effective implementation of this Agreement and resolve any Agreement or PARP administration, implementation or interpretation issues including, without limitation, issues related to inmate transportation, alternative and community correction programs, coordination with the courts and law enforcement, mental health, drug and alcohol treatment, Agreement interpretation, any capital expenditure charge or budget included in the maintenance fee, referrals of disputes under Section 4 and issues related to the expedient transfer of City Inmates into or out of alternative facilities within or outside of King County. JAG shall also negotiate any re-opener of the provisions described in Section 7 of this Agreement. JAG shall be initially established by November 1, 2002.

The committee shall be composed of eight persons as follows:

County Executive Representative	(1)
City of Seattle Representative	(1)
City of Bellevue Representative	(1)
Director of the Department of Adult and Juvenile Detention	(1)
Suburban Cities Representatives	(4)

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The City of Seattle representative will be appointed by the Mayor of Seattle. The City of Bellevue representative will be appointed by the City Manager. The Suburban Cities Association (SCA) shall select four (4) representatives through a process defined by the SCA. The Mayor of Mayor/Council cities or the City Manager of Council/Manager cities shall appoint the representative of each city selected by the SCA. Notice of the city representatives and any changes thereto shall be provided to the County Executive. The Committee shall meet at least quarterly. A Chair shall be selected from among the members.

For issues arising solely under this Amendment that are otherwise within the same scope of issues that are the purview of the JAG, there is created an Amendment JAG which shall serve the function of the JAG as described herein. The Amendment JAG shall be composed of up to seven persons as follows:

County Executive Representative	(1)
Director of the Department of Adult and Juvenile Detention	(1)
City of Seattle Representative	(1)
Extension City Representatives:	(one per city, not to exceed 4 in total)

The extension cities will determine who their representatives are to the Amendment JAG. The parties agree that Amendment JAG has no authority to make a final decision with regard to any matter related to the Agreement and Amendment. If any Extension City, or the County, is not satisfied with status of a matter after discussion in the Amendment JAG, that party retains all rights to seek further legal redress as provided for the Agreement and Amendment.

11. Jail Capacity. The parties understand that the number of beds available in King County may not meet the demands for those beds in the future. The following items attempt to address the needs of the local criminal justice system for adequate secure bed space and the County's ability to prevent excessive and unmanageable crowding conditions within capacity.
  - 11.1 PARP. The parties agree to make a good-faith effort to cooperatively implement all provisions of the PARP. Additionally, King County agrees to be bound to the Population Alert Notification section of the PARP with the caveat that King County will not be held to the Population Alert Notification section of the PARP in the event of force majeure or computer or telecommunications failure. The parties have also prepared a Table set forth in Exhibit V. This Exhibit represents a good faith effort by the parties to estimate Jail bed demand and supply for the years 2002 through 2005. However, the King County supply scenarios contained in Exhibit V are not binding on the County.
  - 11.2 Capacity for City Inmates. When necessary, King County will double bunk the Regional Justice Center up to 65% to accommodate City Inmates. The parties understand that the County's commitment to double bunk up to 65% at the Regional Justice Center to accommodate City Inmates means that the County will not set a budgetary constraint that will prevent the County from performing under the terms of this Agreement.

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- 11.3 The Contract Cities agree to the following population reduction schedule for the aggregate number of City Inmates.
- A) By December 31, 2003, at the time of the Jail's Official Daily Population Count the Contract Cities agree to reduce the aggregate number of City Inmates in the Jail to 380.
  - B) By December 31, 2004, at the time of the Jail's Official Daily Population Count, the Contract Cities agree to reduce the aggregate number of City Inmates in the Jail to 250.
  - C) By July 1, 2005, at the time of the Jail's Official Daily Population Count, the Contract Cities agree to reduce the aggregate number of City Inmates in the Jail to 220.
  - D) By December 31, 2012, at the time of the Jail's Official Daily Population Count, the Contract Cities agree to reduce the aggregate number of City Inmates in the Jail to 0, with the exception that inmates whose status has changed to City Inmate will not be included in the calculation of the aggregate number of City Inmates if the inmate is removed from the Jail within 72-hours of such change in status; provided that this subsection (D) shall not apply to Extension Cities.

For the purpose of determining the aggregate number of City Inmates only, and not for billing purposes, inmates held on multiple warrants by the County which include one or more city warrants in addition to a County and/or state warrant and City Inmates that have been booked into the Jail and the Contract Cities have not been notified of such booking shall not be considered a City Inmate. Also, City Inmates housed in the Jail pursuant to a reciprocal bed-use agreement will not be considered City Inmates for the purpose of determining the aggregate number of City Inmates.

- 11.4 The City agrees to be bound by the population reduction schedule listed in Section 11.3. Accordingly, in the event the aggregate City Inmate population:
- A) Exceeds 380 on any given day from December 31, 2003, through December 31, 2004; or
  - B) Exceeds 250 on any given day from December 31, 2004, through June 30, 2005; or
  - C) Exceeds 220 on any given day from July 1, 2005 to December 31, 2012; or
  - D) Exceeds 0 on any given day after January 1, 2013, except as provided in Sections 11.3 and 11.5.1;

then the County will have the right to take the actions outlined in Section 11.5.

- 11.5 The County will notify the Contract Cities by phone or electronic mail, if the Contract Cities have exceeded the population reduction schedule described in Sections 11.3 and

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11.4. The County may then decide to continue to house City Inmates in excess of the population reduction schedule listed in Sections 11.3 and 11.4. Alternatively, the County may refuse to accept bookings from the City until such time as the aggregate number of City Inmates is reduced below the population reduction schedule listed in Sections 11.3 and 11.4. If the aggregate number of City Inmates is reduced below the population reduction schedule listed in Sections 11.3 and 11.4, through removal of City Inmates from the Jail, then the County will be obligated to accept new City bookings. The notification required by the first sentence of this Section, will be made to the person designated in Section 13.10 of this Agreement, and will inform the City whether the County intends to continue to house City Inmates in excess of the population reduction schedule listed in Sections 11.3 and 11.4, or whether the County will refuse to accept bookings from the City until such time as the aggregate number of City Inmates is reduced below the population reduction schedule listed in Sections 11.3 and 11.4.

11.5.1 The Extension Cities are not required to reduce the aggregate number of Extension City Inmates to 0 by December 31, 2012. Rather, the Extension Cities agree to the following:

- A) By December 31, 2012, at the time of the Jail's Official Daily Population Count the Extension Cities agree to reduce the aggregate number of Extension City Inmates in the Jail to 330.
- B) By December 31, 2014, at the time of the Jail's Official Daily Population Count, the Extension Cities agree to reduce the aggregate number of Extension City Inmates in the Jail to 250.
- C) By December 31, 2016, at the time of the Jail's Official Daily Population Count, the Extension Cities agree to reduce the aggregate number of Extension City Inmates in the Jail to 0, with the exception that inmates whose status has changed to City Inmate will not be included in the calculation of the aggregate number of Extension City Inmates if the inmate is removed from the Jail within 72-hours of such change in status.

For the purpose of determining the aggregate number of Extension City Inmates only, and not for billing purposes, inmates held on multiple warrants by the County which include one or more city warrants in addition to a County and/or state warrant and City Inmates that have been booked into the Jail and the Extension Cities have not been notified of such booking shall not be considered an Extension City Inmate. Also, Extension City Inmates housed in the Jail pursuant to a reciprocal bed-use agreement will not be considered Extension City Inmates for the purpose of determining the aggregate number of Extension City Inmates.

11.5.2 The City agrees to be bound by the population reduction schedule listed in Section 11.5.1. Accordingly, in the event the aggregate Extension City Inmate population:

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- A) Exceeds 330 on any given day from December 31, 2012, through December 31, 2014; or
- B) Exceeds 250 on any given day from January 1, 2015, through December 31, 2016; or
- C) Exceeds 0 on any given day after January 1, 2017, except as provided in Section 11.5.1;

then the County will have the right to take the actions outlined in Section 11.5.3.

- 11.5.3 The County will notify the Extension Cities by phone or electronic mail, if the Extension Cities have exceeded the population reduction schedule described in Sections 11.5.1 and 11.5.2. The County may then decide to continue to house Extension City Inmates in excess of the population reduction schedule listed in Sections 11.5.1 and 11.5.2. Alternatively, the County may refuse to accept bookings from the City until such time as the aggregate number of Extension City Inmates is reduced below the population reduction schedule listed in Sections 11.5.1 and 11.5.2. If the aggregate number of Extension City Inmates is reduced below the population reduction schedule listed in Sections 11.5.1 and 11.5.2, through removal of Extension City Inmates from the Jail, then the County will be obligated to accept new City bookings. The notification required by the first sentence of this Section 11.5.3, will be made to the person designated in Section 13.11 of this Agreement, and will inform the City whether the County intends to continue to house Extension City Inmates in excess of the population reduction schedule listed in Sections 11.5.1 and 11.5.2, or whether the County will refuse to accept bookings from the City until such time as the aggregate number of Extension City Inmates is reduced below the population reduction schedule listed in Sections 11.5.1 and 11.5.2.
- 11.5.4 The parties agree to confer not less than quarterly during the Extension Period (2013-2016) to determine in good faith whether any of the beds reserved for Extension City Inmates are not likely to be needed by those cities in the near term and may thus be reassigned to third parties (including, but not limited to the state department of corrections) on a short term basis (30 day minimum). The purpose of this provision is to maximize county revenue recovery without impacting the Extension Cities' ability to access needed beds.
- 11.5.5 The County will review inmate population information and forecasts periodically during the Extension Period and increase the maximum number of beds available to cities as the County determines is reasonably practicable.
- 11.5.6 During the extension period Extension Cities can collectively access up to a maximum of 15 Work and Education Release (WER) beds, subject to availability, on a first come, first serve basis; provided further that these beds will not be held in reserve for the Extension Cities.

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- 11.6 The Jail's capacity limit for Medical Inmates is twenty-six (26). The Jail's capacity limit for Psychiatric Inmates is one hundred fifty one (151). For the purpose of this Section the Medical and Psychiatric Inmate population will be determined following the definitions in Sections 1.11 and 1.14 at the time of the Jail's Official Daily Population Count.
- 11.7 When the Jail has reached its capacity limit for either Medical or Psychiatric Inmates as set forth in Section 11.6, the County will notify the City by phone or electronic mail. Such notification will be made to the person designated in Section 13.11 of this Agreement. At the time this notification is made the County may request that the City take custody of a sufficient number of its Medical or Psychiatric Inmates to reduce the number of Medical or Psychiatric Inmates to the capacity limits detailed in Section 11.6, or the County may inform the City that it is willing to continue to house these inmates. During the Initial Fee Period, the premium maintenance day charge in Exhibit III may only be charged when 1) the capacity limit is exceeded, 2) additional staff are assigned and compensated to serve these excess Medical or Psychiatric Inmates, 3) additional medical or psychiatric bed capacity is created, and 4) notice is provided as detailed above in this Section. The premium maintenance day charge is not applicable in the Revised Fee Period.
- 11.8 County requests under Section 11.7 will be made as follows. The billable City with the most recent City Inmate admitted as Medical or Psychiatric Inmate will be asked to take custody of that inmate. During the Initial Fee Period, this process will be repeated until such time as the Medical and Psychiatric populations are reduced below capacity limits, or the Jail is willing to continue to house these inmates at the premium maintenance day charge as detailed in Exhibit III. During the Revised Fee Period, this process will be repeated until such time as the Medical and Psychiatric populations are reduced to below capacity limits, or the Jail is willing to continue to house these inmates.
- 11.9 If the County, pursuant to Sections 11.7 and 11.8, requests that the City take custody of Medical or Psychiatric Inmates, the City shall comply with the County's request. The City may take custody of its<sup>1</sup> Medical or Psychiatric Inmates by picking them up within 24-hours of the County's request, or by notifying the County, within 24-hours of the County's request, that the City would like the County to deliver the inmates to the City's designated drop-off location or a backup location previously provided to the County<sup>2</sup>. If

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<sup>1</sup> Within eight (8)-hours of the County's request, the City may provide the County with the names of other Medical Inmates to substitute for the Medical Inmates identified for pick-up by the County. In the event the City identifies substitute Medical Inmates that are City Inmates, the provisions of Section 11 will continue to apply. In the event the City identifies substitute Medical Inmates that are the responsibility of a different City (Substitute City), the Substitute City will be responsible for picking-up the substitute Medical Inmates within 24-hours of the initial request for pick-up. In the event the Substitute City fails to pick-up its Medical Inmates within 24-hours of initial notification to the City, the County will deliver the Medical Inmates named in the original notification to the City's designated drop-off location or backup location. The substitution procedures outlined in this footnote will also apply to Psychiatric Inmates.

<sup>2</sup> The City's designated drop off location and backup location must be either a facility in the direct control of the City or a facility that is contractually obligated, consistent with the terms of this Agreement, to act as the City's

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the City has not picked-up the Medical or Psychiatric Inmate within 24-hours of the County's request, or the City has requested that the County take the Medical or Psychiatric Inmate to the designated drop-off location or backup location, the County will deliver the Medical or Psychiatric Inmate to the City's designated drop-off location or backup location. In either case, the City's designated drop-off location or backup location must accept delivery from the County, and must be available to do so seven days a week, twenty-four hours a day. In all cases, the County shall provide the receiving entity with Continuity of Care Records, in a sealed envelope, at the time custody is transferred. The City will ensure that the City and the receiving entity comply with all applicable confidentiality laws and rules. Similarly, the City will ensure that Continuity of Care Records are provided to the County at the time custody of a City Inmate receiving the level of care consistent with a Medical or Psychiatric Inmate is transferred to the County.

- 11.10 The County will transport Medical or Psychiatric Inmates to a designated drop-off location or backup location within King County, Washington without charge. The City will pay all transportation costs for Medical or Psychiatric Inmates taken to a designated drop off location or backup location outside of King County, Washington. In no case will the County be obligated to transport a Medical or Psychiatric Inmate out-of-state.
12. Transfer of Property. The parties agree that prior to July 1, 2004 the County will convey, pursuant to the terms of the Land Transfer Agreement attached as Exhibit VI, to the City of Bellevue, Washington, to hold on behalf of all Contract Cities, as third party beneficiaries, certain real property located at 1440 116<sup>th</sup> Avenue N.E. and 1412 116<sup>th</sup> Avenue N.E., Bellevue, Washington (Property). The Contract Cities may at their sole discretion enter into an agreement with other King County cities for the purpose of providing for the disposition of the Property. The Property will be used to contribute to the cost of building secure capacity, or contracting for secure capacity, and, at the sole discretion of the Contract Cities, building or contracting for alternative corrections facilities, sufficient to enable the Contract Cities to meet the final step (occurring on December 31, 2012) of the population reduction schedule as detailed in Sections 11.3 and 11.4 of this Agreement. The parties understand that the Property may be sold or traded and the proceeds and/or land acquired from such sale or trade used for the purposes detailed in the preceding sentence. The parties further agree that in the event the cities do not build secure capacity, or contract for secure capacity, and, at the sole discretion of the Contract Cities build or contract for alternative corrections facilities, sufficient to enable the Contract Cities to meet the final step (occurring on December 31, 2012) of the population reduction schedule as detailed in Sections 11.3 and 11.4 of this Agreement the City of Bellevue shall transfer title to the Property back to the County if such Property has not been sold; or if such Property has been sold, pay the County an amount equal to the net sale price of the Property, plus investment interest earned; or if the Property has been traded, pay the County the appraised value of the Property at the time of the trade, as determined by an MIA appraiser selected by mutual agreement of King County and the City of Bellevue, plus investment interest earned. This section shall survive any termination of this Agreement prior to December 31, 2016.

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designated drop-off location or backup location. The City may change their designated drop off location or backup location by notifying the County, in writing, of the change.

Kirkland Interlocal Agreement: Jail Services

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- 12.1 The deadline of December 31, 2012, in the paragraph above is extended to December 31, 2016 for Extension Cities only. As of the date of this Amendment, the Property has been sold and the proceeds (the "Property Proceeds") distributed to cities per the allocation in Exhibit VIII, attached.
- 12.2 The County waives any right it may have otherwise asserted, under this Amendment or the Original Agreement or the Land Transfer Agreement between Bellevue and the County, to seek recovery of Property Proceeds from any City to which Property Proceeds have been allocated that has in good faith expended the Property Proceeds for the purposes prescribed in this Section. Except as otherwise expressly provided below, in the event any City receiving Property Proceeds expends such proceeds for purposes inconsistent with this Section, the County shall only seek to recover those misspent Property Proceeds.
- 12.3 With respect to Property Proceeds allocated to the City that remain unexpended as of December 31, 2016:
- 12.3.1 If the City has removed all its Inmates from the County jail facilities by January 1, 2017, the County waives the right to recover Property Proceeds remaining unexpended as of December 31, 2016, unless such Property Proceeds are later spent for purposes inconsistent with the purposes prescribed in Section 12.
- 12.3.2 If the City fails to remove its inmates from County jail facilities by January 1, 2017, in addition to other rights and remedies it may have, the County may seek recovery of those Property Proceeds allocated to the City, which were unexpended as of December 31, 2016.
- 12.4 The parties agree that nothing in any provision of this Agreement shall be interpreted to allow the Extension Cities to use the proceeds from the sale of the Property to subsidize any payments owed to the County under the terms of the Agreement or Amendment. The parties further agree that the intent of this Section 12 is to provide financial assistance to cities to contribute to the cost of building secure capacity, or contracting for secure capacity, and, at the sole discretion of the Extension Cities, building or contracting for alternative corrections facilities, sufficient to enable the Extension Cities to meet the final step (occurring on December 31, 2016) of the population reduction schedule as detailed in Section 11.5.2 of this Agreement.
- 12.5 The parties agree that, for the purposes of this Section 12, "alternative corrections facilities" means facilities in which work release, electronic home detention, work crews, day reporting, evening reporting or other community programs are operated by the Contract Cities or Extension Cities. This definition of "alternative corrections facilities" is not intended to alter in any way the definition of "Jail" found in section 1.10 of the Agreement.

13. General Provisions.

- 13.1 Other Facilities. This Agreement reserves in each party the power to establish a temporary holding facility during a riot, civil disobedience or natural disaster, to establish group homes or other care or rehabilitation facilities in furtherance of a social service program, to temporarily transfer inmates to alternative detention facilities in order to respond to jail overcrowding, and to comply with a final order of a federal court or a state court of record for the care and treatment of inmates.
- 13.2 Grants. Both parties shall cooperate and assist each other toward procuring grants or financial assistance from the United States, the State of Washington, and private benefactors for the Jail, the care and rehabilitation of inmates, and the reduction of costs of operating and maintaining Jail facilities.
- 13.3 [Section number reserved].
- 13.4 Severability. If any provision of this Agreement shall be held invalid, the remainder of this Agreement shall not be affected thereby.
- 13.5 Remedies. No waiver of any right under this Agreement shall be effective unless made in writing by the authorized representative of the party to be bound thereby. Failure to insist upon full performance of any one or several occasions does not constitute consent to or waiver of any later non-performance nor does payment of a billing or continued performance after notice of a deficiency in performance constitute an acquiescence thereto. The parties are entitled to all remedies in law or equity.
- 13.6 Exhibits. This Agreement consists of several pages plus the following attached exhibits, which are incorporated herein by reference as fully set forth:
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|--------------|---|
| Exhibit I    | Method of Determining Billable Charge and Agency  |
| Exhibit II   | Exception to Billing Procedure  |
| Exhibit III  | Maintenance Charge, Premium Maintenance Charge, Booking Fee, Surcharges and Offsite Medical Charges |
| Exhibit IV   | Population Alert and Reduction Plan   |
| Exhibit V    | Comparison of Estimated King County Jail Bed Demand and Supply 2002 to 2005 Table                   |
| Exhibit VI   | Land Transfer Agreement   |
| Exhibit VII  | List of Cities  |
| Exhibit VIII | Distribution of Property Proceeds   |
| Exhibit IX   | 2008 City Average Daily Population  |
- 13.7 Not Binding on Future Agreements. This Agreement does not bind the parties as to the terms, fees, or rate formulas to be included in any future jail services agreements.
- 13.8 Entire Agreement. This Agreement as amended represents the entire understanding of the parties and supersedes any oral representations that are inconsistent with or modify its terms and conditions.

Kirkland Interlocal Agreement: Jail Services

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- 13.9 Modifications. All provisions of this Agreement may be modified and amended with the mutual written consent of the parties hereto.
- 13.10 Force Majeure. In the event either party's performance of any of the provisions of this Agreement become impossible due to Force Majeure, that party will be excused from performing such obligations until such time as the Force Majeure event has ended and all facilities and operations have been repaired and/or restored.
- 13.11 Notices. Except as otherwise provided in this Agreement, any notice required to be provided under the terms of this Agreement, shall be delivered by certified mail, return receipt requested or by personal service to the following person:

For the City:

For the County:

Director  
King County Department of Adult and Juvenile Detention  
500 5<sup>th</sup> Avenue  
Seattle, WA 98104

- 13.12 [Section number reserved].
- 13.13 Council Approval. The parties' obligations under this Agreement are subject to official City or County Council approval.
- 13.14 Information. The parties further agree to share data and information for the purpose of assisting the Contract Cities in the planning and construction of secure capacity, contracting for secure capacity or alternative correction facilities.
14. Terms to Implement Amendment.
- 14.1. Amendment Offered and Minimum ADP Required. The County will offer this Amendment to the cities listed in Exhibit VII. Such offer is open to those cities until May 1, 2010 or such later date as may be approved by King County. The County's offer is a conditional offer that may be withdrawn if the Amendment is not executed on or prior to May 1, 2010 by cities which in 2008 cumulatively housed not less than 70% of the total 2008 Cities Average Daily Population (ADP) (a 2008 ADP of 199.49) in the

County jail system. 2008 ADP for each Contract City, to be used to determine the total ADP of cities executing this amendment, is set forth in Exhibit IX.

- 14.2. Effective Date. The effective date of this Amendment is May 1, 2010.
- 14.3. Latecomers. Any Contract City not party to this Amendment which seeks jail services from the County during the period from January 1, 2012 through December 31, 2016 must reach agreement as to the terms of such “latecomer contract” through negotiation with the County, and any latecomer contract as so negotiated shall be subject to the concurrence (meaning a statement of willingness to allow the County and the city to enter into such contract) of all Extension Cities. In recognition of the risks assumed and costs incurred by both the County and the Extension Cities as a result of entering into this Amendment, any such latecomer contract will include a latecomers charge as further defined below.
- 14.3.1 Except as provided in Section 3.2 below, the latecomers charge shall equal 400% of the cumulative increase in surcharge revenue that the County *would have received from the latecomer city* had that city signed this Amendment effective May 1, 2010, based on the latecomer city’s *actual jail usage under the Original Agreement* over the period from November 1, 2010 through December 31, 2012 or the date the latecomer agreement takes effect, whichever is earlier. The calculation of the latecomers charge shall thus *exclude* consideration of booking fee, maintenance charge and WER charge revenues that would have been incurred, but shall *include* all other services provided by the County that would have resulted in imposition of surcharges to the latecomer city had the latecomer city signed this Amendment effective May 1, 2010 (e.g., Infirmary Care Surcharge, Acute Psychiatric Care Surcharge, Non-Acute Psychiatric Care Surcharge, and 1:1 Guarding Surcharge). *In addition*, any Offsite Medical Charges that were incurred by the County on behalf of the latecomer city after May 1, 2010, will be added to the latecomer penalty but shall not be subject to the 400% multiplier.
- 14.3.2 Notwithstanding the foregoing, the latecomer charge will be 250% of the cumulative surcharge revenue increase calculated per Section 3.1 above if the Extension Cities signatory to this Amendment together represent not less than 75% of the 2008 Cities Average Daily Population (ADP) (a 2008 ADP of 213.74). 2008 ADP for each Contract City, to be used to determine the whether this lower 250% fee increase is applicable, is set forth at Exhibit IX. In addition, any Offsite Medical Charges that were incurred by the County on behalf of the latecomer city after May 1, 2010, will be added to the latecomer penalty but shall not be subject to the 250% multiplier.
- 14.3.3 The latecomer charge will be budgeted as DAJD revenue and applied to reduce costs on a one-time basis for the County and all Extension Cities. Proceeds of the latecomer charge will be allocated between the County and the Extension Cities based on the ratio of County responsible inmate ADP to the Extension Cities aggregate responsible inmate ADP for the immediately preceding calendar

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year, with each Extension City receiving a pro rata share of the total Extension Cities allocation based on its ADP for the immediately preceding calendar year.

- 14.4. City Efforts Towards Additional/Future Detention Capacity. The City confirms that it is engaged in planning to finance and construct or otherwise secure additional jail capacity to be available to the City, or to the City and other parties, by the end of the term of this Agreement. Also, if the City had an Average Daily Population of 2 or more in 2008 at King County facilities, the City has entered or will enter into a contract or contracts with third parties for jail bed capacity for City misdemeanor offenders, or will add capacity to its own jail facilities, in order to supplement the jail bed capacity available to the City for the entire term of this Agreement.
- 14.5. Filing. As provided by RCW 39.34.040, this Amendment shall be filed with the King County Department of Records and Elections.
- 14.6. Council Approval. The parties' obligations under this Amendment are subject to official City and City Council approval of the Amendment.
- 14.7. Assignment/Subcontracting. The City may not assign or subcontract any portion of this Amendment or transfer or assign any claim arising pursuant to this Amendment.
- 14.8. Severability. If any provision of this Agreement shall be held invalid, the remainder of this Agreement shall not be affected thereby.
- 14.9. No-Third Party Beneficiaries. There are no third-party beneficiaries to this Amendment. No person or entity other than a party to this Amendment shall have any rights hereunder or any authority to enforce its provisions, and any such rights or enforcement must be consistent with and subject to the terms of this Amendment.
- 14.10. Execution in Counterparts. This Amendment and any amendments thereto, shall be executed on behalf of each Party by its duly authorized representative and pursuant to an appropriate motion, resolution or ordinance. The Amendment may be executed in any

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number of counterparts, each of which shall be an original, but those counterparts will constitute one and the same instrument.

King County

City of Kirkland

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Dow Constantine  
King County Executive

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By:  
City Manager

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Date

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Date

Approved as to Form:

Approved as to Form:

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King County  
Deputy Prosecuting Attorney

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Robin Jenkinson, City Attorney

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Date

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Date

**EXHIBIT I**  
**Method of Determining Billable Charge and Agency**

Daily the billing program examines the open charges for each active booking and applies a uniform set of rules to select the billable charge. Then the billable agency is determined from the billable charge. Under these rules, the most serious charge, as determined by type of charge (felony, investigation, misdemeanor), pretrial or sentenced status and bail amount, is considered the principal basis for incarceration, pursuant to Section 1 of this Agreement.

The procedure for selecting the billable charge is as follows. The program will proceed in sequence through the series of procedures only as far as needed to isolate one charge as billable.

1. Select the only felony or investigation of felony charge. If there are more than one, go to Rule 2. If there are no felony or investigation of felony charges, proceed to Rule 3.
2. Select the charge with charge status other than Federal or Immigration. If there are no other charge statuses, determine if the charge is Federal or Immigration and bill accordingly.
3. Select the only misdemeanor charge. If there are more than one, continue to Rule 4.
4. Select the sentenced charge. Find the agency with the longest sentence. If there are no sentenced charges, go to Rule 6.
5. If there is no longest sentence, or if all are sentences of equal length, select the charge with the earliest sentence date.
6. Select the charge for the arresting agency. If there is no arresting agency or charges, select the earliest charge entered and set the billable agency of that charge.
7. If there are no sentenced charges, and if the arresting agency has no charge, then find the agency having the highest total accumulated bail amount and select the first charge entered for that agency.
8. If bail is equal among jurisdictions and no charges are sentenced, or if all charges are sentences of equal length, select the charge having the earliest charge number.

Kirkland Interlocal Agreement: Jail Services

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**EXHIBIT II**  
**Exception to Billing Procedure between King County**  
**and Cities Signing the Agreement for Jail Services**

For persons serving the one and two day commitments pursuant to the mandatory DUI sentence grid who report directly from the community to the Jail for incarceration, inmate day shall not be defined according to Section 1.8 of the Agreement. Instead, inmate day shall be defined as a twenty-four hour period beginning at the time of booking. Any portion of a twenty-four hour period shall be counted as a full inmate day. The number of days billed for each sentence shall not exceed the sentence lengths specified on the court commitment.

Two examples are provided for illustration:

Two-day sentence served on consecutive days:

John Doe	Booked 7/1/90 0700	Released 7/3/90 0700
	Number of inmate days = 2	

Two-day sentence served on non-consecutive days:

John Doe	Booked 7/1/90 0700	Temporary Release 7/2/90 0700
	Return to Jail 7/8/90 0700 Number of Inmate days = 2	Released 7/9/90 0700

The Department of Adult and Juvenile Detention will apply this definition of inmate day to the City's direct DUI one and two-day inmates by adjusting the City's monthly bill before it is sent to the City. If the changes are not made for some reason, the City will notify the Department of Adult and Juvenile Detention, which will make the necessary adjustments.

**EXHIBIT III**  
**Maintenance Charge, Premium Maintenance Charge, Booking Fee, Surcharges and Offsite  
Medical Care Charges**

**A. INITIAL FEE PERIOD**

1. MAINTENANCE CHARGE.

The maintenance charge for 2002 is \$77.37. For each calendar year (or partial year) thereafter during the Initial Fee Period the maintenance charge will be increased by 5.8 percent.

In addition to the 5.8 percent increase, King County will increase the maintenance charge to capture the cost of Capital Expenditures. Capital Expenditures are defined as the cost of repairing and renovating current jail capacity and support and administrative facilities that benefit Jail operations. Capital Expenditures include the Integrated Security Project (ISP) and the Courthouse Seismic Stabilization Project (CSSP). Additional Capital Expenditures will be included in the maintenance charge if such expenditures benefit City Inmates. Any Capital Expenditure that solely benefits County Inmates will not be charged to the City.

Capital Expenditures will be calculated in proportion to the square footage that benefits adult detention. Cities will be billed their proportionate share based on the total number of inmate days. DAJD will estimate the total number of inmate days for a given year. By April 30<sup>th</sup> of the following year DAJD will reconcile this capital expenditure number and adjust the City's next billing accordingly.

The County shall provide its 6-year CIP and its 6-year major maintenance plan to the City on an annual basis. The County will provide a detailed line item budget of each Capital Expenditure. If the City disputes that the Capital Expenditure benefits City Inmates or otherwise disputes the inclusion of the Capital Expenditure or any portion of the Capital Expenditures' budget in the maintenance fee, the matter will be referred to JAG as described in Section 4 of this Agreement. Capital Expenditures will not be charged to the City to the extent such Capital Expenditures are covered by federal grants, state grants, insurance proceeds, capital maintenance reserves or voter approved capital funding for jail related improvements. King County will provide the City with a sample calculation of the maintenance charge for the years 2002-2005, which will include a rough estimate of Capital Expenditures.

Capital Expenditure charges shall begin, if debt financed, when debt service payments begin for the permanent financing of the Capital Expenditure and shall continue until the end of the debt amortization unless the debt amortization is less than fifteen (15) years, in which case the charges to the cities will be amortized over fifteen (15) years. If the Capital Expenditure is not debt financed, Capital Expenditure charges shall be based on actual expenditures. The County will make available documentation evidencing such expenditures.

2. PREMIUM MAINTENANCE CHARGE.

The premium maintenance charge for 2002 for Medical and Psychiatric Inmates is \$205.35 and may only be charged consistent with the conditions in Section 11.7 of the Agreement. For each calendar year (or partial year) thereafter during the Initial Fee Period, the premium maintenance charge will be increased by 5.8 percent.

### 3. BOOKING FEE.

The booking charge for 2002 is \$148.78. For each calendar year (or partial year) thereafter during the Initial Fee Period the booking charge will be increased by 5.8 percent.

## **B. REVISED FEE PERIOD**

During the Revised Fee Period, the City shall pay the fees, charges, surcharges and Offsite Medical Charges with such annual adjustments for inflation or other re-sets as described below.

### 1. MAINTENANCE CHARGE

a. The maintenance charge starting November 1, 2010 and for the remainder of the calendar year 2010, excluding any adjustments for Capital Expenditure Charges, will be **\$105.93**. The maintenance charge shall be annually adjusted as described in Subsection 5 below.

b. In lieu of the maintenance charge, the City will be charged a Work and Education Release (WER) Charge for each Inmate Day in which a City Inmate is in the WER program. Starting November 1, 2010 and for the remainder of the calendar year 2010, excluding any adjustments for Capital Expenditure Charges, the WER Charge will be **\$78.58**. The WER Charge shall be annually adjusted as described in Subsection 5 below.

i. There are a limited number of WER beds available to cities. The Contract Cities and Extension Cities may collectively access up to 15 WER beds. The availability of these beds to Cities is further subject to availability on a first-come, first-serve basis: these beds will not be held in reserve for cities and no more than 15 WER beds will be made available for all Contract Cities and Extension Cities Inmates at any time.

ii. A City responsible for an Inmate admitted directly to WER will continue to be charged a booking fee for that Inmate,

c. During the Revised Fee Period, in addition to the annual adjustments to the maintenance charge and WER charge described above, King County will increase the maintenance charge and WER charge to capture the cost of Capital Expenditures in a manner consistent with that provided for the Initial Fee Period as restated in this subparagraph (c) and subsections (i) – (iii) below. Capital Expenditures are defined as the cost of repairing and renovating current jail capacity and support and administrative facilities that benefit Jail operations. Capital Expenditures include the Integrated Security Project (ISP) and the Courthouse Seismic Stabilization Project (CSSP). Additional Capital Expenditures will be included in the maintenance charge and WER charge if such expenditures benefit City Inmates. Any Capital Expenditure that solely benefits County Inmates will not be charged to the City.

i. Capital Expenditures will be calculated in proportion to the square footage that benefits adult detention. Cities will be billed their proportionate share based on the total number of inmate days. DAJD will estimate the total number of inmate days for a given year. By April 30<sup>th</sup> of the following year DAJD will reconcile this capital expenditure number and adjust the City's next billing accordingly.

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ii. The County shall provide its 6-year CIP and its 6-year major maintenance plan to the City on an annual basis. The County will provide a detailed line item budget of each Capital Expenditure. If the City disputes that the Capital Expenditure benefits City Inmates or otherwise disputes the inclusion of the Capital Expenditure or any portion of the Capital Expenditures' budget in the maintenance fee, the matter will be referred to the Amendment JAG as described in Section 4 of this Agreement. Capital Expenditures will not be charged to the City to the extent such Capital Expenditures are covered by federal grants, state grants, insurance proceeds, capital maintenance reserves or voter approved capital funding for jail related improvements.

iii. Capital Expenditure charges shall begin, if debt financed, when debt service payments begin for the permanent financing of the Capital Expenditure and shall continue until the end of the debt amortization unless the debt amortization is less than fifteen (15) years, in which case the charges to the cities will be amortized over fifteen (15) years. If the Capital Expenditure is not debt financed, Capital Expenditure charges shall be based on actual expenditures. The County will make available documentation evidencing such expenditures.

## 2. BOOKING FEES

a. The booking fee in the Revised Fee Period shall be based on whether or not the Extension City is using the County's Personal Recognizance (PR) screeners for individuals it brings to a County jail facility to be booked. The two booking fees starting November 1 2010 and for the remainder of the calendar year 2010 will be initially set as follows, as illustrated in **Exhibit III-1**:

i. The **Reduced Booking Fee** shall be **\$288.93**. This is the booking fee payable by Extension Cities that are not using the County's PR screeners.

ii. The **Standard Booking Fee** shall be **\$341.82**. This is the booking fee payable by Extension Cities using the County's PR screeners.

b. Extension Cities with a court order on file as of September 1, 2009, confirming that the City and not the County will have authorization to provide PR screening for City inmates, will be qualified for the Reduced Booking Fee in 2010 from and after the beginning of the Revised Fee Period. To qualify for the Reduced Booking Fee in subsequent years, the City must either provide a court order not later than July 1 of the preceding calendar year confirming the City's responsibility for PR screening, or a previously issued court order must remain in effect. If an authorizing court order is revoked or expires and is not renewed, the City will no longer qualify for the Reduced Booking Fee. Notwithstanding the foregoing, the City of Seattle qualifies for the Reduced Booking Fee and shall remain so qualified unless and until the County is provided with a Court order to the contrary.

## 3. SURCHARGES

In addition to payment of the maintenance charge or WER Charge and the booking fee, the City shall pay Surcharges associated with services provided to City Inmates as described below. The types of services provided to an Inmate associated with each Surcharge, and a general description of each Surcharge, is set forth in **Attachment III-2**.

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The initial Surcharge amounts described in paragraphs (a) – (d) below shall apply from the commencement of the Revised Fee Period through December 31, 2010 and shall thereafter be annually adjusted as described in Section 5 below.

a. **Infirmiry Care.** For Medical Inmates, the City shall pay an Infirmiry Care Surcharge of **\$160.89** for each Surcharge Day.

b. **Non-Acute Psychiatric Care.** For Non-Acute Psychiatric Inmates, the City shall pay a Psychiatric Care Surcharge of **\$65.90** for each Surcharge Day.

c. **Acute Psychiatric Care.** For Acute Psychiatric Inmates, the City shall pay an Acute Psychiatric Care Surcharge of **\$220.54** (which is the sum of the Psychiatric Care Surcharge plus the Acute Psychiatric Housing Surcharge) for each Surcharge Day.

i. The **Acute Psychiatric Housing Surcharge** for each Surcharge Day shall be **\$154.64**.

ii. The **Psychiatric Care Surcharge** for each Surcharge Day of **\$65.90** is added to the Acute Psychiatric Housing surcharge for a total Acute Psychiatric Care Surcharge of **\$220.54**.

d. **1:1 Guarding Surcharge.** The 1:1 Guarding Surcharge is the charge imposed when the County dedicates an individual officer to guard a City Inmate. The Surcharge shall be **\$54.95** per guard *for each hour* or portion thereof, and as further described in Attachment III-2.

e. A **Surcharge Day** is defined as a 24-hour period from midnight to midnight, or any portion thereof, in which an Inmate receives any of the services within the Surcharges listed in subparagraphs (a) – (c) above; *provided that* with respect to the Infirmiry Care Surcharge, Psychiatric Care Surcharge and Acute Psychiatric Surcharge, a maximum of 1 charge may be imposed within the 24-hour period for a single inmate, and the charge imposed shall be the highest applicable charge. For example, if an inmate is placed in Acute Psychiatric Care, released to the general population, and then again placed in Acute Psychiatric Care all within the same 24 hour period (midnight to midnight), a single Acute Psychiatric Care Surcharge will be imposed. Similarly, if an Inmate is placed in Acute Psychiatric Care and then in Non-Acute Psychiatric Care within the 24-hour midnight to midnight period, then a single Acute Psychiatric Care charge will be imposed.

#### 4. OFFSITE MEDICAL CARE CHARGES

In addition to the maintenance charge or WER Charge, the booking fee, and the Surcharges detailed above, the City shall be responsible for payment of all Offsite Medical Care Charges incurred by a City Inmate.

#### 5. INFLATORS AND RE-SETS OF FEES AND CHARGES.

a. All fees and charges, excluding Offsite Medical Care Charges and the Capital Expenditure Charge components of the maintenance charge and WER Charge, shall be annually inflated by the percentage rates described below, effective January 1 of each calendar year starting January 1,

## Kirkland Interlocal Agreement: Jail Services

2011, in order to determine the final rates and charges for said calendar year, subject further to re-set of the underlying “base rates” periodically as described in subsection 5.b below.

**Non-Medical Charges:** the following fees and charges are subject to an annual inflator of 5% (except for calculations requiring inflation of 2009 costs for purposes of determining 2010 costs, 2009 non-medical costs shall be subject to an annual inflator of 3%):

- i. Maintenance Charge
- ii. WER Charge
- iii. Reduced Booking Fee and Standard Booking Fee
- iv. Acute Psychiatric Housing Surcharge
- v. 1:1 Guarding

**Medical Charges:** the following fees and charges are subject to an annual inflator of 6.5% (except for calculations requiring inflation of 2009 costs for purposes of determining 2010 costs, 2009 medical costs shall be subject to an annual inflator of 5%):

- i. Infirmary Care Surcharge
- ii. Psychiatric Care Surcharge

b. Exhibit III-1 shows the allocation of 2007 **Actual Jail Costs** to derive the 2007 fees and charges. As indicated on Exhibit III-1, these 2007 fees and charges were then inflated as described in subsection 5.a above in order to calculate the fees and charges applicable in 2010 as set forth above in Sections B.1, Maintenance Charge, B. 2, Booking Fees, B.3, Surcharges, and B.4, Offsite Medical Care Charges (*excluding the Capital Expenditure Charge which will be a periodically adjusted component added to the maintenance charge and WER Charge*).

Fees and charges payable by the City shall be re-calculated each year based on Actual Jail Costs periodically recalculated, using the same allocation methodology as illustrated in Exhibit III-1, and applying the inflators described in subsection 5.a, as follows (*excluding the Capital Expenditure Charge which will be a periodically adjusted component added to the maintenance charge and WER Charge*):

i. Fees and Charges in 2011 shall be based on **Actual Jail Costs** for 2009, inflated per subsection 5.a above. Thus, the 2009 Actual Jail Costs will be used to derive the set of 2009 base charges and fees in a manner consistent with the calculations in Exhibit III-1. These charges and fees will be inflated by the 2009 inflators (3% for non-medical fees and charges, 5% for medical charges) described in subsection 5.a above to derive the 2010 charges and fees, and then these charges and fees will be inflated again at the rates described in subsection 5.a (5% for non-medical fees and charges, 6.5% for medical charges) to determine the 2011 fees and charges.

ii. Fees and Charges in 2012 shall be determined by inflating the 2011 charges and fees by the inflators described in subsection 5.a above (5% for non-medical fees and charges, 6.5% for medical charges).

iii. Fees and Charges in 2013 shall be based on **Actual Jail Costs** for 2011, inflated per subsection 5.a above (e.g., the 2011 Actual Jail Costs will be used to derive the set of 2011 base charges and fees in a manner consistent with the calculations in Exhibit III-1; these charges and fees shall be inflated by 5%, or 6.5% , per paragraph a above, to derive the 2012 charges and fees, and those

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charges and fees will be inflated again by 5% or 6.5% (per subsection 5.a) to determine the 2013 fees and charges).

iv. Fees and Charges in 2014 shall be determined by inflating the 2013 charges and fees by the inflators described in subsection 5.a above.

v. Fees and Charges in 2015 shall be based on **Actual Jail Costs** for 2013, inflated per subsection 5.a above (e.g., the 2013 Actual Jail Costs will be used to derive the set of 2013 base charges and fees in a manner consistent with the calculations in Exhibit III-1; these charges and fees shall be inflated by 5% or 6.5% per subsection 5.a above, to derive the 2014 charges and fees, and those charges and fees will be inflated by 5% or 6.5% per subsection 5.a above to determine the 2015 fees and charges).

vi. Fees and Charges in 2016 shall be determined by inflating the 2015 charges and fees by the inflators described in subsection 5.a above.

**Actual Jail Costs** means the direct and indirect costs related to operating the Jail, including without limitation health services, as determined by the County's budget reconciliation completed after the end of each calendar/budget year.

Kirkland Interlocal Agreement: Jail Services

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**Exhibit III-1**  
**Illustration of Fee and Charge Calculations**

**MAINTENANCE (DAILY) CHARGE**

During the Revised Fee Period the basis for costs is the Actual Jail Costs. During the Revised Fee Period, the calculation for the 2010 maintenance charge is shown below.

**PART I: CALCULATION OF THE MAINTENANCE (DAILY) CHARGE**

Based on 2007 Actual Jail Costs allocated as shown in Part I, and inflated as per Part II below. The Original Agreement calculation is provided for comparison purposes.

	2002 Original Agreement Methodology (Based on 2002 Budget)	Amendment Methodology (Based on 2007 Actual Jail Costs)
1 Total Department of Adult and Juvenile Detention	\$115,507,372	\$114,398,899
2 Add Actual Final 2007 Arbitration Award		1,432,817
3 Remove 70% of court detail		(4,830,537)
4 Plus County Admin for Detention	702,807	4,100,246
5 Less Juvenile Detention and Associated DAJD Admin	(15,068,957)	(17,273,250)
6 Less CCD Division and Associated DAJD Admin		(6,641,979)
7a Less WER Cost Recovery for 2002 Methodology	(906,882)	
7b Less WER Secure Detention Costs in 2007 included in new WER rate		(1,330,141)
8 Less 1:1 Guarding Detention		(2,022,057)
9 Less Psych Housing DAJD		(2,625,926)
10 Less Booking Costs - Detention ONLY	(8,778,276)	(11,301,708)
SUBTOTAL DETENTION COSTS for Daily Maintenance	<u>91,456,064</u>	<u>73,906,365</u>
11 Total Jail Health Services (JHS) Costs		23,490,898
11a Less Off Site Medical		(97,589)
11b Less Psych Services JHS		(2,861,074)
11c Less Infirmary JHS		(1,432,936)
11d Less Booking Costs - JHS ONLY		(2,360,928)
11e SUBTOTAL JAIL HEALTH COSTS for Daily Maintenance Charge	-	<u>16,738,371</u>
12 SUBTOTAL DAJD plus JHS for Daily Maint. Only	91,456,064	90,644,736

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13	2002 contract Adjustment - not applicable to 2007	853,678	
14	Less DAJD Cost Recoveries		
14a	SMC Transport	(95,239)	(180,050)
14b	Bullet Proof Vests Reimbursement		(14,455)
14c	Medical Reimbursement	(15,000)	(19,695)
14d	SSI Incentive	(130,000)	(159,800)
14e	Inmate Welfare Transfer	(1,110,616)	(411,098)
14f	Home Detention	(168,138)	
14g	Involuntary Treatment	(173,248)	
14h	Commissary	(6,000)	
14i	Debitek Card	(33,463)	
14j	Miscellaneous	(25,000)	
14k	Subtotal DAJD Cost Recoveries	(1,756,704)	(785,098)
15	NET Maintenance Costs	90,553,038	89,859,638
16	Number of Total Maintenance Days	1,170,392	963,276
17	Cost per General Maintenance Day PRIOR to Capital Expenditure Surcharge	77.37	
	5.8% Increase 2003	81.86	
	2004	86.61	
	2005	91.63	
	2006	96.94	
	2007	102.57	\$93.29

**PART II: 2007 ACTUAL JAIL COSTS INFLATED TO 2010**

5% Increase 2008	97.95
5% Increase 2009	102.85
3% Increase to 2010	<b>\$105.93</b>

## NOTES:

- 1 The Original Agreement calculation is based on the DAJD Budget in Essbase (the budget system) and includes 15,600,000 of Jail Health Transfer to Public Health. The Revised Fee Period calculation is based on 14th month ARMS reports (the accounting system which reports actual expenditures).
- 2 Actual 2007 Retro Payment for Guild Arbitration Award
- 3 In the Revised Fee Period, 70% of Court Detail costs are attributed directly to Superior Court, therefore not accessible to the cities and are removed from calculation.

## Kirkland Interlocal Agreement: Jail Services

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- 4 In the Original Agreement 100% of County Admin for Personnel, F/A Mgmt, Mail, State Auditor, and Budget were included in the general maintenance rate. In the Revised Fee Period, County Admin for the same services are included. In addition, County Admin in the Revised Fee Period includes \$3.13mm of Major Maintenance. This amount is the 2007 County adopted contribution from DAJD to the Major Maintenance Reserve Fund for the KCCF and MRJC facilities. It represents the annualized amount necessary to fund major maintenance projects at these two facilities on a rolling 20 year basis- in effect a “depreciation payment,” applicable for each year of use/wear & tear. As of 2009, approximately 87% of the twenty year planned total cost is scheduled to be expended on projects completed before 2014.
- 5 Remove Juvenile Detention Division low orgs (cost centers) and associated DAJD Admin.
- 6 Remove Community Corrections Division (CCD) low orgs (cost centers) and associated DAJD admin.
- 7a In the Original Agreement, WER was included in the daily Maintenance Charge, and therefore, the cost recoveries were removed.
- 7b In the Revised Fee Period, WER is a standalone rate therefore all CCD costs associated with WER including the cost recoveries were removed in line 6. This line represents the removal of the costs from the detention operation that is used to support WER and are now included in the standalone WER Charge.
- 8 In the Revised Fee Period, a new surcharge for 1:1 guarding is established.
- 9 In the Revised Fee Period, a new surcharge charge for services associated with housing the acute psych inmates is established and these costs are removed from the maintenance charge.
- 10 Removal of all detention costs associated with Booking.
- 11 - 11 e In the Revised Fee Period, all jail health services actual direct expenditures for: Offsite Medical Care, Psychiatric Care for Acute- and Non-Acute Psychiatric Inmates, Infirmary Care, and intake health screening are removed from the calculation of the maintenance charge and are instead established as separate surcharges or components of separate charges. All overhead and other remaining direct Jail Health Services costs are included in the jail health portion of the maintenance charge.
- 13 The Original Agreement included an adjustment to bring budget to actuals.
- 14a - 14k Home Detention Costs are removed in the CCD costs on line 6. Involuntary Treatment and Debitex Card which were revenues in the Original Agreement are no longer revenues in the Revised Fee Period. Commissary is included in the inmate welfare fund.
- 16 Calculation of total Maintenance days in 2007 is a weighted average of Secure and WER days based on the allocation of percentage of actual costs.

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- 17 Cost per General Maintenance Day is PRIOR to the additional cost per the Original Agreement for capital expenditure charges and debt service of seismic retrofit and ISP and any other Capital Expenditure charge. Total Amendment Daily Maintenance Charge for 2010 is 105.93 plus Capital Expenditure Surcharge. As of September 2009, the only project being charged is the Seismic Retrofit of approximately 60 cents, and it is anticipated that ISP will be chargeable per the current contract sometime during 2009. The 2010 maintenance charge will be adjusted to reflect changes in the capital expenditure charge as per Exhibit III.A.1 when the debt service payments for chargeable capital expenditures begin.

## Kirkland Interlocal Agreement: Jail Services

**WORK EDUCATION RELEASE (WER) (DAILY) CHARGE**

During the Revised Fee Period the basis for costs is the Actual Jail Costs. During the Revised Fee Period, the calculation for the rate imposed in 2010 is shown below.

**PART I: CALCULATION OF THE WER (DAILY) CHARGE**

Based on 2007 Actual Jail Costs allocated as shown in Part I, and inflated as per Part II below.	Amendment Methodology (Based on 2007 Actual Jail Costs)
1 Direct Detention Staffing Costs	\$1,172,024
2 Add Actual Final 2007 Arbitration Award	19,849.13
3 County and DAJD Admin	138,267.68
5 Subtotal Direct Detention	1,330,140.91
6 Work Release in Community Corrections	1,061,771.21
7 County, DAJD, and CCD Admin	392,648.94
8 Less WER Revenue	(683,650.00)
9 Subtotal CCD WER	770,770.15
10 Subtotal Detention and CCD Costs	2,100,911.06
11 Detention Support Services	1,631,064.33
12 Total WER (Daily) Costs	3,731,975.39
13 Number of Total WER Maintenance Days	53,929
14 WER Cost/Day	69.20

**PART II: 2007 ACTUAL JAIL COSTS INFLATED TO 2010**

5% Increase 2008	72.66
5% Increase 2009	76.29
3% Increase to 2010	<b>\$ 78.58</b>

Kirkland Interlocal Agreement: Jail Services

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## NOTES:

- 1 Detention costs include staffing for 2 posts, plus shift relief, meal delivery, etc.
- 2 Actual 2007 Retro Payment for Guild Arbitration Award.
- 6 Community Corrections costs are for case managers, and administrative staff in WER.
- 8 WER inmate payments for room and food charges are backed out of the total costs.
- 11 Additional services used to support WER include food preparation and food costs, janitorial costs, utilities, supplies, command management, etc. Costs are added proportionately including overhead charges.
- 14 Cost per WER is PRIOR to the additional cost per the Original Agreement for capital expenditure charges and debt service of seismic retrofit and ISP and any other Capital Expenditure charge. Total WER Charge for 2010 is \$78.58 plus Capital Expenditure Surcharge. As of September 2009, the only project being charged is the Seismic Retrofit of approximately 60 cents, and it is anticipated that ISP will be chargeable per the current contract sometime during 2009. The 2010 maintenance charge will be adjusted to reflect changes in the capital expenditure charge as per Exhibit III.A.1 when the debt service payments for chargeable capital expenditures begin.

## Kirkland Interlocal Agreement: Jail Services

**BOOKING FEE**

During the Revised Fee Period the basis for costs is the Actual Jail Costs. During the Revised Fee Period, the calculation for the 2010 booking fee is shown below.

**PART I: CALCULATION OF THE BOOKING FEE**

Based on 2007 Actual Jail Costs allocated as shown in Part I, and inflated as per Part II below. The Original Agreement calculation is provided for comparison purposes.

The Reduced Booking Fee is for cities that do not use County PR Screeners.

The Standard Booking Fee is for cities that use County PR Screeners.

	2002 Original Agreement Methodology (Based on 2002 Budget)	Amendment Methodology (Based on 2007 Actual Jail Costs)	<b>Reduced Booking Fee</b>	<b>Standard Booking Fee</b> ( <i>Amount Added to the Reduced Booking Fee to sum to the Standard Booking Fee</i> )
1 Total Detention Booking Costs	\$ 9,037,412	\$ 9,958,249	\$ 9,958,249	
1a Add Actual Final 2007 Arbitration Award	-	168,651	168,651	
2 Less Intake Adj to Actuals	(259,136)	-	-	
3 Plus PR Screeners and associated Overhead		2,253,961		\$ 2,253,961
4 Plus Jail Health Intake Services		2,360,928	2,360,928	
		1,174,809	1,174,809	
5 Plus County and DAJD Overhead	8,778,276	15,916,598	13,662,636	2,253,961
6 Bookings Per Booking Fee	59,000	53,700	53,700	48,395
2002	148.78			
5.8% Increase 2003	157.41			
2004	166.53			
2005	176.18			
2006	186.42			
2007	197.23	296.40	254.43	46.57

## Kirkland Interlocal Agreement: Jail Services

<b>Reduced Booking Fee 2007</b>	\$254.43	
<b>Total Standard Booking Fee, 2007</b> (254.43 + 46.57)		\$301.00

**PART II: 2007 ACTUAL JAIL COSTS INFLATED TO 2010**

5% Increase 2008	267.15	48.90
5% Increase 2009	280.51	51.35
3% Increase to 2010	<b>\$288.93</b>	52.89
		<b>\$341.82</b>

## NOTES:

- 1 In the Original Agreement PR Screeners, all Administrative and County overhead, and Jail Intake Screening were included in the maintenance charge. The Original Agreement calculation of the booking fee is based on the DAJD Budget in Essbase (the budget system) and does not include all Administrative and County overhead, and Jail Intake Screening; In the Revised Fee Period, the booking fee is based on actual Jail costs and does include all associated Administrative and County overhead.
- 1a Actual 2007 Retro Payment for Guild Arbitration Award.
- 2 The Original Agreement included an adjustment to bring budget to actuals.
- 3 In the Original Agreement PR Screeners were included within the daily maintenance rate. In the Revised Fee Period those costs are now separated as part of the booking fee. These costs are charged to those cities who have chosen to use the County's PR Screeners. A Reduced Booking Fee will be available to cities that do not use County PR screeners. Offering this new lower rate to cities results in an increase in the Standard Booking Fee available to other cities. Cities with a court order on file as of September 1, 2009, confirming that the City and not the County will have authorization to provide PR screening for City inmates will be qualified for the reduced PR booking rate in 2010. To qualify for the reduced booking fee in subsequent years, a City must either provide a court order not later than July 1 of the preceding calendar year confirming the City's responsibility for PR screening, or a previously issued court order must remain in effect. If an authorizing court order is revoked or expires and is not renewed, the City will no longer qualify for the reduced PR booking rate (NOTE: Seattle qualifies for the lower booking rate unless County is provided court order to the contrary).
- 4 Jail intake health screening costs were not separated out from other jail health costs in the Original Agreement. In the Revised Fee Period, jail intake health screening costs are included in the booking fee, and removed from basic jail health (line 11d on the general maintenance day comparison sheet).

Kirkland Interlocal Agreement: Jail Services

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- 5 County and DAJD admin was charged 100% within the maintenance charge in the Original Agreement. In the Revised Fee Period, overhead is allocated based on proportionate share of the actual expenditures including allocating costs to the booking charge.
- 6 In the Original Agreement the Total Estimated Bookings were used as the divisor. In the Revised Fee Period, total actual Bookings are used to calculate the Reduced Booking fee, and Total Bookings less Seattle (or the total number of bookings for cities which are NOT using King County PR Screeners) is used as the divisor for the PR Screener Cost element only.

## Kirkland Interlocal Agreement: Jail Services

**INFIRMARY (Daily) SURCHARGE (Jail Health Services)**

During the Revised Fee Period the basis for costs is the Actual Jail Costs. During the Revised Fee Period, the calculation for the 2010 infirmatory surcharge is shown below.

**PART I: CALCULATION OF THE INFIRMARY (DAILY) SURCHARGE (Jail Health Services)**

Based on 2007 Actual Jail Costs allocated as shown in Part I, and inflated as per Part II below.	Amendment Methodology (Based on 2007 Actual Jail Costs)
<b>Infirmatory Surcharge</b>	
1 JHS Infirmatory Staffing Costs	\$1,148,866
2 JHS Infirmatory Non-Staffing Costs	\$284,070
3 Total JHS Infirmatory Costs	\$1,432,936
<hr style="border-top: 1px dashed black;"/>	
4 Number of total maintenance days for the Infirmatory (Location: Infirmatory or successor location)	29.06
5 JHS Infirmatory Fee per inmate/day	\$135.09

**PART II: 2007 ACTUAL JAIL COSTS INFLATED TO 2010**

6.5% Increase 2008	143.88
6.5% Increase 2009	153.23
5% Increase to 2010	<b>\$160.89</b>

## NOTES:

- 1 Actual 2007 wage and benefit costs for JHS staff who provided services to inmates in the Infirmatory. Costs are allocated to the Infirmatory Surcharge based upon the number of shifts scheduled in the Infirmatory as a percentage of all JHS shifts scheduled in the jails. Scheduled shifts are based upon the most current staffing model designed and flexed to meet the needs of a changing population. The staffing model used for calculation of the Amendment rate was in place in September, 2008 (at the time the cost model was updated).
- 2 Actual 2007 costs for pharmaceuticals (including intravenous medications and supplies), medical supplies and medical equipment for inmates in the Infirmatory.
- 3 Ties to 11c of the General Maintenance Daily Charge.
- 4 Actual Maintenance Days for Infirmatory Location or Successor Location as defined in "Maintenance Day Population by Jurisdiction and Housing Type" - Infirmatory - Total ADM. See 2007 Report attached to this Exhibit (Attachment III-1).

Kirkland Interlocal Agreement: Jail Services

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### **PSYCHIATRIC CARE SURCHARGE (Jail Health Services)**

During the Revised Fee Period the basis for costs is the Actual Jail Costs. During the Revised Fee Period, the calculation for the 2010 Psychiatric Care Surcharge is shown below.

#### **PART I: CALCULATION OF THE PSYCHIATRIC CARE (DAILY) SURCHARGE (JHS)**

	Based on 2007 Actual Jail Costs allocated as shown in Part I, and inflated as per Part II below.	Amendment Methodology (Based on 2007 Actual Jail Costs)
1	JHS Psychiatric Care Staffing Costs	\$2,516,990
2	JHS Psychiatric Care Non-Staffing Costs	344,084
3	Total JHS Psychiatric Care Costs	2,861,074
4	Number of total maintenance days for Inmates receiving Psychiatric Care Services	141.67
5	JHS Psychiatric Care Fee per inmate/day	\$55.33

#### **PART II: 2007 ACTUAL JAIL COSTS INFLATED TO 2010**

6.5% Increase 2008	58.93
6.5% Increase 2009	62.76
5% Increase to 2010	<b>\$65.90</b>

#### NOTES:

- Actual 2007 wage and benefit costs for JHS staff who provided services to the Acute and Non-Acute Psychiatric Housing units. Costs are allocated to the Psych Care Surcharge based upon the number of shifts scheduled in psych housing units as a percentage of all JHS shifts scheduled in the jails. Scheduled shifts are based upon the most current staffing model designed and flexed to meet the needs of a changing population. The staffing model used for calculation of the Amendment rate was in place in September, 2008 (at the time the cost model was updated).
- Actual 2007 costs for pharmaceuticals and medical supplies for inmates in Acute and Non-Acute Psychiatric housing.
- Ties to 11b of the General Maintenance Daily Charge.
- Actual Maintenance Days for 7North Location or Successor Location as defined in "Maintenance Day Population by Jurisdiction and Housing Type" - (Acute Psych - Total ADM PLUS Non-Acute Psych - Total ADM). See 2007 Report attached to this Exhibit (Attachment III-1).

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### **ACUTE PSYCHIATRIC HOUSING (Daily) SURCHARGE**

During the Revised Fee Period the basis for costs is the Actual Jail Costs. During the Revised Fee Period, the calculation for the 2010 acute psychiatric housing component of the 2010 acute psychiatric surcharge is shown below.

#### **PART I: CALCULATION OF THE ACUTE PSYCH HOUSING (DAILY) COMPONENT OF THE ACTURE PSYCHIATRIC SURCHARGE**

Based on 2007 Actual Jail Costs allocated as shown in Part I, and inflated as per Part II below.

Amendment Methodology  
(Based on 2007 Actual Jail Costs)

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Direct Detention Staffing Costs	\$2,313,777
Add Actual Final 2007 Arbitration Award	39,186
County and DAJD Admin	272,964
Total Acute Psych Jail Costs	2,625,926
	-----
Number of Total Maintenance Days for Acute Psych Housing (7North location or successor location)	52.83
Acute Pysch Housing (Daily) Surcharge	<b>\$136.18</b>

#### **PART II: 2007 ACTUAL JAIL COSTS INFLATED TO 2010**

5% Increase 2008	142.99
5% Increase 2009	150.14
3% Increase to 2010	<b>\$ 154.64</b>

Detention costs include staffing (salaries, benefits, meals) for 5 posts.

Actual 2007 Retro Payment for Guild Arbitration Award.

In the Revised Fee Period, overhead is allocated based on proportionate share of the actual expenditures.

Actual Maintenance Days for 7North Location or Successor Location as defined in "Maintenance Day Population by Jurisdiction and Housing Type" – Acute Psych - Total ADM. See 2007 Report attached to this Exhibit (Attachment III-1).

Kirkland Interlocal Agreement: Jail Services

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### **1:1 GUARDING (Hourly) SURCHARGE**

During the Revised Fee Period the basis for costs is the Actual Jail Costs. During the Revised Fee Period, the calculation for the 2010 1:1 Guarding Surcharge is shown below.

#### **PART I: CALCULATION OF THE 1:1 GUARDING (HOURLY) SURCHARGE**

Based on 2007 Actual Jail Costs allocated as shown in Part I, and inflated as per Part II below.

Amendment Methodology  
(Based on 2007 Actual Jail Costs)

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Direct Detention Staffing Costs	\$1,781,691
Add Actual Final 2007 Arbitration Award	30,174
County and DAJD Admin	210,192
Total 1:1 Guarding Costs	2,022,057
<hr style="border-top: 1px dashed black;"/>	
Number of Average Officers per day	4.77
1:1 Guarding Cost/Day	1,161.48
1:1 Guarding Cost/Hour	48.39

#### **PART II: 2007 ACTUAL JAIL COSTS INFLATED TO 2010**

5% Increase 2008	50.81
5% Increase 2009	53.35
3% Increase to 2010	<b>\$54.95</b>

Detention costs based on total number of 1:1 Guarding hours incurred in 2007.

Actual 2007 Retro Payment for Guild Arbitration Award.

In the Revised Fee Period, overhead is allocated based on proportionate share of the actual expenditures.

## Kirkland Interlocal Agreement: Jail Services

**Attachment III-1**  
**King County Department of Adult and Juvenile Detention**  
**Maintenance Day Population by Jurisdiction and Housing Type**  
**for January 2007 through December 2007**

**Maintenance Day Population**

<b>Jurisdiction</b>	<b>Acute Psych</b>	<b>Non-Acute Psych</b>	<b>Infirmatory</b>	<b>Number</b>	<b>% of Total ADM</b>	<b>All Other</b>	<b>Total</b>
Algona	0.00	0.00	0.01	0.02	7.3%	0.21	0.22
Auburn	0.71	1.07	0.09	1.87	17.9%	8.58	10.45
Beaux Arts	0.00	0.00	0.00	0.00	.	0.00	0.00
Bellevue	0.50	0.50	0.26	1.26	12.2%	9.10	10.36
Black Diamond	0.00	0.01	0.00	0.01	100.0%	0.00	0.01
Bothell	0.03	0.14	0.01	0.17	25.8%	0.50	0.67
Burien	0.30	0.61	0.39	1.30	15.5%	7.09	8.39
Carnation	0.02	0.02	0.00	0.04	65.0%	0.02	0.05
Clyde Hill	0.02	0.00	0.00	0.02	5.2%	0.45	0.47
Covington	0.03	0.02	0.01	0.06	3.5%	1.67	1.73
Des Moines	0.33	0.36	0.23	0.92	13.2%	6.03	6.95
Duvall	0.02	0.00	0.00	0.02	6.1%	0.25	0.27
Federal Way	0.59	0.36	0.42	1.36	17.4%	6.47	7.84
Hunts Point	0.00	0.00	0.00	0.00	.	0.00	0.00
Issaquah	0.03	0.00	0.07	0.10	68.5%	0.05	0.15
Kenmore	0.19	0.10	0.05	0.33	10.8%	2.75	3.08
Kirkland	0.37	0.77	0.21	1.35	29.5%	3.22	4.57
Lake Forest Park	0.01	0.10	0.00	0.11	4.3%	2.44	2.55
Maple Valley	0.04	0.07	0.00	0.11	24.1%	0.34	0.44
Medina	0.02	0.01	0.01	0.04	4.7%	0.84	0.88
Mercer Island	0.01	0.00	0.01	0.01	5.6%	0.23	0.24
Newcastle	0.00	0.00	0.00	0.00	0.0%	0.66	0.66
Normandy Park	0.00	0.00	0.02	0.02	5.5%	0.33	0.35
North Bend	0.00	0.00	0.02	0.02	5.1%	0.36	0.38
Pacific	0.00	0.00	0.00	0.00	0.0%	0.04	0.04
Redmond	0.33	0.51	0.06	0.90	23.0%	2.99	3.89
Renton	0.56	0.69	0.15	1.40	18.0%	6.39	7.79
Sammamish	0.00	0.00	0.02	0.02	3.8%	0.42	0.43
Seatac	0.13	0.26	0.05	0.44	6.7%	6.21	6.65

## Kirkland Interlocal Agreement: Jail Services

Jurisdiction	Acute Psych	Non-Acute Psych	Infirmatory	Number	% of Total ADM	All Other	Total
Shoreline	0.59	0.67	0.19	1.45	12.8%	9.84	11.29
Skykomish	0.00	0.00	0.00	0.00	.	0.00	0.00
Snoqualmie	0.02	0.00	0.00	0.02	12.5%	0.12	0.13
Tukwila	1.01	0.84	0.28	2.13	11.6%	16.24	18.37
Woodinville	0.08	0.19	0.02	0.30	11.6%	2.28	2.58
Yarrow Point	0.00	0.00	0.00	0.00	.	0.00	0.00
<i>Subtotal Non-Seattle</i>	<i>5.94</i>	<i>7.30</i>	<i>2.56</i>	<i>15.80</i>	<i>14.1%</i>	<i>96.08</i>	<i>111.88</i>
Seattle	11.45	13.54	6.28	31.28	14.7%	181.78	213.07
<b>Total All Cities</b>	<b>17.40</b>	<b>20.84</b>	<b>8.85</b>	<b>47.08</b>	<b>14.5%</b>	<b>277.87</b>	<b>324.95</b>
DOC	7.03	9.96	3.55	20.54	9.1%	205.99	226.53
King County/Other	28.40	58.05	16.66	103.11	5.0%	1,947.52	2,050.62
<b>Total ADM</b>	<b>52.83</b>	<b>88.84</b>	<b>29.06</b>	<b>170.73</b>	<b>6.6%</b>	<b>2,431.38</b>	<b>2,602.10</b>

(A)

(A) This report is calculated from the Daily Count Process and based on logic to simulate the billing data. It does not adjust to the end of the month billing process. The total maintenance in the cost model is based on the actual monthly billable data per the billing system.

## Kirkland Interlocal Agreement: Jail Services

**Attachment III-2****Summary Description of Cost Model Surcharges and Pass-Through Charges**

	<b>Surcharge</b>	<b>Description</b>
1.	<b>1:1 Guarding</b>	Cost to guard an inmate in a 1:1 situation. Most common occurrence is at hospital or at off site medical appointments. If more than one guard is required, then the rate would be the multiple of guards.
2.	<b>Acute Psychiatric Care</b> (two components) – billed by location (7North in KCCF or successor location)	
	a. Psychiatric Care Surcharge	Costs for Jail Health Services (JHS) treatment team for services listed below for Psychiatric Care.
	b. Acute Psychiatric Housing Surcharge	Costs for additional officer staffing for: 15-minute checks, assistance with feeding, emergency responses, escorts, and other necessary services to provide for an inmate who poses a potential danger to him or her self.
3.	<b>Non-Acute Psychiatric Care</b> (one component)	
	a. Psychiatric Care Surcharge	Costs for JHS Psychiatric treatment team for services listed below for Psychiatric Care.
4.	<b>Infirmiry Care</b>	Costs for JHS Infirmiry care, services listed on reverse.

	<b>Pass-Through Charge</b>	<b>Description</b>
5.	<b>Off-Site Medical Charges</b>	Costs for inmates to receive services from outside medical providers (services not available from JHS). Examples include: <ul style="list-style-type: none"> <li>❖ Hospital care</li> <li>❖ Dialysis</li> <li>❖ Cancer treatment (chemotherapy, radiation)</li> <li>❖ Specialized transport to medical appointments (wheelchair bound inmates)</li> </ul>

**JHS Psychiatric Care**

<b>Services Provided:</b>	<b>Criteria:</b>
<ul style="list-style-type: none"> <li>❖ Psychiatric Housing</li> <li>❖ Psychiatric Treatment &amp; Management</li> <li>❖ Psychiatric Treatment Team Monitoring</li> <li>❖ Medication Administration</li> <li>❖ Mental Health Crisis Counseling</li> <li>❖ Psychiatric Therapy Groups</li> </ul>	<i>Inmates with severe or unstable mental health conditions are placed in psychiatric housing units and receive a level of monitoring and care based on the acuity of their mental illness. Inmates in psychiatric housing are evaluated upon admission and then re-evaluated on a regular basis by a multi-disciplinary treatment team.</i>

## Kirkland Interlocal Agreement: Jail Services

**JHS Infirmary Care**

<b>Services Provided:</b>	<b>Criteria:</b>
<ul style="list-style-type: none"> <li>❖ 24-hour Skilled Nursing Care</li> <li>❖ Daily Provider Rounds</li> <li>❖ Treatment and Management of Complex Disease States</li> <li>❖ Medication Administration</li> <li>❖ Activities of Daily Living Assistance</li> <li>❖ Alcohol Detoxification</li> </ul>	<p><i>Inmates who meet diagnostic criteria that require 24-hour skilled nursing care are housed in the KCCF Infirmary. Examples include but are not limited to:</i></p> <ul style="list-style-type: none"> <li>❖ <i>Substance abusers requiring medical detoxification/withdrawal management (chronic alcoholics and opiate addicted pregnant females);</i></li> <li>❖ <i>Individuals with non-stable medical conditions such as: need for kidney dialysis, wired jaws, newly started on blood thinning medication;</i></li> <li>❖ <i>Individuals who are mobility impaired and/or not independent in activities of daily living;</i></li> <li>❖ <i>Individuals requiring IV therapy or with central lines in place;</i></li> <li>❖ <i>Individuals who are acutely ill, post surgical, who require convalescent care, and those with conditions requiring extensive treatment and frequent monitoring; and</i></li> <li>❖ <i>Individuals with severe respiratory problems requiring nebulizer treatments, oxygen and close observation.</i></li> </ul> <p><i>Inmates are formally admitted to infirmary care following assessment by a physician or nurse practitioner and then monitored daily by provider and nursing staff. Discharge from the infirmary occurs either at the time of release from jail or as the patient's condition improves and can be safely managed in general population housing. Some individuals remain in infirmary care for the duration of their incarceration.</i></p>

## **EXHIBIT IV**

### **Population Alert and Reduction Plan**

This Population Alert and Reduction Plan (PARP) attempts to balance the needs of the local criminal justice system for adequate secure bed space and the County's ability to prevent excessive and unmanageable crowding conditions. Periodic reports (at least quarterly) will be provided by the County and the Cities to the Jail Agreement Administration Group established in the Agreement on PARP implementation efforts.

#### **I. Reduction Plan: Initial Steps**

It is the goal of King County and the Contract Cities to avoid reaching population levels that trigger population alerts. To this end the parties will examine current practices and to the extent available use population reduction strategies and alternatives to secure detention programs to reduce reliance on secure jail beds.

In addition, during 2002 and 2003 the following actions will be undertaken to prepare for the possibility of a mismatch between capacity and demand for secure jail beds.

1. Development and implementation of the notification system outlined below by November 15, 2002.
2. The Contract Cities will sign a contract to be effective no later than third quarter 2003 with Yakima County or another jurisdiction to achieve the population reduction schedule listed in Sections 11.3 and 11.4 of the Agreement.
3. King County Executive will make best efforts to obtain funding and implement community corrections pilot programs (Day Reporting and Work Crews) which are expected to reduce the utilization of secure capacity by 60 beds.
4. The County agrees to seek participation by the King County Prosecutor, Superior Court and District Court to develop a plan for reducing the use of secure beds. The goal would be to reduce the use of non-city secure beds based on seriousness of offense and risk to public safety, and/or risk of flight to avoid prosecution. The County agrees to make a good-faith effort to implement court approved plans for which funding has been approved.
5. The Contract Cities agree to seek participation by City prosecutors and courts to develop a plan incorporating the elements described below for reducing the use of secure beds. The goal would be to reduce the use of secure beds based on seriousness of offense and risk to public safety, and/or risk of flight to avoid prosecution. The City agrees to make a good-faith effort to implement court approved plans for which funding has been approved.
6. The JAG will discuss and provide advice on an implementation plan for all reduction plans.

#### **II. Definitions**

"Operational capacity" is the number of secure jail beds that can be operated by DAJD within annual adopted budget appropriation and within legal limitations including, but not limited to, limitations outlined in the *Hammer* settlement agreement and the Agreement with the Contract Cities. Vacancy rates at 5% for the Regional Justice Center and 2½% for the King County Correctional Facility will also be factored into operational capacity. In the event the County changes such vacancy rates, the County agrees to notify JAG.

**III. County Population Alert Notifications**

The County will provide the Contract Cities with a Population Alert Notification covering three categories: total population, Medical Inmates, and Psychiatric Inmates (PAN-TMP), and a Population Alert Notification for City Inmates (PAN-CI)

**A. Timing**

The PAN-TMP and the PAN-CI will be updated daily.

The PAN-CI will be updated monthly with a lag time of two weeks until such time as the County is able to provide more frequent notice to the Contract Cities.

**B. Format**

The County will develop a format for the PAN-TMP and PAN-CI that has an easily understood visual element. A visual “meter” type notice graphic will be developed that will be sent to Contract Cities by automated e-mail and/or appear on the County’s web site.

**C. Contents**

1) The PAN-TMP will provide a snap shot of short-term secure bed population status by the following status groups:

Total secure population  
 Medical Inmates  
 Psychiatric Inmates

The PAN-TMP will have three levels.

**Alert Level I/Yellow** - Greater than or equal to 95 percent operational capacity by category at the daily official count.

**Alert Level II/Orange** - The jail population is between 95 percent and 100 percent of operational capacity and has maintained that level for three consecutive days.

**Alert Level III/Red** – The jail population exceeds total operational capacity.

The PAN-TMP will contain a “notes” section where the County can inform the cities of events that may affect jail population.

2) The PAN-CI will be a count of the number of City Inmates.

**IV. [reserved]****V. Other General Notification or Information Requirements**

Notice or information will be provided to the other party through the County or cities representative on the JAG as soon as it is available as follows:

## Kirkland Interlocal Agreement: Jail Services

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- ISP -- County
    - Transmittal of project budget to the King County Council
    - Council approval of funding
    - Project schedule
    - Bid notice
    - Notice to proceed
    - Construction schedule and inmate transfer schedule
  - Status of contracting for secure jail beds in other jurisdictions - Cities
    - Signature of Contracts
    - Financing approval
    - Bid notice
    - Notice to proceed
    - Construction schedule
    - Prisoner transfer schedule
  - Alternatives to Secure Detention Programs – County
    - The County will provide to the JAG a description of all alternative programs to secure detention (including program capacity) either directly operated by the County or operated by another entity under contract.
    - Notice of plans to initiate or expand alternatives and notice that plans have been implemented, including program capacity.
    - Copies of program placement criteria and operating protocols, including any agreements with courts.
  - Alternatives to Secure Detention Programs – City
    - The City agrees to participate in some form(s) of alternatives to detention program(s). The City shall choose which such programs to participate in, and may operate such programs itself.

**VI. Additional Process for Addressing Jail Overcrowding in 2013-2016**

1. Population alert levels reduced beginning in 2013:
 

**Alert Level I/Yellow** trigger dropped from 95% to “greater than or equal to 85% operational capacity by category and has maintained that level for fourteen (14) consecutive days.”

**Alert Level II/Orange** trigger dropped to “between 92% and 100% of operational capacity and has maintained that level for three consecutive days.”
2. Process upon issuance of Yellow or higher level alert for Total Secure Population:
  - a. Within 7 days, each city with a municipal court will meet with its court, police, prosecutor representatives to identify any immediate/near term actions it can and will take to reduce population.
  - b. Within 7 days, County will convene a meeting with superior court, district court, prosecutor, DAJD, and client city representatives to identify any immediate/near term actions it can and will take to reduce population.
  - c. Within 10 days, each Extension City with a municipal court and the County will share with all other Extension Cities their respective lists of action items.

Kirkland Interlocal Agreement: Jail Services

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- d. County may thereafter convene a meeting(s) with all Parties to the contract to discuss results, propose additional steps. Parties agree to consider housing inmates in alternate detention facilities on a short-term basis as one potential option to address overcrowding. If the County determines that due to a population alert it is necessary to temporarily relocate inmates, it may provide notice to the cities and then do so: if City inmates are re-located, the responsible City will be charged during such relocation on the same basis as if the inmate remained in a County facility, unless the Parties reach agreement on an alternate temporary relocation process and charging arrangement.

## Kirkland Interlocal Agreement: Jail Services

## EXHIBIT V

### COMPARISON OF ESTIMATED KING COUNTY JAIL BED DEMAND AND SUPPLY 2002 TO 2005

Year		Jail and Alternatives Misdemeanant Space Demand				King County Supply Scenarios				
		Cities Beds	State/Co Misd Beds	Felony Beds	Total Beds	Types of Beds	Status Quo	Close NRF & ISP	Close NRF only	ISP only
2000	Pre Sentence	227				Secure Beds	2973			
	Post Sentence	492				NRF Beds	291			
	Total	719	296			Work Release	191			
						Total	3455			
2002	Projected	477	300	2009	2786	Secure Beds	2973	2973	2973	2973
					0	NRF Beds	191	0	0	191
						Addn'l Alternatives	60	60	60	60
						Work Release	190	190	190	190
						Total	3414	3223	3223	3414
2003	Projected		320	2094	2414	Secure Beds	2973	2430	2782	2621
	Maximum	380			380	NRF Beds	191	0	0	191
						Addn'l Alternatives	60	60	60	60
						Work Release	190	190	190	190
						Total	3414	2680	3032	3062
2004	Projected		340	2191	2531	Secure Beds	2973	2430	2782	2621
	Maximum	250			250	NRF Beds	191	0	0	191
						Addn'l Alternatives	60	60	60	60
						Work Release	190	190	190	190
						Total	3414	2680	3032	3062
Mid 2005+	Projected		350	2270	2620	Secure Beds	2973	2973	2973	2973
	Maximum	220				NRF Beds	0	0	0	0
2012+						Addn'l Alternatives	60	60	60	60
	Maximum	0				Work Release	190	190	190	190
						Total	3223	3223	3223	3223
NOTES:										
1) Assumes a 3% growth rate per year for felony bed demand										
2) Assumes no impact from DWLS diversion programs by District Court										
3) Assumes cities will reduce jail bed use by Dec 31 of year unless noted.										
4) Assumes cities are able to occupy 530 beds in Yakima County and/or Benton County Jail by December 2003										
5) The County is pursuing policies to reduce the use of secure beds beginning in 2002 that are not reflected in these numbers. Also, capacity restrictions could begin as soon as 2003 depending on County policy decisions.										
6) The number of secure beds listed include double bunking the RJC up to 65% (492 beds). Utilization of these beds requires that funding be sought and approved by the County Council.										
7) Assumes ISP begins 3rd Qtr. 2003.										
8) Assumes additional alternative beds available 4 <sup>th</sup> Qtr of 2002.										
9) Fifteen days per quarter there is a peak at 5% over average.										

**EXHIBIT VI**  
**Land Transfer Agreement**

**Intergovernmental Land Transfer Agreement Between  
King County and the City of Bellevue**

This Intergovernmental Land Transfer Agreement ("Agreement") is made and entered into by and between King County ("County"), and the City of Bellevue ("City").

WHEREAS the County has entered into a Jail Services Agreement ("JSA") with many of the cities located in King County ("Cities") to which this Agreement is an attachment; and

WHEREAS the JSA provides for the transfer of real property located at 1440 116<sup>th</sup> Avenue N.E. and 1412 116<sup>th</sup> Avenue N.E. in Bellevue, Washington, (said property is described more fully in Exhibit A and referred to herein as the "Property") to the City of Bellevue in consideration for the negotiated rate in the JSA and promises made by the Cities in the JSA related to population reduction; and

WHEREAS it is in the best interest of the public that the County transfer said property to the City for the purposes detailed in the JSA;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City and the County agree as follows:

**1. Obligations of Parties**

**1.1 Agreement Contingent**

This Agreement is subject to the execution of an Interlocal Agreement ("Cities Interlocal") between the City and all other interested cities located within King County to provide for the maintenance and disposition of the Property. If the City and the other interested cities are unable to reach agreement on the terms of the Cities Interlocal prior to the date of conveyance as provided in paragraph 1.2, upon written notice from the City of Bellevue to King County, this Agreement shall, at the City's sole discretion, become null and void and the parties will have no further obligation hereunder.

**1.2 Conveyance of Title**

On July 1, 2004, or earlier as hereinafter provided, the County will execute and deliver to the City: 1) a Statutory Warranty Deed conveying and warranting good and marketable title to parcels A, B-1 and B-2 free and clear of all defects or encumbrances except for the lien of real estate taxes and drainage service charges not yet due and payable and those exceptions, defects and/or encumbrances identified on Exhibit B; and 2) a Quit Claim Deed conveying parcel C. Parcels A, B-1, B-2 and C are described more fully in Exhibit A and collectively referred to herein as the "Property."

1.3 The City will provide written notice to the County upon satisfaction of all contingencies under Sections 1.1 and 6.2 of this Agreement and the County shall have sixty (60) days thereafter to deliver a conveyance to the City.

## **2. Existing Restrictions, Agreements, Contracts or Permits**

2.1 The City shall abide by and enforce all terms, conditions, reservations, restrictions and covenants of title at the time of conveyance and/or in the deed of conveyance.

2.2 The Property will be used as required in Section 12 of the JSA to enable the Cities to meet the final step (occurring on December 31, 2012) of the population reduction schedule as detailed in Sections 11.3 and 11.4 of the JSA. The parties understand that the Property may be sold or traded and the proceeds and/or land acquired from such sale or trade used for the purposes detailed in the preceding sentence. The parties further agree that in the event the cities do not comply with Section 12 of the JSA and meet the final step of the population reduction schedule as detailed in Sections 11.3 and 11.4 of the JSA, the City of Bellevue shall transfer title to the Property back to the County if such Property has not been sold; or if such Property has been sold, pay the County an amount equal to the net sale price of the Property, plus investment interest earned; or if the Property has been traded, pay the County the appraised value of the Property at the time of the trade, as determined by an MAI appraiser selected by mutual agreement of King County and the City of Bellevue, plus investment interest earned.

2.3 Should any disagreement arise between the parties as to the interpretation or application of the terms and provisions of this Agreement, the parties shall first engage in informal dispute resolution between designated City and County staff persons. If those staff persons are unable to resolve the dispute, the matter shall be referred to the City Manager and the County Executive or their respective designees. If the City Manager and the County Executive or designees are unable to resolve the dispute, the matter shall be referred to non-binding mediation. Should the mediation process fail to resolve the dispute, either party may file an action in King County Superior Court. Each party shall bear its own costs and attorney fees incurred in the dispute resolution process.

## **3. Condition of Property and Responsibility for Operations, Maintenance, Repairs, Improvements, and Recreation Services**

3.1 The County warrants that it has and will deliver marketable title to Parcels A, B-1 and B-2. The City has inspected and knows the condition of the Property and accepts the Property AS IS, WHERE IS and WITH ALL FAULTS. More specifically, King County does not make and specifically disclaims any warranties; express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Property, and no official, employee, representative or agent of the County is authorized otherwise. Without limitation, the foregoing specifically excludes warranties with respect to the condition of the Property for development and/or use by City, the presence of any Hazardous Materials,

underground storage tanks or contaminated soil, or the actual or threatened release, deposit, seepage, migration or escape of Hazardous Materials at, from or into the Property, and the compliance or noncompliance of the Property with applicable federal, state, county and local laws and regulations, including, without limitation, environmental laws. "Hazardous Materials" as used herein shall mean any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended. Except as provided in Sections 4 and 5, the City acknowledges and agrees that the County shall have no liability for, and that the City shall release and have no recourse against the County for, any defect or deficiency of any kind whatsoever in the Property without regard to whether such defect or deficiency was known or discoverable by the City or the County.

3.2 Except as provided in Section 5, the County shall not have any obligation to make any changes or improvements, or to incur any expenses whatsoever for the operation, maintenance, monitoring, repair or remediation of the Property.

#### **4. Indemnification and Hold Harmless**

4.1 The County shall protect, indemnify and hold harmless the City and its elected officials, officers, agents or employees, or any of them, from and against any and all claims, actions, suits, liabilities, losses, costs, expenses or damages of any nature whatsoever arising from those occurrences related to the Property that occurred prior to the date of conveyance of the Property to the City. In the event that any suit based upon such claims, actions, suits, liabilities, losses, costs, expenses or damages is brought against the City or the City and the County, the County shall defend the same at its sole cost and expense and, if final judgment be rendered against the City and/or its elected officials, officers, agents and employees or jointly against the City and the County and/or their respective elected officials, officers, agents and employees, the County shall satisfy the same.

4.2 Except as provided in Section 5, the City shall indemnify and hold harmless the County and its elected officials, officers, agents and employees, or any of them, from and against any and all claims, actions, suits, liabilities, losses, costs, expenses or damages of any nature whatsoever arising from those occurrences related to the Property that occurred on or after the date of conveyance of the Property to the City. In the event that any suit based upon such claims, actions, suits, liabilities, losses, costs, expenses or damages is brought against the County or the County and the City, the City shall defend the same at its sole cost and expense and, if final judgment be rendered against the County and/or its officers, agents and employees or jointly against the County and the City and/or their respective officers, agents and employees, the City shall satisfy the same.

4.3 Each Party to this Agreement shall notify the other of any and all claims, actions, suits, liabilities, losses, costs, expenses or damages that arise or are brought against that party relating to or pertaining to the Property, within thirty (30) days of receipt of such information.

4.4 Each party agrees that its obligations under this paragraph extend to any claim, demand,

and/or cause of action brought by or on behalf of any employees, or agents. For this purpose, each party, by mutual negotiation, hereby waives, with respect to the other party only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW, but only to the extent necessary to indemnify the other party.

4.5 These indemnification provisions shall survive the conveyance of the Property and any termination of this Agreement or the JSA.

## **5. Environmental Liability**

5.1 "Hazardous Materials" as used herein shall mean any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended.

5.2 Nothing in this Agreement shall be deemed to waive any statutory claim for contribution that the City might have against the County under federal or state environmental statutes that arises from hazardous materials deposited or released on the Property by the County, its agents or permittees during the County's period of ownership. The City may not, however, assert such a claim to the extent that the City exacerbates the cost of remediation upon which a statutory claim for contribution is based as a result of the City performing construction activities on the Property, changing the configuration of the Property, or changing the use of the Property. The preceding sentence shall not apply to tests, inspections, studies, surveys or appraisals conducted by the City pursuant to Section 6.1.

5.3 If the City discovers the presence of hazardous materials at levels that could give rise to a statutory claim for contribution against the County it shall notify the County in writing as soon as reasonably practicable, but in any event not more than sixty (60) days after discovery. The parties shall make their best efforts to reach agreement as to which party is responsible for remediation under the terms of this Agreement prior to undertaking any remediation.

5.4 In no event shall the County be responsible for any costs of remediation that exceed the minimum necessary to satisfy the state or federal agency with jurisdiction over the remediation.

## **6. City Right of Inspection**

6.1 Prior to the date of conveyance, the City shall have the right at City expense to perform any and all tests, inspections, studies, surveys or appraisals of the Property reasonably deemed necessary by the City. Upon seven (7) days written notice to the County, the City may enter the Property and conduct such tests, inspections, studies, surveys and appraisals. County representatives may attend and witness such tests, inspections, studies, surveys and appraisals. After conducting its tests, inspections, studies, surveys or appraisals of the Property, the City shall restore the Property, as nearly as is practicable, to its condition on the date of City's entry thereon, except to the extent that the City may be required by state or

federal agencies to leave any exposed or altered area open for inspection and/or remediation. In addition, the City shall defend, indemnify and hold harmless the County and its elected officials, officers, agents and employees, or any of them, from all claims, demands, suits, actions, and liabilities of any kind, including injuries to persons or damages to property, which arise out of, are connected with, or are due to any negligent errors, omissions or acts of the City and/or its contractors, employees, agents, and representatives in the performance of the tests, inspections, studies, surveys or appraisals of the Property. The City specifically assumes potential liability for actions brought by the City's own employees against the County arising from such tests, inspections, studies, surveys or appraisals, and for that purpose the City specifically waives, as respects the County only, any immunity under the Worker's Compensation Act, RCW Title 51; and the City recognizes that this waiver was the subject of mutual negotiation.

6.2 If after conducting its tests, inspections, studies, surveys and appraisals the City determines, in its sole discretion, that condition(s) exist on the Property that will substantially impact the salability of the Property (other than naturally occurring conditions), the City may request that the County remediate such condition(s). In the event that the County fails, within 90 days of receiving the request from the City, to agree to such remediation, or thereafter fails, within a reasonable period of time (but in any event prior to the date of conveyance of the Property), to accomplish such remediation, this Agreement shall, at the City's sole discretion, upon written notice to the County, become null and void and the parties shall have no further obligations under this Agreement or the JSA with respect to this Property.

6.3 Within thirty (30) days of the execution of this Agreement, the County shall provide the City with copies of all of its records related to the County's acquisition and maintenance of and to the condition of the Property.

## **7. Legal Relationship**

7.1 The parties to this Agreement execute and implement this Agreement solely as County and City. No partnership, joint venture or joint undertaking shall be construed from this Agreement.

## **8. Waiver and Amendments**

8.1 Waiver of any breach of any term or condition of this Agreement shall not be deemed a waiver of any prior or subsequent breach. No term or condition shall be waived, modified or deleted except by an instrument, in writing, signed by the parties hereto.

## **9. Entire Agreement and Modifications**

9.1 The JSA and this Intergovernmental Agreement and its Exhibits set forth the entire agreement between the parties with respect to the subject matter hereof. Any amendment or modification of the terms of this Agreement must be made in writing and signed by both parties hereto.

**10. Duration and Authority**

10.1 This agreement shall be effective upon signature by the authorized signatories of and authorization by the legislative bodies of both parties. The terms, conditions, covenants, and representations contained herein and in the JSA shall not merge into the deed of conveyance, but shall survive the conveyance and shall continue in force.

10.2 Termination of this Agreement by the City pursuant to Section 1.1 or 6.2 shall have no effect upon the terms and enforceability of the JSA except for Section 12 of the JSA.

**11. Assignment.**

11.1 The City shall not assign this agreement or any rights hereunder except to the cities or another city representing the cities for whose benefit this conveyance of the Property is to be made, and then only if the assignee(s) assume(s) all obligations of the City under this Agreement.

**12. Negotiation and Construction.**

12.1 This Agreement and each of its terms and provisions are deemed to have been explicitly negotiated between the parties, and the language in all parts of this Agreement will, in all cases, be construed according to its fair meaning and not strictly for or against either party. All parties acknowledge and represent, as an express term of this Agreement, that they have had the opportunity to obtain and utilize legal review of the terms and conditions outlined in this Agreement, although each party must determine if they wish to obtain and pay for such legal review. Each party shall be and is separately responsible for payment of any legal services rendered on their behalf regarding legal review of the terms found in this Agreement.

**13. Notice**

13.1 Any notice provided for herein shall be sent to the respective parties at:

King County  
[INSERT INFO]

City  
[INSERT INFO]

IN WITNESS WHEREOF, the parties have executed this Agreement.

King County

City of Bellevue

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Kirkland Interlocal Agreement: Jail Services

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King County Executive

City Manager

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Approved as to Form:

Approved as to Form:

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

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

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Kirkland Interlocal Agreement: Jail Services

STATE OF WASHINGTON }  
COUNTY OF KING } ss.

On this day personally appeared before me \_\_\_\_\_, to me known to be the \_\_\_\_\_ of KING COUNTY, the municipal corporation and political subdivision of the State of Washington that executed the foregoing instrument, and acknowledged such instrument to be the free and voluntary act and deed of such municipal corporation and political subdivision, for the uses and purposes therein mentioned, and on oath stated that he was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_  
Printed Name \_\_\_\_\_  
NOTARY PUBLIC in and for the State of Washington,  
residing at \_\_\_\_\_  
My Commission Expires \_\_\_\_\_

STATE OF WASHINGTON }  
COUNTY OF KING } ss.

On this day personally appeared before me \_\_\_\_\_, the \_\_\_\_\_ of \_\_\_\_\_, known to me to be the City that executed the foregoing instrument, and acknowledged such instrument to be [his/her] free and voluntary act and deed for the uses and purposes therein mentioned, and on oath stated that [he/she] was duly authorized to execute such instrument.

GIVEN UNDER MY HAND AND OFFICIAL SEAL this \_\_\_\_\_ day of \_\_\_\_\_, 2002.

\_\_\_\_\_  
Printed Name \_\_\_\_\_  
NOTARY PUBLIC in and for the State of Washington,  
residing at \_\_\_\_\_  
My Commission Expires \_\_\_\_\_

**EXHIBIT A**  
**Legal Descriptions**

Parcel A: Lots 3 and 4 of Bellevue Short Plat No. 78-43 as recorded under Recording No. 7807030722, records of King County, Washington; EXCEPT the South 10 feet thereof.

Parcel B-1: That portion of the South 267.6 feet of the North 634.7 feet of the NW 1/4 of the SW 1/4 of Section 28, Township 25 North, Range 5 East, W.M., in King County, Washington, lying Westerly of the Northern Pacific Railway Right-of-Way; EXCEPT the North 242 feet of the West 450 feet thereof; AND EXCEPT the West 30 feet thereof for 116<sup>th</sup> Avenue NE; AND EXCEPT the South 26.6 feet of the West 250 feet thereof.

Parcel B-2: An easement for access for the benefit of Parcel B-1 as granted and set forth in document recorded under Recording No. 7908020842, records of King County, Washington.

Parcel C: The South 10 feet of the North 367.10 feet, measured along the Westerly line thereof, of that portion of the Northwest quarter of the Southwest quarter of Section 28, Township 25 North, Range 5 East, W.M., lying Westerly of the right of way of Burlington Northern, Inc., successor to Northern Pacific railway Company, Except the West 450 feet thereof.

All situated in King County, Washington.

**EXHIBIT VII**  
**List of Cities**

Algona  
Auburn  
Beaux Arts  
Bellevue  
Black Diamond  
Bothell  
Burien  
Carnation  
Clyde Hill  
Covington  
Des Moines  
Duvall  
Federal Way  
Hunts Point  
Issaquah  
Kenmore  
Kirkland  
Lake Forest Park  
Maple Valley  
Medina  
Mercer Island  
Milton  
Newcastle  
Normandy Park  
North Bend  
Pacific  
Redmond  
Renton  
Sammamish  
Sea Tac  
Seattle  
Shoreline  
Skykomish  
Snoqualmie  
Tukwila  
Woodinville  
Yarrow Point

## Kirkland Interlocal Agreement: Jail Services

**EXHIBIT VIII  
DISTRIBUTION OF PROPERTY PROCEEDS**

Distribution Methodology Approved by the Jail Oversight Assembly on March 26, 2008

**Total Proceeds Distributed: \$13,000,116.20**

<b>CITY</b>	<b>PROCEEDS RECEIVED</b>
Algona	\$23,192.28
Auburn	\$802,194.52
Beaux Arts	\$2,522.78
Bellevue	\$971,638.82
Black Diamond	\$13,296.20
Bothell	\$126,885.71
Burien	\$152,789.21
Carnation	\$6,307.75
Clyde Hill	\$42,535.80
Covington	\$66,118.25
Des Moines	\$177,311.14
Duvall	\$28,001.99
Enumclaw	\$90,781.96
Federal Way	\$592,399.79
Hunts Point	\$18,450.65
Issaquah	\$219,917.62
Kenmore	\$124,144.61
Kent	\$1,167,658.01
Kirkland	\$425,486.02
Lake Forest Park	\$80,832.42
Maple Valley	\$55,773.68
Medina	\$76,693.70
Mercer Island	\$215,282.16
Milton	\$1,945.88
Newcastle	\$54,016.16
Normandy Park	\$34,455.39
North Bend	\$26,493.44
Pacific	\$14,072.56
Redmond	\$454,813.50
Renton	\$1,003,904.60
Sammamish	\$208,371.63
SeaTac	\$163,498.78
Seattle	\$4,712,211.12
Shoreline	\$385,803.38
Skykomish	\$1,619.59
Snoqualmie	\$67,254.57
Tukwila	\$287,711.75
Woodinville	\$86,320.79
Yarrow Point	\$17,407.99
<b>Total</b>	<b>\$13,000,116.20</b>

Kirkland Interlocal Agreement: Jail Services

**EXHIBIT IX****2008 City Average Daily Population (ADP) by Billing Responsibility  
Based on Daily Morning Headcount**

<i>City</i>	<i>Average</i>
Algona	0.14
Auburn	6.45
Beaux Arts	-
Bellevue	7.93
Black Diamond	0.05
Bothell	0.29
Burien	6.69
Carnation	0.03
Clyde Hill	0.32
Covington	1.51
Des Moines	5.06
Duvall	0.14
Federal Way	8.92
Hunts Point	0.12
Issaquah	0.35
Kenmore	2.39
Kirkland	9.03
Lake Forest Park	2.85
Maple Valley	0.23
Medina	1.10
Mercer Island	0.32
Newcastle	0.75
Normandy Park	0.59
North Bend	0.32
Pacific	0.25
Redmond	3.44
Renton	5.67
Sammamish	0.80
Seatac	6.32
Shoreline	9.26
Skykomish	0.02
Snoqualmie	0.18
Tukwila	16.93
Woodinville	1.32
Yarrow Point	-
Seattle	185.23
<b><i>Total</i></b>	<b><i>284.98</i></b>

**CITY OF KIRKLAND****Department of Parks & Community Services****505 Market Street, Suite A, Kirkland, WA 98033 425.587.3300****www.ci.kirkland.wa.us**

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**MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager

**From:** Jason Filan, Parks Operations Manager

**Date:** April 8, 2010

**Subject:** Supplemental Service Agreement with King County Animal Control

**Recommendation:**

It is recommended that the City Council authorize the Interim City Manager to sign the 2010 Interlocal Service Agreement with King County to provide enhanced animal control services.

**Background Discussion:**

On June 21, 2005 City Council authorized the City Manager to execute an agreement with King County Animal Control (KCAC) to provide enhanced services to enforce the leash law in parks. King County retained Sergeant Kris Meyers, a retired 27-year veteran of the Animal Control Division to assist in our efforts. The program commenced on September 22, 2005.

Over the past four years the program has become an integral part of helping Kirkland Parks and Community Services manage the challenge of off-leash animals within our parks. Staff, along with the help of Sgt. Meyers, has made significant strides in education and enforcement of the leash law but the challenge still exists. The City's compensation to King County is billed at \$46.75 per hour. The Park Maintenance division budget for 2010 includes \$9,674 for this service.

Based upon the direction from the King County Council and consistent with existing agreements, the County recently issued termination letters to cities for the existing animal services contracts, effective July 1, 2010. The City Manager's Office has prepared a memorandum with options for ongoing animal services for the April 20<sup>th</sup> Council meeting. In the event Kirkland proceeds with a sub-regional model, the 30-day cancellation clause in this proposed Interlocal agreement could be exercised and alternative arrangements would be made.

RESOLUTION R-4812

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND REGARDING SUPPLEMENTAL ANIMAL CONTROL SERVICES BETWEEN THE CITY OF KIRKLAND AND KING COUNTY.

WHEREAS, the City and County entered into an Interlocal Agreement dated August 25, 1994, relating to the provision of animal control services within the City ("the Interlocal Agreement"); and

WHEREAS, the City and County amended the Interlocal Agreement on September 12, 2005, and again on September 14, 2007, to enable the County to provide City with additional animal control services under a pilot program; and

WHEREAS, the City and County now wish to enter into an Interlocal Agreement for Supplemental Animal Control Services to enable the County to continue to provide the City with additional animal control services;

WHEREAS, Chapter 39.34 RCW authorizes the parties to enter into an interlocal cooperation agreement to perform any governmental service, activity or undertaking which each contracting party is authorized by law to perform;

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

Section 1. The City Manager is hereby authorized and directed to execute on behalf of the City of Kirkland an Interlocal Agreement substantially similar to that attached as Exhibit "A", which is entitled "Interlocal Services Agreement Between the City of Kirkland and King County Regarding Supplemental Animal Control Services."

Passed by majority vote of the Kirkland City Council in open meeting this \_\_\_\_ day of \_\_\_\_\_, 2010.

Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
MAYOR

Attest:

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

## INTERLOCAL SERVICES AGREEMENT

### Between the City of Kirkland and King County Regarding Supplemental Animal Control Services

This is an agreement for supplemental animal control services between the City of Kirkland, a municipal corporation of the State of Washington, hereinafter referred to as the "City," and King County, a home-rule charter county and a political subdivision of the State of Washington, hereinafter referred to as the "County."

**WHEREAS**, the City and County entered into an Interlocal Agreement dated August 25, 1994 relating to the provision of animal control services within the City ("the Interlocal Agreement"); and

**WHEREAS**, the City and County amended the Interlocal Agreement on September 12, 2005, and again on September 14, 2007, to enable the County to provide City with additional animal control services under a pilot program; and

**WHEREAS**, the City and County now wish to enter into an Interlocal Agreement for Supplemental Animal Control Services to enable the County to continue to provide the City with additional animal control services;

**NOW**, in consideration of mutual covenants, the City and County hereby agree to the following provisions contained in each section:

#### **Section 1. Service Obligation**

- A. The County shall provide supplemental animal control services in the form of an additional animal control officer dedicated to the City for an average of eight hours per week during the period of this program.
- B. The scheduling of these additional service days will be determined by mutual agreement of the contract administrators of this supplemental service.
- C. The additional animal control officer will be stationed within the City limits to respond to specific calls for service, perform routine patrols, communicate with City officials, and handle other related tasks as agreed to by the contract administrators of this supplemental service.
- D. The additional animal control officer will issue written warnings and citations under applicable law at the discretion of the contract administrators of this supplemental service.
- E. The additional animal control officer will appear in court on the City's behalf when necessary.

- F. The County shall provide the City with a general monthly calendar of scheduled service in the City, and a monthly report of the types of services offered and performed.
- G. The County shall submit to the City an invoice and billing voucher at the end of each quarter. During the 4<sup>th</sup> quarter, a final invoice shall be submitted to the City no later than December 15.
- H. The City shall provide the additional animal control officer with a City vehicle to perform the supplemental animal control services or make arrangements for a vehicle for the additional animal control officer to use. The City may contract with the County to provide a vehicle for the additional animal control officer at additional expense to the City.

**Section 2. Compensation.**

In consideration for the supplemental services provided by the County as set forth herein, the City promises to pay the County as set forth below:

A. Hourly Rates for Additional Animal Control Officer When Total Hours Worked Equal 40 Hours Per Week (Full-Time):

If the City alone or in conjunction with another city, cities, or organizations is able to schedule the additional animal control officer with at least forty (40) hours per week or full-time status, the cost shall be as follows:

2010 Base Hourly Rate	\$46.75
2010 Overtime Hourly Rate	\$42.99
2010 Holiday Hourly Rate	\$56.52

B. Hourly Rates for Additional Animal Control Officer When Total Hours Worked Equal Less than 40 Hours Per Week (Less than Full-Time):

In the event the City alone or in conjunction with another city, cities or organizations can not schedule the animal control officer with at least forty (40) hours per week or full-time status, then the rates for supplemental service will increase. The hourly rates for the additional animal control officer at less than full-time usage are as follows:

2010 Base Hourly Rate for 20 hours per week	\$56.72
2010 Base Hourly Rate for 25 hours per week	\$51.83
2010 Base Hourly Rate for 30 hours per week	\$50.63
2010 Overtime Hourly Rate	\$42.99
2010 Holiday Hourly Rate	\$56.52

- C. The overtime rates are lower than the base rates because many program costs other than salary are captured in the base rate and are therefore not billed in the overtime rate.
- D. In addition to the cost of the additional animal control officer as set forth above, the City may pay the County a monthly rate for the use of the County's animal

control vehicles. The full 2010 monthly rate for use of the animal transport truck is \$1,080; and the full 2010 monthly rate for use of the standard vehicle is \$285.

**Section 3. Contract Administrators.** For purposes of these supplemental services, the contract administrators shall be the City Administrator or a designee and the King County Animal Care and Control Manager or designee.

**Section 4. Other Portions of the Agreement Unaffected.** Except as specifically stated herein, all portions of the Interlocal Agreement shall remain in place and are unaffected by this Agreement. Further, except as specifically stated herein, all portions of the Interlocal Agreement shall apply to the sections of this Agreement.

**Section 5. Amendments.** All amendments to the Interlocal Agreement with regard to enhanced or supplemental animal control services are hereby terminated.

**Section 6. Discontinuation of Supplemental Services.** The County or City may discontinue the provision of supplemental services authorized by this Agreement with or without cause upon providing thirty-days written notice.

**Section 7. Effective Date.** This Agreement shall be effective upon the date last signed below.

**IN WITNESS WHEREOF**, the parties have executed this agreement.

**CITY OF KIRKLAND**

**KING COUNTY**

\_\_\_\_\_  
XXXXXXXXX Date  
City Manager/Mayor

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

Approved as to form:

Approved as to form:

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

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

**CITY OF KIRKLAND**

Department of Parks &amp; Community Services

505 Market Street, Suite A, Kirkland, WA 98033 425.587.3300

[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)

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**MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager

**From:** Jason Filan, Parks Operations Manager  
Jennifer Schroder, Director

**Date:** April 6, 2010

**Subject:** 2010 Interlocal Agreement for Waterfowl Management Program

**RECOMMENDATION:**

It is recommended that the City Council authorize the Interim City Manager to sign the 2010 Interlocal Agreement for Waterfowl Management Program.

**BACKGROUND DISCUSSION:**

The purpose of the Waterfowl Management Program is an ongoing resource management activity attempting to maintain a manageable number of birds on a year-to-year basis. Working in collaboration with Wildlife Services of the U.S. Department of Agriculture and the participating agencies enhances the region's ability to monitor and work with our local population of Canada geese. Components of the program attempt to alleviate human health and safety concerns including: negative impacts on water quality, safety from sickness and disease for park patrons, and reduced property damage within recreational areas of King County.

The agreement provides joint funding to contract with Wildlife Services to manage the Canada geese population within King County. The program includes egg addling, lethal control, population monitoring, and census of Canada Geese within King County.

2010 will be the eighteenth year of the program. The City of Kirkland has been an integral partner with Seattle, Bellevue, Kent, Mercer Island, Renton, Sea-Tac, Woodinville, Mountlake Terrace, Tukwila, University of Washington, and the Port of Seattle – Seattle-Tacoma International Airport since the program's inception.

**COMPENSATION:**

The City's contribution will be limited to \$2,048. Funding for this partnership is identified in the Park Maintenance division budget.

RESOLUTION R-4813

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERLOCAL AGREEMENT BETWEEN THE SEATTLE DEPARTMENT OF PARKS AND RECREATION, THE UNIVERSITY OF WASHINGTON, THE PORT OF SEATTLE, CHATEAU STE. MICHELLE WINERY ESTATES, THE CITIES OF BELLEVUE, KENT, RENTON, SEATAC, MERCER ISLAND, MOUNTLAKE TERRACE, TUKWILA, WOODINVILLE AND KIRKLAND TO MANAGE WATERFOWL.

WHEREAS, the various agencies desire to manage waterfowl, especially Canada Geese; and

WHEREAS, all parties require assistance from the Wildlife Services Program of the U.S. Department of Agriculture, to reduce negative impacts on water quality, minimize resource damage, ensure safety from disease for park visitors, and enhance other property managed; and

WHEREAS, information dating to a 1989 Waterfowl Research Project done by the University of Washington and current data indicates a large surplus of geese and other waterfowl species in the greater Seattle area; and

WHEREAS, this agreement will authorize a program for ongoing resource management activity to attempt to maintain a manageable number of birds on a year-to-year basis; and

WHEREAS, the cities and other local government units are authorized to enter into this Agreement pursuant to RCW Chapter 39.34, the Interlocal Cooperation Act;

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

Section 1. The City Manager is hereby authorized and directed to execute on behalf of the City an interlocal agreement substantially similar to the Agreement attached hereto as Exhibit A.

Passed by majority vote of the Kirkland City Council in open meeting this \_\_\_\_ day of \_\_\_\_\_, 2010.

Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
MAYOR

Attest:

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

For Your Action

**2010 Interlocal Agreement for  
Waterfowl  
(Canada Goose)  
Management Program**

Please Note:

Final Form Ready for Your Submittal for Signature and Funding Authorization

**2010 INTERLOCAL AGREEMENT FOR WATERFOWL (CANADA GOOSE)  
MANAGEMENT PROGRAM**

**WHEREAS**, Chapter 39.34.040 RCW (Interlocal Cooperation Act) permits local government units to make the most efficient use of their powers by enabling them to communicate and cooperate with other localities on a basis of mutual advantage and thereby to provide services in a manner pursuant to forms of government organization that will accord best with recreational, park and natural resources and other factors influencing the needs and development of local communities and

**WHEREAS**, the various agencies, cities, counties, Washington State and agencies of the Federal Government listed in Exhibit A - Page 6 of this Agreement, desire to manage waterfowl, especially Canada Geese; and

**WHEREAS**, all parties require assistance from the Wildlife Services Program of the U.S. Department of Agriculture, to reduce negative impacts on water quality, minimize resource damage, ensure safety from disease for park visitors, and enhance other property managed; and

**WHEREAS**, yearly surveys by Wildlife Services indicates an increasing population trend for Canada geese in Lake Washington from the previous 7 years, expanding smaller groups of geese in surrounding areas and along Puget Sound, earlier pairing and nesting activity and a larger surplus of other waterfowl species in the Seattle area; and

**WHEREAS**, this program will be an ongoing resource management activity attempting to maintain a manageable number of birds on a year-to-year basis; and

**NOW, THEREFORE**, in consideration of the covenants herein, it is mutually agreed as follows:

**SECTION I - PURPOSE**

The purpose of this Agreement is to provide joint funding for an egg addling program, lethal control, population monitoring and census; mainly of Canada Geese, within King and Snohomish Counties.

This program will assist each party in communicating, maintaining, and managing public and selected and approved private site impacts of surplus waterfowl.

## SECTION II - SCOPE OF PROGRAM

Wildlife Services (WS) will receive funds from each participating member for the continuation of an egg addling program, lethal control and evaluation during spring and summer 2010.

Using best management practices WS will carry out an egg addling program, seeking as many accessible nesting areas as possible and will make every effort to minimize damage to the surrounding environment.

With the assistance of Wildlife Services, the WMC members will establish a yearly program to increase monitoring activities that will enhance our location and access of nests on public and private land and to facilitate expanded egg addling program, including advertisement of an addling and nesting location hotline number for the general public and others, posters and webpage advertising and other activities to keep the public well informed of the Waterfowl Management Program.

WS will also implement a program of "lethal control" as requested by the Waterfowl Management Committee, subject to the terms and conditions of a permit to be issued by the U.S. Fish and Wildlife Service. This will be done on a case by case basis in situations where an over population of Canada geese may result in an impact on human health and safety, such as potable water contamination, bird aircraft strikes, disease transmission or other situations as determined by WMC members.

**To request lethal control, WMC members must contact the WS District Supervisor or Assistant District Supervisor at 360-337-2778. WS will work with the member agency to determine if removal is warranted and if the location is suitable for removal operations.**

WS will provide an annual report to the members of the WMC which will include information regarding egg addling, the general location of nests and number of eggs added, number of geese removed, difficulties encountered and whatever other information would be valuable to the WMC.

2010 will be the seventeenth year of an egg addling program and the ninth year utilizing "lethal control". All methods and tools utilized to accomplish addling and "lethal control" activities in 2009 will again be used in 2010.

WS will conduct a standardized monthly goose population survey of selected area parks and will annually conduct up to six goose surveys of Lake Washington by boat. As in previous years, census counts will be expanded using staff from local agencies and participants at times and places to be specified. Survey results will be presented annually to the WMC.

Where possible, educational programs such as 'don't feed wildlife' and interpretive signage will be initiated to inform the public about urban Canada Geese, the associated problems, and the efforts of this committee at addressing those problems.

### SECTION III - RESPONSIBILITIES

Each party, represented on the Waterfowl Management Committee, as shown on Exhibit "A", and incorporated by reference herein, will share in the ongoing review of the programs carried out by WS.

Each party agrees that if necessary, an Oversight Committee will be appointed to monitor and report back to the general committee on a regular basis. Three members of the Committee will make up the Oversight Committee chaired by the Seattle Parks and Recreation representative.

### SECTION IV - COMPENSATION

The total cost of the 2010 waterfowl management program shall not exceed twenty seven thousand, seventy two dollars (\$27,072).

Each party shall contribute to the financial costs of the program as shown in Table I.

### SECTION V - TERM AND EXTENSION

The Term of this Agreement is from January 1, 2010 to December 31, 2010. This Agreement may be extended in time, scope or funding by mutual written consent from all parties referenced herein.

### SECTION VI - TERMINATION

This agreement may be unilaterally terminated by any of the parties referenced herein or Wildlife Services upon presentation of written notice to the Oversight Committee at least 30 days in advance of the severance date shown in Section V.

Should termination of this agreement occur without completion of the egg addling, each party shall pay only its' pro rata share of any expenses incurred under the agreement at the date of the termination, and each party shall receive copies of all products resulting from the addling activities up to the time of the termination.

### SECTION VII - DELIVERABLE

Using best management practices Wildlife Services will carry out an egg addling program, seeking as many accessible nesting areas as possible and will make every effort to minimize damage to the surrounding environment. Field conditions or changing conditions may increase or decrease the number of eggs addled from previous years' totals. Eggs will be coated with vegetable oil on dates to be determined by USDA-Wildlife Services.

Lethal control will be implemented as requested and the total numbers are established by the U.S. Fish and Wildlife Service Permit.

Participants will receive a report on the number of eggs addled and geese euthanized in 2010.

### SECTION VIII - FILING

As provided by RCW 39.34.040, this agreement shall be filed prior to its entry and force with the City or County Clerks of the participating parties, the County Auditor and the Secretary of State, and, if found to be necessary, with the State Office of Community Affairs as provided by RCW 39.34.120.

### SECTION IX - LIABILITY

Each party to this agreement shall be responsible for damage to person or property resulting from the negligence on the part of itself, its employees, its agents or its officers. No party assumes any responsibility to another party for the consequences of any act or omission of any person, firm, or corporation not at party to this agreement.

**EXHIBIT A**

2010 WATERFOWL MANAGEMENT COMMITTEE PARTICIPANTS

City of Bellevue.....Pat Harris  
City of Kent – Riverbend Golf Course.....Dave Owen  
City of Kirkland.....Jason Filan  
City of Mercer Island.....Keith Kerner  
City of Mountlake Terrace.....Don Sarcletti  
Port of Seattle – Seattle-Tacoma International Airport.....Steve Osmek  
City of Renton.....Terrence Flatley  
Chateau Ste Michelle Winery Estates..... Sandy Johnson  
City of SeaTac.....Roger Chouinard  
City of Tukwila – Foster Golf Links.....Curt Chandler  
City of Woodinville.....Brian Meyer  
Seattle of Parks and Recreation.....Barbara DeCaro  
University of Washington.....Charles Easterberg  
U.S.D.A. Wildlife Services..... Roger Woodruff  
U.S. Fish and Wildlife Service.....Brad Bortner

**TABLE I**

<b><u>AGENCIES</u></b>	<b><u>CONTRIBUTIONS</u></b>
City of Bellevue	2048
City of Edmonds	2048
City of Kent	2048
City of Kirkland	2048
City of Mercer Island	2048
City of Mountlake Terrace	2048
Port of Seattle – Sea-Tac Airport	2048
City of Renton	2048
City of SeaTac	2048
City of Tukwila	2048
City of Woodinville	2048
Seattle Department of Parks and Recreation	2496
University of Washington	2048

All checks will be made payable to the USDA-APHIS-WS, earmarked for the Wildlife Services and sent to the following addresses:

Mr. Roger Woodruff  
 State Director -Wildlife Services Program  
 U.S. Department of Agriculture  
 720 O'Leary Street Northwest  
 Olympia, Washington 98502  
 (360) 753-9884

In case of procedural questions regarding this project, please contact:

Roberta Bushman, Administrative Officer  
 Wildlife Services Program  
 (360) 753-9884 FAX: 753-9466

For questions regarding implementation of control measures and census, please contact:

District Supervisor 360-337-2778

**SECTION X. - SEVERABILITY**

...If any section of this agreement is adjudicated to be invalid, such action shall not affect the validity of any section so adjudged.

This agreement shall be executed on behalf of each party by its authorized representative. It shall be deemed adopted upon the date of execution by the last so authorized representative. This agreement is approved and entered into by the undersigned county and local government units, university and other private parties.

<b>City of Bellevue</b> By: _____ Patrick Foran, Director of Parks and Community Services Date: _____	<b>City of SeaTac</b> By: _____ Todd Cutts, City Manager Date: _____
City of Edmonds By: _____ Tod Moles, Street and Stormwater Manager Date: _____	<b>City of Woodinville</b> By: _____ Richard A. Leahy, City Manager_ Date: _____
<b>City of Kent</b> By: _____ John Hodgson, Director Date: _____	<b>Port of Seattle – Seattle-Tacoma International Airport</b> By: _____ Tay Yoshitani, Chief Executive Officer Date: _____
<b>City of Kirkland</b> By: _____ Marilynne Beard, Interim City Manager Date: _____	<b>Seattle Department of Parks and Recreation</b> By: _____ Timothy Gallagher, Superintendent Date: _____
<b>City of Mercer Island</b> By: _____ Rich Conrad, City Manager Date: _____	<b>City of Tukwila</b> By: _____ Bruce Fletcher, Parks and Recreation Director Date: _____
<b>City of Mountlake Terrace</b> By: _____ John J. Caulfield, City Manager Date: _____	<b>University of Washington</b> By: _____ Jude Van Buren Director of Environmental. Health & Safety Date: _____
<b>City of Renton</b> By: _____ Denis Law, Mayor Date: _____	



**CITY OF KIRKLAND**  
Department of Parks & Community Services  
505 Market Street, Suite A, Kirkland, WA 98033 425.587.3300  
www.ci.kirkland.wa.us

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## MEMORANDUM

**To:** Marilynne Beard, Interim City Manager

**From:** Jennifer Schroder, CPRP, Director of Parks and Community Services  
Michael Cogle, Park Planning and Development Manager

**Date:** April 8, 2010

**Subject:** Resolution Authorizing Application to the State of Washington Requesting Matching Grant Funding for Forbes Lake Park

## RECOMMENDATION:

That the City Council approve the attached Resolution authorizing staff to submit a grant application to the State of Washington for matching funding for construction of park and trail improvements at Forbes Lake Park.

## BACKGROUND DISCUSSION:

Staff is requesting that the City Council authorize staff to apply for a State grant to help fund the approved development plan for Forbes Lake Park. The State Recreation and Conservation Office (RCO) grant application process requires the applicant to provide a Resolution (attached) authorizing the grant application. RCO offers grants to local communities on a biennial basis. We anticipate application for up to \$500,000 of matching funds for the project. We currently have about \$850,000 of City funds allocated in the CIP for this project.

Grant and project timeline:

May 3, 2010 Grant application due  
August 2010 Presentation to State grant evaluation committee  
October 2010 Ranked list of projects announced by RCO  
January 2011 Budget authorizing bills developed by State Legislature  
April 2011 Governor signs budget bill authorizing release of funding  
Summer 2011 Grant contracts are completed and projects can commence  
Spring 2012 Construction begins for Forbes Lake project  
Late Fall 2012 Anticipated construction completion  
January 2013 Trails open to public

## Attachments:

Resolution  
Approved Site Development Plan

RESOLUTION R-4814

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING APPLICATION(S) FOR FUNDING ASSISTANCE FOR A WASHINGTON WILDLIFE AND RECREATION PROGRAM (WWRP) PROJECT TO THE RECREATION AND CONSERVATION OFFICE (RCO) AS PROVIDED IN RCW CHAPTER 79A.15.

WHEREAS, the City of Kirkland has approved a comprehensive plan that includes the Forbes Lake Park Trail project area; and

WHEREAS, the City wishes to undertake a WWRP project, which will include land acquisition and/or facility development (the Project); and

WHEREAS, under the provisions of the WWRP, state funding assistance needs to be requested to aid in financing the cost of the Project; and

WHEREAS, the City of Kirkland considers it in the best public interest to apply for such assistance and complete the Project to be described in the application;

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

Section 1. The Interim City Manager is hereby authorized to make formal application to the Recreation and Conservation Office for funding assistance.

Section 2. Any fund assistance received shall be used for implementation of the Project.

Section 3. The City of Kirkland hereby certifies that its share of Project funding is committed and will be derived from the City of Kirkland 2009 – 2014 Capital Improvement Program – Current Revenues.

Section 4. The City of Kirkland acknowledges that it is responsible for supporting all non-cash commitments to this project should they not materialize. [ *if applicable* ]

Section 5. The City of Kirkland is aware that the grant, if approved, will be paid on a reimbursement basis. This means it may only request payment after eligible and allowable costs have already been paid and remitted to its vendors.

Section 6. The City of Kirkland acknowledges that any property acquired or facility developed with financial aid from the Recreation and Conservation Funding Board (RCFB) must be placed in use for the funded purpose and be retained in such use in perpetuity unless otherwise provided and agreed to by the City and RCFB.

Section 7. This resolution becomes part of a formal application to the Recreation and Conservation Office.

Section 8. The City of Kirkland provided appropriate opportunity for public comment on this application.

Passed by majority vote of the Kirkland City Council in open meeting this \_\_\_\_ day of \_\_\_\_\_, 2010.

Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
MAYOR

Attest:

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



# APPROVED PLAN

## Forbes Lake Trail and Park Improvements



## **CITY OF KIRKLAND**

City Manager's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3001

[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)

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### **MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager

**From:** Ellen Miller-Wolfe, Economic Development Manager

**Date:** April 8, 2010

**Subject:** Lodging Tax Advisory Committee

#### **RECOMMENDATION:**

That the City council pass the attached ordinance changing the annual review date for membership on the Lodging Tax Advisory Committee (LTAC) from June 30 to March 31.

#### **BACKGROUND DISCUSSION:**

Following receipt of a recommendation from the LTAC at the Council Meeting of March 2, 2010, the Council determined that it would align the LTAC with other City Boards and Commissions by establishing a Council interview process for LTAC applicants and by changing the annual review date for LTAC membership from June 30 to March 31. The attached ordinance makes the latter change to Kirkland Municipal Code Section 5.19.220.

ORDINANCE NO. 4239

AN ORDINANCE OF THE CITY OF KIRKLAND RELATING TO THE MEMBERSHIP OF THE LODGING TAX ADVISORY COMMITTEE.

The City Council of the City of Kirkland do ordain as follows:

Section 1. Kirkland Municipal Code Section 5.19.220 is hereby amended to read as follows:

**5.19.220 Membership.**

The LTAC shall be comprised of seven voting members, each appointed by the Kirkland city council. The Kirkland city council may appoint nonvoting members to the LTAC. Members of the LTAC are not required to be residents of the city of Kirkland.

(a) Voting members shall be as follows:

(1) One member shall be a Kirkland city council member, who shall serve as chair;

(2) Three members shall be representatives of businesses required to collect tax under this chapter;

(3) Three members shall be persons involved in activities authorized to be funded by revenue received under this chapter.

(b) The term of membership shall be through ~~June 30th~~ March 31<sup>st</sup> of the year following appointment; provided, that a member's term shall not expire until the appointment of a new member is effective. By statute, eligibility for appointment under subsections (a)(2) or (a)(3) of this section is mutually exclusive. The city council shall review the membership of the advisory committee annually and make changes as appropriate. Each year, organizations representing businesses required to collect the lodging tax, organizations involved in activities authorized to be funded by lodging tax revenue, and local agencies involved in tourism promotion may submit recommendations for membership on the LTAC.

Section 2. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this \_\_\_\_ day of \_\_\_\_\_, 2010.

Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
MAYOR

Attest:

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

Approved as to Form:

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



**CITY OF KIRKLAND**  
 Department of Finance & Administration  
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3100  
[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)

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## MEMORANDUM

**To:** Marilynne Beard, Interim City Manager

**From:** Barry Scott, Purchasing Agent

**Date:** April 8, 2010

**Subject:** REPORT ON PROCUREMENT ACTIVITIES FOR COUNCIL MEETING OF APRIL 20, 2010

This report is provided to apprise the Council of recent and upcoming procurement activities where the cost is estimated or known to be in excess of \$50,000. The "Process" column on the table indicates the process being used to determine the award of the contract.

The City's major procurement activities initiated since the last report, dated March 25, 2010, are as follows:

	Project	Process	Estimate/Price	Status
1.	Fire Department Air Compressors (2) and Fill Station	RFP	\$55,000 - \$65,000	RFP issued on 3/26. Proposals due on 4/14.
2.	North Kirkland Community Center Carpet Replacement	Cooperative Purchasing	\$67,847.74	Purchased using King County Directors' Association (KCDA) contract with Great Floors.

Please contact me if you have any questions regarding this report.



**CITY OF KIRKLAND**  
**Department of Public Works**  
 123 Fifth Avenue, Kirkland, WA 98033 425.587.3800  
 www.ci.kirkland.wa.us

## MEMORANDUM

**To:** Marilynne Beard, Interim City Manager

**From:** Ray Steiger, P.E., Interim Public Works Director  
 Tim Llewellyn, Fleet Supervisor

**Date:** April 8, 2010

**Subject:** SURPLUS EQUIPMENT RENTAL VEHICLES/EQUIPMENT FOR SALE

### RECOMMENDATION:

It is recommended that the City Council approve the surplusing of the Equipment Rental vehicles/equipment listed.

### BACKGROUND DISCUSSION:

The surplusing of vehicles or equipment which have been replaced with new vehicles or equipment, or no longer meet the needs of the City, is consistent with the City's Equipment Rental Replacement Schedule Policy. The following equipment has been replaced by new equipment, and if approved for surplusing, will be sold in accordance with purchasing guidelines at public auction or to public agencies.

<u>Fleet #</u>	<u>Year</u>	<u>Make</u>	<u>VIN/Serial Number</u>	<u>License #</u>	<u>Mileage</u>
F308X	1997	Ford Road Rescue Aid Vehicle	1FDKE30F5VHA13136	23953D	42,304
PU-22X	1998	Ford Ranger Pickup (4x2)	1FTYR14UXWPB12557	23997D	93,300

For clarification purposes, F308X completed its original useful life of 8 years as an aid car for Fire Operations Division in 2005. It was retained and utilized as a Fire Emergency Preparedness vehicle since that time and has recently completed its useful service in this capacity. PU-22X exceeded its useful anticipated life of 8 years by 4 years. Its duties were extended as a Public Works Inspector vehicle until 2009, and it has since served as a back-up meter reader vehicle.

The vehicles will be sold at public auction.

Cc: Donna Burris, Internal Services Manager



**CITY OF KIRKLAND**  
Department of Finance & Administration  
123 Fifth Avenue, Kirkland, WA 98033 425.587.3100  
www.ci.kirkland.wa.us

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## MEMORANDUM

**To:** Marilynne Beard, Interim City Manager

**From:** Tracey Dunlap, Director of Finance & Administration  
Sri Krishnan, Financial Planning Manager

**Date:** April 12, 2010

**Subject:** **2009-2010 BUDGET ADJUSTMENT: Reserve Replenishment, Budget Balancing & Other Adjustments**

## RECOMMENDATION:

The City Council adopt the attached ordinance adjusting the 2009-2010 budget appropriations for selected funds.

## BACKGROUND DISCUSSION:

State law prohibits expenditures from exceeding the budgeted appropriation for any fund and requires the City to adjust appropriations when:

1. Unanticipated revenue exists and will potentially be expended;
2. New funds are established during the budget year which were not included in the original budget; or
3. The City Council authorizes positions, projects, or programs not incorporated into the current year's budget.

This budget adjustment allows for appropriation changes to the adopted 2009-2010 budget. Note that some budget adjustments impact the total budget appropriation, while others are adjustments to line items within a fund and do not change the appropriation. Only appropriation adjustments require a change by ordinance. Line item adjustments are not generally approved by Council and only those line item adjustments that reflect specific Council direction are highlighted below.

The last budget adjustments were adopted by the City Council on December 15, 2009 as part of the mid-biennial budget review process. Those adjustments included the reductions related to the failure of the voted private utility tax increase, other actions approved by Council since the mid-year adjustments in July 2009, and other housekeeping items. Those reductions did not recognize the 3.4% compensation (or equivalent) reductions, which were not finalized when the mid-biennial adjustments were made.

There are three types of adjustments in the proposed 2009-2010 budget amendment - reserve replenishment, budget balancing, and other adjustments. The net result of the adjustments is an appropriation reduction of \$443,470, as summarized in the table on the following page.

Fund Type	Current 09-10 Budget	Adjustments	Revised 09-10 Budget
<b>General Government:</b>			
General Fund	121,991,440	(959,336)	121,032,104
Other Operating Funds	15,591,311	106,432	15,697,743
Internal Service Funds	33,139,801	-	33,139,801
Non-Operating Funds	112,514,569	400,000	112,914,569
<b>Utilities:</b>			
Water/Sewer	68,098,186	9,434	68,107,620
Surface Water	24,184,544	0	24,184,544
Solid Waste	18,578,902	0	18,578,902
<b>Total Budget</b>	<b>394,098,753</b>	<b>(443,470)</b>	<b>393,655,283</b>

Following is a recap of major items requested in this budget adjustment:

1. **Reserve Replenishment** – Consistent with the policy direction provided by the City Council during the mid-biennial budget review process and the 2010 Council Retreat, the following replenishments of reserves are included in this budget adjustment (note that these are line item adjustments to the General Fund, but increase the appropriation for the Non-Operating funds where the reserves are kept):
  - *Council Contingency* – replenished to its target balance of \$250,000 through a transfer of \$80,000 from the unused portion of the 2009 COLA reserve.
  - *Contingency Fund* – replenished \$320,000 from 2009 expenditure savings.
  
2. **Budget Balancing** – As mentioned earlier, the 3.4% compensation (or equivalent) reductions were not finalized when the mid-biennial adjustments were made in December. This adjustment reflects the agreed upon labor and non-labor concessions approved by the Council to balance the 2010 General Fund budget, totaling \$1.09 million in reductions to the General Fund appropriation. Note that the related adjustments to the other funds will not change the appropriations for those funds (line item adjustments only).
  
3. **Other Budget Adjustments** include items that have been identified since the Mid-Biennial Budget adjustments were adopted in December 2009, which include adjustments to reflect Council direction, housekeeping adjustments, and corrections.
  - Selected adjustments as part of the utility tax failure reductions in December were treated as expenditure reductions rather than revenue increases. This appropriation adjustment correctly recognizes the additional revenue totaling \$89,530:
    - Revised Engineering Service Charges – \$54,629
    - Reallocating General Fund portion of Accounting Support Associate IV position costs to CIP – \$20,401
    - New Recreation program revenues – \$14,500
  
  - On February 16, Council previously approved close-out of the Paging and Alerting Project with the final payment of \$80,236 to Bellevue (see Attachment A). This is a line item adjustment in the General Fund.
  
  - Fire & Building requested a budget adjustment to equip and train 3 entry-level firefighters to fill 3 vacant positions in the department (\$49,400), one vacant position currently being backfilled with overtime and two positions that will become vacant due to pending retirements. In the past, these costs have been absorbed within the department budget, but that capacity no longer exists given recent budget reductions. The City Manager has authority to authorize use of the \$50,000 Nondepartmental Contingency line item, which are required to be reported to the City Council. The expenditures associated

with hiring and equipping the firefighters was approved by the City Manager on April 2, 2010 (see Attachment B).

- The State Auditor's Office has requested that the amount reimbursed for 2009 fire hydrant charges be updated to reflect the actual costs, an increase of \$9,434. This increase is funded using the General Fund Contingency. Council approved the payment of fire hydrant costs by the General Fund as required by the Washington Supreme Court ruling of October 2008 on November 2, 2009 (see Attachment C).
- To preserve City resources, several departments have entered into agreements with other agencies to use our staff for selected activities, which are fully reimbursed by revenues from those agencies. This adjustment acknowledges the revenues totaling \$118,436.
- Each year, Fire District 41 pays the City for contract services based on estimated costs and assessed valuation shares. A reconciliation is performed after each year ends to reflect actual results and any net difference is applied to the next year's billing. The 2009 reconciliation has been completed and the 2010 amount has been updated to reflect the revised 2010 budget. The net impact is a reduction in Fire District 41 payments of \$176,000. The factors contributing to the reduction are the reduction in the ratio of the District's assessed valuation (A.V.) to the total A.V. for the District and the City, budget reductions adopted during 2009, and recognizing that a capital project that was originally scheduled for completion in 2009 was not completed. This revenue reduction is largely offset by recognizing \$120,000 in sales tax mitigation revenue that was recently confirmed with the Department of Revenue.
- Acknowledge funding from Fire District 41 for reserve firefighter stipends – an increase in revenue and expenditure of \$60,000. Mid-bi adjustments as part of the utility tax failure included elimination of the reserve firefighter stipend of \$60,000 in 2010. Early this year, Fire District 41 offered to support the reinstatement of this reduction by fully reimbursing the City for the cost of the stipend for 2010.
- Use of Council Special Projects Reserve to fund the Medical Transport Fee study (\$12,400) and provide additional funding for the final payment to the law firm of Kenyon Disend (\$2,401) as approved by Council on December 15, 2009.
- Adjustment for additional parking revenue and related expenses in the Street Fund to reflect implementation of the antique mall parking contract.

All proposed budget adjustments are summarized in an attachment to the ordinance.

**CITY OF KIRKLAND****Fire & Building Department****123 Fifth Avenue, Kirkland, WA 98033 425.587.3000****www.ci.kirkland.wa.us**

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**MEMORANDUM**

**To:** David Ramsay, City Manager

**From:** Kevin Nalder, Director Fire & Building

**Date:** February 6, 2010

**Subject:** Paging and Alerting Project

**RECOMMENDATION:**

Reallocate funds to pay the final invoice for the department paging and alerting system of \$80,236.

**BACKGROUND DISCUSSION:**

The Fire paging and alerting CIP project has been a multi-year project. The first payment for this project was \$80,266.00 in 2007 with no other payment requested. In September/October, the Finance Department reviewed the CIP to identify potential completed/outdated projects to "redirect" the unused funds to the General Fund. The Fire and Building Department authorized the project to be closed, not realizing that a final invoice for Fire Paging and Alerting was pending from the City of Bellevue in the amount of \$80,236. The project was closed inadvertently before a final invoice was paid.

The final invoice can be covered by reallocating unspent 2009 funds from other accounts. The department requests that Council authorize using \$22,508 from the department budgeted Bellevue Dispatch wireless services. The dispatching of Kirkland Fire is now provided by NORCOM who will now cover these costs making \$22,508 of the 2010 basic budget available to cover a portion of the paging and alert system project. The Department also requests authorization to use \$57,728.00 of the unused 2009 contingency reserve approved to fund the overtime estimate; in September 2009 the department estimated a total overage in personnel overtime of \$272,000. The actual usage was \$201,342.

This totals \$80,236 which will complete the Fire Paging and Alerting project.



**CITY OF KIRKLAND**  
**Fire & Building Department**  
**123 Fifth Avenue, Kirkland, WA 98033 425.587.3000**  
**www.ci.kirkland.wa.us**

## MEMORANDUM

**To:** Dave Ramsay, City Manager

**From:** Kevin Nalder, Director Fire & Building  
 Jack Henderson, Deputy Chief, Operations

**Cc:** Tracey Dunlap, Director Finance and Administration

**Date:** March 31, 2010

**Subject:** Entry Level Firefighters funding

The fire department has one existing opening and one employee that has announced his retirement effective May 3, 2010 plus one employee that has informed Chief Nalder of his pending retirement July 2010. In February/March Chief Nalder received authorization to hire candidates to fill these positions.

The Fire Department has had an interview panel for entry level firefighters on March 2<sup>nd</sup> & 3<sup>rd</sup>. We have also had the "Deputy Chief's Interview" and offered positions to the top three candidates on our certified list. We have enrolled the three candidates in a fire academy starting 1 April, 2010. That class will graduate on 11 June, 2010 and begin a two week Kirkland Fire Department orientation on 14 June, 2010. We expect that the three new firefighters will start "shift work" on or about 30 June, 2010.

Within the existing budget the fire department does not have the funds to pay for needed/required testing, fire academy, protective clothing, uniforms, or any other "start up" cost associated with entry level firefighters being hired by the fire department.

We are requesting a mid-year budget adjustment of \$49,400 to cover the expense of hiring and equipping to fill the three vacancies that have been and will be covered by overtime. This request covers the following items:

- |                             |                 |
|-----------------------------|-----------------|
| • Fire Academy              | \$ 16,500       |
| • Protective clothing       | \$ 18,000       |
| • Uniforms                  | \$ 4,500        |
| • SCBA Face Mask            | \$ 3,900        |
| • Small tools               | \$ 800          |
| • <u>EMT/DeFib training</u> | <u>\$ 5,700</u> |

**TOTAL \$ 49,400**

IT/Telephone charges are currently being assessed to the existing positions.

*Funded from  
 Nondepartmental  
 Contingency. JNO  
 4/2/10*

*[Handwritten signature]*  
 4/2/10

Council Meeting: 11/02/2009

Agenda: New Business

Item #: 11. b.

**CITY OF KIRKLAND**

Department of Finance &amp; Administration

123 Fifth Avenue, Kirkland, WA 98033 425.587.3100

www.ci.kirkland.wa.us

**MEMORANDUM**

**To:** David Ramsay, City Manager

**From:** Tracey Dunlap, Director of Finance and Administration  
Daryl Grigsby, Director of Public Works  
Robin Jenkinson, City Attorney

**Date:** October 16, 2009

**Subject:** Fire Hydrant Issue

**RECOMMENDATION**

Approve resolution authorizing use of the Contingency Reserve Fund (\$188,262) to pay fire hydrant costs in 2009-2010 (Kirkland water utility cost of \$185,493 and Bellevue 2010 billing of \$2,769). Also included in the resolution is a housekeeping authorization formalizing use of the reserve for services related to the proposed cable franchise transfer by Verizon (\$54,750 approved at the September 1 City Council meeting).

**BACKGROUND DISCUSSION**

In October 2008, the Washington State Supreme Court ruled that fire hydrant costs are a general government function and should be paid out of general tax revenues (Lane v. City of Seattle – Attachment 1). The City of Seattle began to pay Seattle Public Utilities for fire hydrants from their general fund and raised utility taxes on SPU to cover for the general funds expended for the hydrants. This ruling has far-reaching consequences for all water providers throughout Washington in that water rate-making standards (as defined in the American Water Works Association M1 Manual) specifically include fire protection costs as part of water rates. Currently, the only direction that exists on how this ruling should be implemented is found in court documents related to Lane v. City of Seattle. Water utilities across Washington are grappling with how to comply with this ruling, especially given the limitations on general fund resources due to economic conditions and the absence of clear guidance on the specifics of how to apply the ruling to a wide variety of rate-setting approaches.

As part of the City of Kirkland's 2008 audit completed in June 2009 by the State Auditor's Office (SAO), the following exit item was highlighted for follow-up by the City:

***Fire Hydrant Costs***

*Through 2008, the City of Kirkland included the cost of maintaining and operating fire hydrants in its charges to water utility customers. The costs were reported in City's Water Fund. A similar practice by another city was the subject of litigation over the past several years. During that time the City of Kirkland continued to pay fire hydrant costs in its Water Fund.*

October 16, 2009

Page 2

*In October 2008, the Washington State Supreme Court ruled that fire hydrant costs are a general government function and should be paid out of general tax revenues. Therefore, the City does not have specific authority to fund these costs directly out of fees to water customers.*

*The City indicates it spent approximately \$67,375 maintaining fire hydrants in 2008. This amount does not include depreciation on the larger mains required to support the fire hydrants. The City estimates total costs, including depreciation would be one and a half percent of a water system's costs.*

*The City indicates they continue to pay for the maintenance and replacement of fire hydrants in the Water Fund. However, the City expects to address the issue as part of the mid-biennial budget process in fall 2009. In addition, the City anticipates charges to the general fund related to fire hydrants to be imposed effective January 2010.*

*We recommend the City ensure that fire hydrant costs are funded with general tax revenues. We further recommend the City review rate studies performed by cities or perform its own rate study to determine the total costs of maintaining and operating fire hydrants.*

#### **Recommended Action for 2009-2010**

The City of Kirkland has already adopted its water rates for 2009 and 2010. Given the SAO guidance above, the staff recommendation is to transfer the costs of fire hydrant maintenance and related costs from the Contingency Reserve Fund, which is available "to meet any municipal expense, the necessity or extent of which could not have been reasonable foreseen at the time of adopting the biennial budget". Attachment 2 identifies the costs of hydrant maintenance and replacement for 2009 and 2010. The current Contingency Reserve Fund balance is \$2.325 million and the hydrant cost for 2009-2010 totals \$185,493. These funds would be transferred to the water utility, increasing the operating fund balance, which would be taken into consideration when the water rates are updated for 2011-2012.

#### **Recommended Action for 2011-2012**

There has been much discussion surrounding whether the term "fire hydrants" was intended to mean the total cost of "fire protection", which can include a portion of the storage and transmission/distribution facilities of the water utility. To date, very few jurisdictions have implemented this change beyond the City of Seattle. The City of Bellevue took the approach that the full "fire protection" element of their rates should be charged as a general government expense and, in addition to charging its general fund, has billed surrounding cities for the share of fire protection serving outside Bellevue's city limits. As a result, Bellevue has billed Kirkland for the 8 Bellevue hydrants and related infrastructure serving within the Kirkland city limits (\$2,769 in 2010). Staff recommends adding this amount to the use of the Contingency Reserve Fund for 2010.

Kirkland has been approached by Northshore Utility District (NUD) to discuss approaches to addressing the fire protection services they provide in the Kirkland city limits. This issue becomes even more significant if annexation occurs. In preliminary discussions, NUD has suggested that we could modify the franchise agreement to increase the franchise fee paid by the District to offset the amount of the fire protection costs paid by Kirkland for consideration of

October 16, 2009

Page 3

the following changes: (1) extended notice of future service area takeover (increasing the non-assumption timeframe) and (2) protection of citizens from possible double taxation in the future (in the event that the City has the capability in the future to impose a utility tax on the District, that the tax would replace the current franchise fee). The District would then reduce the water rate to customers within the City by our fire protection payments and pass on the franchise fee increase, resulting in no new net cost to the ratepayers and minimizing the overall impact on both parties.

To further pursue this approach, Kirkland would need to update its rate study to refine what portion of the rates is related to fire hydrants and then determine whether to implement the change in a manner similar to that pursued by Seattle – reducing rates by the amount of the general fund payment for fire hydrants and raising the utility tax rate on the water utility to generate sufficient revenues to make the general fund payment. Once Kirkland determined its approach to implementing the change, NUD would implement a revised franchise fee and reduce rates accordingly. NUD has also suggested that the District and City pursue jointly filing for declaratory judgment by the Court confirming the acceptability of the final method selected.

Consistent with the SAO recommendation, staff recommends that the planned water utility rate update in 2010 (for 2011-2012) address the broader question of fire hydrant costs and strategies for implementation. As in prior years, the City plans to engage a consultant for this rate update and, by mid-2010, there may be more definitive guidance on implementing the court ruling, including more clarity on the definition of fire hydrant costs.

## **Conclusion**

In summary, staff is recommending two strategies to address this court ruling:

- A near-term strategy of funding the fire hydrant costs in 2009-2010 (including the Bellevue billing) using the Contingency Reserve Fund (\$188,262), recognizing that the City has already adopted its 2010 rates and the funds will be restricted to use in the Water utility.
- A longer-term strategy of updating the water rate analysis in 2010 (for the 2011-2012 rates) and determining an approach for funding the new general fund cost for fire hydrants. In addition, negotiate a revised franchise fee agreement with NUD to address fire protection services provided by the District.

Finally, staff has approached the Association of Washington Cities about pursuing a legislative clarification to address this issue which will negatively impact cities across the state, recognizing that Washington would become the only state we are aware of where such restrictions are in place. We are also recommending addition of a potential legislative fix to the City's legislative agenda.

[Note: The resolution also contains a housekeeping authorization formalizing use of the reserve for legal counsel and consulting assistance related to the proposed transfer by Verizon of its cable franchise agreement with the City (\$54,750 approved at the September 1 City Council meeting).]



194 P.3d 977  
 164 Wash.2d 875, 194 P.3d 977  
 (Cite as: 164 Wash.2d 875, 194 P.3d 977)

## H

Supreme Court of Washington,  
 En Banc.

Arthur T. LANE, Kenneth Gorohoff and Walter L. Williams, individually and on behalf of the class of all persons similarly situated, Respondents/Cross-Appellants,

v.

The CITY OF SEATTLE, Respondent/Cross-Respondent,

King County Fire District No. 2; King County Fire District No. 4 (a.k.a. Shoreline Fire Department); North Highline Fire District No. 11; King County Fire District No. 16 (a.k.a. Northshore Fire Department); King County Fire District No. 20; The City of Shoreline, a Washington municipal corporation; and King County, a Washington municipal corporation, Respondents,

The City of Burien, a Washington municipal corporation; The City of Lake Forest Park, a Washington municipal corporation, Appellants.

**No. 80204-1.**

Argued Feb. 28, 2008.  
 Decided Oct. 16, 2008.

**Background:** Municipal water utility sued other municipalities and fire districts for payment for hydrants. Ratepayers brought class action and sued the utility for hydrant payments made by ratepayers for three-year period and sued municipality for raising taxes on water utility to cover cost of hydrant payments. Each party moved for summary judgment. The Superior Court, King County, [Michael S. Spearman, J.](#), ruled that utility could not charge ratepayers for hydrants, municipal tax on utility was valid, utility had to repay ratepayers, other municipalities had to pay for their share of hydrant costs, and fire districts had no obligation to pay. Ratepayers, municipality, and other municipalities appealed.

**Holdings:** The Supreme Court, en banc, J.M. Johnson, J., held that:

- (1) charge imposed by utility on ratepayers to pay for hydrants was an illegal tax;
- (2) ratepayer had standing to challenge municipality's increased tax on water utility;
- (3) municipality's tax on public water utility to pay for

fire hydrants was constitutional;

- (4) ratepayer was entitled to statutory interest on repayment of illegal hydrant charge; and
- (5) charge imposed on surrounding municipalities was valid fee.

Affirmed in part and reversed in part.

## West Headnotes

### [\[1\] Municipal Corporations 268](#) 57

[268](#) Municipal Corporations

[268II](#) Governmental Powers and Functions in General

[268k57](#) k. Powers and Functions of Local Government in General. [Most Cited Cases](#)  
 Governments are treated differently by the courts depending on if they are acting as governments or as businesses.

### [\[2\] Municipal Corporations 268](#) 63.1

[268](#) Municipal Corporations

[268II](#) Governmental Powers and Functions in General

[268k63](#) Judicial Supervision

[268k63.1](#) k. In General. [Most Cited Cases](#)  
 Supreme Court reviews most government decisions to determine whether they had a rational basis and occasionally use this standard to strike down a government decision.

### [\[3\] Municipal Corporations 268](#) 63.5

[268](#) Municipal Corporations

[268II](#) Governmental Powers and Functions in General

[268k63](#) Judicial Supervision

[268k63.5](#) k. Discretion. [Most Cited Cases](#)  
 Supreme Court reviews business decisions made by a governmental unit under the business judgment rule and infrequently reverse a business decision.

### [\[4\] Taxation 371](#) 2002

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[371](#) Taxation[371I](#) In General

[371k2002](#) k. Distinguishing “Tax” and “License” or “Fee”. [Most Cited Cases](#)

There is a three-factor test to decide whether a governmental charge is a tax or a fee, and no single factor determines the matter: (1) the purpose of the charge, (2) where the money raised is spent, and (4) whether people pay the cost because they use the service.

[5](#) Waters and Water Courses [405](#)  [203\(9\)](#)[405](#) Waters and Water Courses[405IX](#) Public Water Supply[405IX\(A\)](#) Domestic and Municipal Purposes[405k203](#) Water Rents and Other Charges[405k203\(9\)](#) k. Hydrant Rentals. [Most](#)[Cited Cases](#)

Charge imposed by municipal water utility on taxpayers to pay for the cost of fire hydrants was an invalid tax; purpose of the charge was to increase revenue, the money went to a hydrant fund, but ratepayers paid the same fixed amount whether they used the hydrants or not. [West's RCWA Const. Art. 7, § 5.](#)

[6](#) Action [13](#) [13](#) Action[13I](#) Grounds and Conditions Precedent[13k13](#) k. Persons Entitled to Sue. [Most Cited](#)[Cases](#)[Courts](#) [106](#) [106](#) Courts

[106I](#) Nature, Extent, and Exercise of Jurisdiction in General

[106k39](#) k. Determination of Questions of Jurisdiction in General. [Most Cited Cases](#)

Without jurisdiction, a court cannot hear a case, even if every party concedes standing.

[7](#) Waters and Water Courses [405](#)  [203\(12\)](#)[405](#) Waters and Water Courses[405IX](#) Public Water Supply[405IX\(A\)](#) Domestic and Municipal Purposes[405k203](#) Water Rents and Other Charges[405k203\(12\)](#) k. Review by Courts and

Injunction Against Enforcement. [Most Cited Cases](#)

Ratepayer had standing to challenge municipality's increased tax on water utility, even though ratepayer did not pay the tax directly; water utility increased its rates to pay for the tax charge by municipality, and ratepayer had to pay the higher rates in order for utility to pay the higher taxes.

[8](#) Action [13](#) [13](#) Action[13I](#) Grounds and Conditions Precedent[13k13](#) k. Persons Entitled to Sue. [Most Cited](#)[Cases](#)

To have standing, a party must be in a law's zone of interest and must suffer some harm.

[9](#) Municipal Corporations [268](#)  [957\(4\)](#)[268](#) Municipal Corporations[268XIII](#) Fiscal Matters[268XIII\(D\)](#) Taxes and Other Revenue, and Application Thereof

[268k957](#) Constitutional Requirements and Restrictions

[268k957\(4\)](#) k. Submission to Voters, and Levy, Assessment, and Collection. [Most Cited](#)

[Cases](#)[Taxation](#) [371](#) [371](#) Taxation[371III](#) Property Taxes[371III\(B\)](#) Laws and Regulation

[371III\(B\)3](#) Constitutional Requirements and Restrictions

[371k2100](#) k. In General. [Most Cited](#)

[Cases](#)

Municipality's tax on public water utility to pay for fire hydrants was constitutional; municipality explicitly said it was taxing utility, the tax was properly adopted, and tax expressly stated it was subject to referendum. [West's RCWA Const. Art. 7, § 5](#); [West's RCWA 35.21.710, 82.16.010\(4\)](#).

[10](#) Municipal Corporations [268](#)  [1002](#)[268](#) Municipal Corporations[268XV](#) Claims Against Corporation[268k1002](#) k. Interest. [Most Cited Cases](#)

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## Municipal Corporations 268 ↪ 1016

### 268 Municipal Corporations

#### 268XVI Actions

268k1016 k. Capacity to Sue or Be Sued in General. Most Cited Cases

Governments cannot be sued for money without their consent, and local governments cannot be sued for interest without the state's consent.

## [11] Waters and Water Courses 405 ↪ 184.1

### 405 Waters and Water Courses

#### 405IX Public Water Supply

##### 405IX(A) Domestic and Municipal Purposes

##### 405k184 Water or Waterworks Companies

##### 405k184.1 k. In General. Most Cited

#### Cases

Ratepayer who paid improper charge for city hydrants was entitled to interest on the amount paid at the statutory rate, where governing statute waived immunity and permitted suit against water companies for "all" loss damage, or injury, which included interest on the amount of the award. West's RCWA 80.04.440.

## [12] Waters and Water Courses 405 ↪ 203(9)

### 405 Waters and Water Courses

#### 405IX Public Water Supply

##### 405IX(A) Domestic and Municipal Purposes

##### 405k203 Water Rents and Other Charges

##### 405k203(9) k. Hydrant Rentals. Most

#### Cited Cases

Charge imposed by municipality on surrounding municipalities that required municipal water utility to provide hydrants to them was a valid fee to cover their fair share of the costs of the hydrants; there was a direct relationship between the costs charged and the service provided. West's RCWA 43.09.210.

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J.M. JOHNSON, J.

\*879 ¶ 1 In this case we must decide who will pay for fire hydrants in the city of Seattle and its suburbs. Seattle Public Utility (SPU) used to pay for them, \*880 passing the cost along to its ratepayers. The ratepayers object and want Seattle to foot the bill. If Seattle has to pay for its hydrants, it wants Lake Forest Park to pay for the hydrants in Lake Forest Park. Lake Forest Park, in turn, wants fire districts in Lake Forest Park to pay. The fire districts want someone, anyone, else to pay. On top of all that, the ratepayers want interest on improper past hydrant payments they recover and want Seattle's new tax on SPU declared illegal. Finally, the fire districts claim they are no longer even parties to the litigation.

¶ 2 We affirm the trial court on most issues. The court correctly held that providing fire hydrants is a government responsibility\*\*979 for which a government must pay, that Seattle's new tax on SPU is constitutional, and that municipality Lake Forest Park must pay for hydrants within its boundary. The trial court erred only when it failed to give the claiming ratepayers the statutory interest rate on the invalid hydrant fees.

I

¶ 3 For years, SPU paid for hydrants by charging its water ratepayers a flat hydrant fee added to their water charges. In 2003, this court held that Seattle City Light could not charge its ratepayers for streetlights. Providing streetlights is a government function, and the court held that a municipal government must pay out of the city's general fund. Okeson v. City of Seattle, 150 Wash.2d 540, 78 P.3d 1279 (2003). Recognizing the legal equivalence between hydrants and street-

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lights expressed in that decision (and argued by the city), Seattle had SPU stop charging ratepayers for hydrants. Instead, Seattle began to pay for the hydrants out of its general fund. To make up the cost, Seattle raised taxes on SPU, which led SPU to raise rates on water ratepayers to make up the difference.

¶ 4 SPU also provides local hydrants to areas outside the city of Seattle and concluded that those municipal governments should pay their share. SPU sent a bill for hydrants \*881 to Lake Forest Park, Burien, and to local fire districts, all of which refused to pay. SPU then sued Lake Forest Park and Burien for payment and later joined the fire districts.

¶ 5 Meanwhile, a class made up of ratepayers (“Lane et al.,” as representatives, hereinafter “Lane”) sued SPU for hydrant payments made by ratepayers for the preceding three years. The statute of limitations limits that claim to three years. [RCW 4.16.080\(6\)](#). Lane also sued Seattle to enjoin the newly raised city taxes on SPU, which had resulted in SPU’s raising its rates on ratepayers.

¶ 6 After a lengthy pretrial process, each party moved for summary judgment. The trial judge held (1) SPU could not charge ratepayers to pay for hydrants; (2) Seattle’s tax on SPU was valid; (3) SPU had to pay back the Lane ratepayers, but only at one percent interest; (4) Lake Forest Park and Burien had to pay Seattle for their share of the hydrant costs; and (5) the fire districts had no obligation to pay. Each of these rulings has been challenged. We granted direct review.

¶ 7 After review, but before oral argument, Burien decided it had spent too much money litigating and withdrew. Thus, Burien was the only party originally stating a claim against the fire districts. Without an opposing party appealing their judgment, the fire districts are no longer parties, and we do not reach the issue between Burien and the fire districts. The remaining issues are resolved below.

## II

### A. SPU Cannot Charge Ratepayers for Hydrants, which Are a General Government Responsibility

¶ 8 “No tax shall be levied except in pursuance of law;

and every law imposing a tax shall state distinctly the object of the same to which only it shall be applied,” [WASH. CONST. art. VII, § 5](#). If providing hydrants is a government function, and if charging ratepayers for those hydrants is a tax, not a fee, the charge violates this part of the constitution.\*882 Seattle imposed a “charge” rather than a tax, which it was not authorized by law to impose.

[1][2][3] ¶ 9 We treat governments differently if they are acting as governments or as businesses. [Okeson, 150 Wash.2d at 549, 78 P.3d 1279](#). We review most government decisions to determine whether they had a rational basis and occasionally use this standard to strike down a government decision. *E.g.*, [Associated Grocers, Inc. v. State, 114 Wash.2d 182, 187-88, 787 P.2d 22 \(1990\)](#); [O’Meara v. Wash. State Bd. Against Discrimination, 58 Wash.2d 793, 799, 365 P.2d 1 \(1961\)](#); [In re Hendrickson, 12 Wash.2d 600, 612, 123 P.2d 322 \(1942\)](#). In contrast, we review business decisions under the business judgment rule and infrequently reverse a business decision. *See* [Scott v. Trans-System, Inc., 148 Wash.2d 701, 709, 64 P.3d 1 \(2003\)](#). We must first decide if providing \*\*980 hydrants is a government responsibility or a proprietary responsibility.

¶ 10 It is conceded that [Okeson](#) decides that question. We held that streetlights are a government function and strongly suggested that providing hydrants is the same. We confirm that holding today.

[4] ¶ 11 The next step is deciding whether charging ratepayers to pay for hydrants was a tax or a fee, since a city must be authorized by statute to impose a tax but has broader power to impose a fee. [Okeson, 150 Wash.2d at 550, 78 P.3d 1279](#). We have created a three-factor test to decide whether a charge is a tax or a fee; no single factor determines the matter. [Covell v. City of Seattle, 127 Wash.2d 874, 879, 905 P.2d 324 \(1995\)](#). The three factors are the purpose of the cost, where the money raised is spent, and whether people pay the cost because they use the service. *Id.*

¶ 12 Our decision here directly follows our decision in [Okeson](#). There, the purpose of the cost was to increase revenue for the city and not to regulate the installed streetlights, indicating a tax. [Okeson, 150 Wash.2d at 553, 78 P.3d 1279](#). The money did go into a streetlight fund, which made it more like a fee. *Id.* But ratepayers bore the same streetlight cost no matter

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how much electricity they used, leaning \*883 toward tax. *Id.* at 554, 78 P.3d 1279. Since all citizens may use and benefit from lighted areas, we held the charge to be an invalid tax. *Id.*

[5] ¶ 13 Here, the purpose of charging ratepayers a hydrant charge is also to increase revenue for the city and not to regulate hydrants or water usage, indicating a tax. The money goes to a hydrant fund, making it more like a fee. But, ratepayers pay the same fixed hydrant cost whether they use hydrants or not, indicating a tax. All benefit by having water available to put out fires. Moreover, we had expressly discussed fire hydrants as an example of government services in *Okeson*. Seattle had argued that the *Okeson* streetlights were just like hydrants, and SPU had always charged ratepayers for hydrants. The hydrant issue was not before us, but the argument of Seattle and implication of our decision were clear: for purposes of deciding a tax or fee, hydrants are very much like streetlights. *Id.* at 552, 78 P.3d 1279. As in *Okeson*, the charge here is a tax.

¶ 14 Lake Forest Park tries to distinguish *Okeson*. It points out that water companies within cities must, by statute, provide hydrants (RCW 80.28.010), but no similar law requires electric companies to provide streetlights. This is not determinative. After all, state law requires police to report accidents (RCW 46.52.070) and school districts to educate special education children (RCW 28A.155.040), but these laws do not justify taxing such transactions.

¶ 15 Lake Forest Park also claims a relationship between hydrant charges and user benefit by pointing out that houses near hydrants may have lower insurance rates. This might be more persuasive if SPU charged a different cost based on proximity to hydrants. The direct benefit of a hydrant system is enhanced fire suppression, which is a shared benefit, and the record shows no differential.

¶ 16 Amici also point to three cases where Washington courts upheld charges on customers when first connecting to waterworks. *Landmark Dev., Inc. v. City of Roy*, 138 Wash.2d 561, 980 P.2d 1234 (1999); \*884 *Hillis Homes, Inc. v. Pub. Util. Dist. No. 1*, 105 Wash.2d 288, 714 P.2d 1163 (1986); *Irvin Water Dist. No. 6 v. Jackson P'ship*, 109 Wash.App. 113, 34 P.3d 840 (2001). These cases are inapposite. One-time connection fees are different from monthly hydrant

charges. Connection fees capture start-up costs for new customers, which are costs of the waterlines for water service. Hydrant fees capture the costs of hydrants, which are government costs.

¶ 17 Finally, Lake Forest Park says, “the heights of irony will be scaled if SPU can purchase art for its facilities and recover the cost in rates ... but cannot recover the cost of complying with lawful regulations.” Br. of Appellant Lake Forest Park at 9-10. This makes a mountain out of an irony molehill. The question is not whether there will be art and hydrants, but who must pay for them. Art for public facilities is a business expense (sometimes imposed by statute or ordinance). \*\*981 Hydrants, like streetlights, are a government expense for which a government must pay.

¶ 18 Thus, charges for hydrants are taxes, not fees. Since “[n]o tax shall be levied except in pursuance of law; and every law imposing a tax shall state distinctly the object of the same to which only it shall be applied.” WASH. CONST. art. VII, § 5. Since Seattle did not declare the charge to be a tax until 2005 or state a lawful object of a tax or statutory authority, the imposition was unconstitutional. See *Okeson*, 150 Wash.2d at 556, 78 P.3d 1279.

*B. Lane Has Standing To Challenge Seattle's Tax and SPU's Rate Increases, but Those Increases Are Not Invalid*

¶ 19 Seattle recognized the legal similarity between streetlights and hydrants, and so, in 2003, began paying for hydrants out of the general fund. To pay, Seattle either had to raise tax revenue or take funds from other services. The city council decided to raise revenue. It did so by raising the tax rate on SPU from 10 to 14 percent. Since it wholly controls SPU, it had SPU make up the difference by raising rates on customers. This situation has a similar result for nearly every party involved as if SPU just charged \*885 ratepayers for hydrants, with two exceptions: for residents of other areas, their local government will repay the charges; for Seattle ratepayers, the tax charge is now subject to referendum or political efforts to change, including election of council members opposing the tax. Lane still objects. This issue raises two subissues: whether Lane has standing and whether the tax is legal.

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1. *Lane Has Standing To Challenge Seattle's Tax on SPU*

[6] ¶ 20 Seattle challenged Lane's standing to challenge the tax at trial but has dropped the argument here. However, standing is a matter of our jurisdiction. Without jurisdiction, we cannot hear a case, even if every party concedes standing. *High Tide Seafoods v. State*, 106 Wash.2d 695, 702, 725 P.2d 411 (1986).<sup>FN1</sup>

<sup>FN1</sup>. This rule is in flux. Compare *Branson v. Port of Seattle*, 152 Wash.2d 862, 879-80 & n. 10, 101 P.3d 67 (2004) (Chambers, J., concurring) (a case may be heard even if a party lacks standing, as long as the issue is one of great public interest and well briefed), with *High Tide*, 106 Wash.2d at 702, 725 P.2d 411 (unanimously holding, “[i]f a plaintiff lacks standing to bring a suit, courts lack jurisdiction to consider it.”). This case does not lend itself to deciding whether standing is jurisdictional in Washington, since neither party briefed the matter. And in any event, even if we are not required to raise the issue, we certainly have the discretion to. *In re Recall of West*, 156 Wash.2d 244, 248, 126 P.3d 798 (2006).

[7][8] ¶ 21 To have standing, a party must be in a law's zone of interest and must suffer some harm. *Nelson v. Appleway Chevrolet, Inc.*, 160 Wash.2d 173, 186, 157 P.3d 847 (2007). Lane obviously has suffered harm; if his argument is right, he must pay more in taxes than is legally allowed. His zone of interest argument, though, is on shakier ground because he does not directly pay the tax. After all, he is complaining about Seattle's tax on the water utility SPU. If Lane has standing at all, it is only as a taxpayer interested in making his government follow the law.

¶ 22 Lane points us to [RCW 80.04.440](#), which allows any person harmed by a public utility's unlawful acts to bring suit. Even though Lane's challenge is to Seattle's tax on SPU and not to SPU's illegal acts, he rests on <sup>\*886</sup>[RCW 7.24.020](#), allowing for declaratory judgments of laws directly affecting a party.

¶ 23 The standing issue here was analyzed in our decision in *Nelson*. There, we held that a car buyer has standing to challenge a tax applied directly to his dealer and seller because the buyer ultimately paid the

tax. *Nelson*, 160 Wash.2d at 186, 157 P.3d 847. In the same way, the tax on SPU is passed on to Lane directly, and so he is within the interest zone of [RCW 80.04.440](#). He has standing to challenge the tax and rate increase.

2. *Seattle's Tax and SPU's Rate Increases Are Constitutional*

¶ 24 Lane complains that Seattle is frustrating the holding in *Okeson*. He argues that raising taxes on SPU and passing the increases along to ratepayers is just the same as SPU charging ratepayers for **hydrants**.<sup>\*\*982</sup> The problem with the argument is that *Okeson* did not go so far as **Lane** would take it.

[9] ¶ 25 We voided the charge in *Okeson* because Seattle did not adopt the charge as a lawfully authorized tax, violating [article VII, section 5 of the state constitution](#), and because a tax would have exceeded the six percent statutory limit. Either reason was sufficient to support our holding in its entirety. *Okeson*, 150 Wash.2d at 556-57, 78 P.3d 1279. We simply held that if Seattle wanted to charge Seattle City Light ratepayers for streetlights, it would have to comply with statutes in enacting the tax (with the attendant possibility of a referendum, [WASH. CONST. art. II, § 1\(b\)](#)). Such tax, if adopted, would be subject to the applicable statutes and a six percent total cap.

¶ 26 Seattle has complied here. It explicitly said it was taxing SPU, the tax was properly adopted, and the tax expressly stated it was subject to referendum. Also, the six percent limit referenced in *Okeson* does not apply to taxes on businesses providing water. [RCW 35.21.710](#); [RCW 82.16.010](#)(4). Seattle has statutory authority to impose this tax on SPU ([RCW 35.22.280](#)(32)).

<sup>\*887</sup> ¶ 27 Lane's whole argument rests on our constitution's requirement that “[n]o tax shall be levied except in pursuance of law;...” [WASH. CONST. art. VII, § 5](#). He argues that imposing a tax with the same effect as SPU's charging ratepayers for hydrants is contrary to the law announced in *Okeson*.

¶ 28 This argument fails for the same reason as above. The law is not that Seattle must charge for hydrants to a broad range of taxpayers. Instead, it is simply that cities must have statutory authority to impose taxes and must enact them properly as “taxes.” This tax

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meets both requirements. The tax and the resulting rate raise are lawful.

### C. SPU Must Pay the Statutory Interest Rate on Back Payments

¶ 29 SPU illegally charged ratepayers for hydrant costs before 2005, so it had to refund the charges for three years as allowed by the applicable statute of limitations. Lane wants his payments to be with interest; Seattle opposes. The trial court gave Lane interest at one percent. Lane appealed, saying he is entitled to more. Seattle says he is entitled to none (or, at most, one percent).

[10] ¶ 30 Governments cannot be sued for money without their consent. [Architectural Woods, Inc. v. State](#), 92 Wash.2d 521, 526, 598 P.2d 1372 (1979). More to the point, local governments cannot be sued for interest without the State's consent. [Our Lady of Lourdes Hosp. v. Franklin County](#), 120 Wash.2d 439, 455-56, 842 P.2d 956 (1993). But absent sovereign immunity, parties must pay 12 percent interest on judicial awards from the time of judgment to the time of payment. [RCW 4.56.110\(4\)](#); [RCW 19.52.020](#). They must also pay 12 percent on the time from the injury to the judgment if the damages are liquidated, that is, if it is "possible to compute the amount with exactness, without reliance on opinion or discretion." [Prier v. Refrigeration Eng'g Co.](#), 74 Wash.2d 25, 32, 442 P.2d 621 (1968); [RCW 19.52.020](#). The damages here are clearly liquidated because they are based only on the amounts customers wrongly \*888 paid. So if SPU is not immune from judgment, it must pay 12 percent interest on both the pre- and postjudgment award.

[11] ¶ 31 Lane offers three reasons why he should be awarded statutory interest on his refund payments from SPU, and if he is correct on any of them, he receives interest at the judgment rate. His best argument is that a statute waives immunity for claims against government-run utilities, allowing interest on part of those claims.

¶ 32 [RCW 80.04.440](#) allows people to sue water companies for "all loss, damage or injury" resulting from an illegal act. On its face, "all loss" includes interest. Depriving a party of money for a time deprives him of its productive use during that time. "Justice delayed is justice denied" is literally true for money. If a losing party has wrongfully kept another's

money at 12 percent interest for six years before giving it back, it is the same as taking the lost value. "All loss, damage or injury" includes interest on money improperly taken or withheld.

\*\*983 ¶ 33 Seattle argues that the statute does not include the word "interest." Neither does it expressly include "medical bills" or "lost work time" or "profits," but the phrase "all loss, damage or injury" has been held to include those. See, e.g., [Nat'l Union Ins. Co. of Pittsburgh, Pa. v. Puget Sound Power & Light](#), 94 Wash.App. 163, 168, 175, 972 P.2d 481 (1999). Seattle says we would have to infer state consent to interest payments from the statute. However, "all loss, damage or injury" is clear, broad, and inclusive. We have no authority to judicially amend the broad statute to read "all loss (except interest)."

¶ 34 The trial court seems to have split the difference and held the statute waived immunity for interest, but not for interest at the judgment rate. Instead, the trial court gave one percent interest because the monthly amounts were so small that a reasonable investor could have placed the money only in a low interest account. We reject this approach for two reasons.

\*889 ¶ 35 First, [RCW 80.04.440](#) says nothing about a reasonably prudent investor. It consents to suit for all "loss, damage or injury" and does not exempt from those losses the usual judgment interest. Second, any reasonably prudent investor test invites complex factual questions about investment returns. The legislature has decided the number by setting the statutory rate of 12 percent, [RCW 4.56.110\(4\)](#); [RCW 19.52.020](#) (set for all judgments), and we have no reason to deviate from it. "All loss" includes interest at the judgment rate. SPU must pay back the payments at the statutory rate.

### D. Lake Forest Park Is Liable for Hydrant Payments

¶ 36 If Seattle must pay for hydrants located in Seattle, it asks Lake Forest Park to pay for those hydrants located in Lake Forest Park. Seattle argues, and the trial court held, that [RCW 43.09.210](#) makes the cities liable. The statute reads: "All service rendered by ... one department ... to another, shall be paid for at its true and full value by the department ... receiving the same,..." [RCW 43.09.210](#). This law applies to services that one government body provides for another, including when one city provides another city with

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services.<sup>FN2</sup> Cf. *State v. Grays Harbor County*, 98 Wash.2d 606, 608, 656 P.2d 1084 (1983) (“The word ‘department’ plainly refers to an administrative division or branch of government,....”). Since SPU provided a service to Lake Forest Park, Lake Forest Park is liable for SPU's cost.

**FN2.** Otherwise, resident taxpayers of the providing city would be paying for services to others.

[121] ¶ 37 Moreover, SPU provided the hydrants because Lake Forest Park required it to do so by ordinance. LAKE FOREST PARK MUN.CODE 15.04.015(A)(3). Since providing hydrants is governmental, *see above*, Lake Forest Park also consented to pay for the hydrants when it passed this requirement. True, Lake Forest Park passed the ordinance before *Okeson*, but this does not avoid its liability.

\*890 ¶ 38 Lake Forest Park would apply the three-part test from *Covell* to argue that Seattle would be imposing a tax on another city, which it cannot do. The *Covell* factors are the purpose of the cost: where the money raised is allocated and whether the cities pay the cost because they use the service. 127 Wash.2d at 879, 905 P.2d 324.

¶ 39 The purpose of charging Lake Forest Park for hydrants is clearly to raise money, indicating a tax. There is no evidence that the funds are segregated, also leaning toward a tax. But, most importantly, here there is a direct relationship between the costs charged and the service provided. Lake Forest Park requires SPU to provide hydrants, and SPU is charging just for the costs of the hydrants required by Lake Forest Park. We hold that the hydrant charge to Lake Forest Park is not a tax, but rather a cost of providing a government service, which Lake Forest Park must pay.

¶ 40 Lake Forest Park argues that if we require it to pay for hydrants, cities may extend their utility services to other jurisdictions without consent and then charge the cost. This possibility is speculative (and improbable). SPU will not likely install fire hydrants where uninvited. Right-of-way problems alone would block this eventuality. SPU operates in Lake Forest Park only with that city's permission, and it is providing a service only Lake Forest Park required.

\*\*984 ¶ 41 Lake Forest Park also argues that even if it has to pay for hydrants, it should have to pay only for costs before January 1, 2005. On that day, Seattle's tax on SPU started. Under Lake Forest Park's theory, since Seattle already recovered the costs of hydrants starting in 2005, it would get a windfall if Lake Forest Park also had to pay. We reject this argument. RCW 43.09.210 draws no distinction that would exempt pre-2005 charges.

¶ 42 RCW 43.09.210 requires Lake Forest Park to pay for the hydrants within its boundary.

### \*891 III

¶ 43 In summary, we hold that (1) providing hydrants is a government responsibility for which the general government of the area must pay; (2) charging every SPU ratepayer a flat hydrant fee amounted to an improper tax; (3) the ratepayers may recover past improper hydrant fees, together with interest at the judgment rate; (4) Seattle's new tax on SPU is legal; and (5) Lake Forest Park must pay for the hydrants within its boundary.

WE CONCUR: ALEXANDER, C.J., C. JOHNSON, MADSEN, SANDERS, CHAMBERS, OWENS, FAIRHURST and STEPHENS, JJ.  
Wash., 2008.

Lane v. City of Seattle  
164 Wash.2d 875, 194 P.3d 977

END OF DOCUMENT

**2009 YE Est Water Operating Expense**

<b>Water Expense</b>			Total Maintenance & Operational Costs	Fire Hydrant Maintenance & Operational Costs
	Cascade Water Alliance -- water	3,615,694		
	Cascade Water Alliance -- RCFCs from above	263,873		
	Water Depreciation	995,206		
	Water contrib to GIS	50,000		
	Maint of Facilities	36,336	5.0%	
	Maint of Wa Main	208,069	28.7%	
	Maint of Services	146,468	20.2%	
	Maint of Meters	63,960	8.8%	
IFAS Org Key	411-251-3456*	102,325	14.1%	102,325
	Water Patching	33,929	4.7%	
	Jt Facilities	112,830	15.6%	
	Const Wa Main	9,349	1.3%	
	Const Wa Svsc	3,087	0.4%	
IFAS Org Key	411-254-3493*	8,755	1.2%	8,755
	Cascade Water Alliance -- RCFCs from above	263,873		
	Water Depreciation	995,206		
	Water contrib to GIS	50,000		
	Alloc of Supervision	589,292		
	Alloc of Debt Service	706,989		
	Alloc of Admin. Costs	1,425,004		
	Alloc of Customer Billing	261,243		
	Alloc of Reimbursable Work	0		
<b>Total Water Expense</b>		<b>9,941,488</b>		<b>111,080</b>
<b>Less :</b>	<b>Fire Hydrant Rental received from Fire Department</b>			(4,000)
<b>Total net cost of fire hydrant maintenance and operations included in water rate calculation</b>				<b>107,080</b>

**2010 Water Operating Expense Budget**

			Total Maintenance & Operational Costs	Fire Hydrant Maintenance & Operational Costs
<b>Water Expense</b>				
		Cascade Water Alliance -- water	3,885,209	
		Cascade Water Alliance -- RCFCs from above	850,000	
		Water Depreciation	1,138,728	
		Water contrib to GIS	50,000	
		Maint of Facilities	32,056	3.2%
		Maint of Wa Main	308,524	30.7%
		Maint of Services	212,186	21.1%
IFAS Org Key		Maint of Meters	66,204	6.6%
	411-251-3456*	Maint of Hydrants	67,043	6.7%
		Water Patching	86,998	8.7%
		Jt Facilities	164,313	16.4%
		Const Wa Main	43,841	4.4%
IFAS Org Key		Const Wa Svsc	7,284	0.7%
	411-254-3493*	Const Wa Hydrants	15,370	1.5%
		Alloc of Supervision	654,285	
		Alloc of Debt Service	475,134	
		Alloc of Admin. Costs	1,622,297	
		Alloc of Customer Billing	266,361	
		Alloc of Reimburseable Work	0	
<b>Total Water Expense</b>			<b>9,945,832</b>	<b>82,413</b>
<b>Less :</b>				
	<b>Fire Hydrant Rental received from Fire Department</b>			<b>(4,000)</b>
<b>Total net cost of fire hydrant maintenance and operations included in water rate calculation</b>				<b>78,413</b>

**FISCAL NOTE**

CITY OF KIRKLAND

Source of Request							
Tracey Dunlap, Director of Finance and Administration							
Description of Request							
Request funding of \$188,262 from the Contingency Reserve Fund to pay for fire hydrant costs in 2009-2010. The total includes: Kirkland water utility cost of \$185,493 (\$107,080 in 2009 and \$78,413 in 2010) and Bellevue's 2010 billing of \$2,769.							
Legality/City Policy Basis							
In October 2008, the Washington State Supreme Court ruled that fire hydrant costs are a general government function and should be paid out of general tax revenues. As part of the 2008 Audit, the State Auditors Office recommended that fire hydrant costs be funded with general tax revenues not the water utility. Staff recommends the use of the Contingency Reserve Fund, which is available to meet any municipal expense, the necessity or extent of which could not have been reasonably foreseen at the time of adopting the biennial budget.							
Fiscal Impact							
<b>One-time use of \$188,262 of the Contingency Reserve Fund.</b> The reserve is able to fully fund this request.							
Recommended Funding Source(s)							
<b>Reserve</b>	Description	2010 Est End Balance	Prior Auth. 2009-10 Uses	Prior Auth. 2009-10 Additions	Amount This Request	Revised 2010 End Balance	2010 Target
	Contingency Reserve	2,324,515	54,750	0	188,262	2,081,503	4,915,571
Prior 2009 Authorized Uses of \$54,750 for funding legal counsel and financial consultant assistance related to the proposed transfer by Verizon of its cable franchise agreement with the City to Frontier Communications.							
<b>Revenue/Exp Savings</b>							
<b>Other Source</b>							
Other Information							
Prepared By	Sri Krishnan, Acting Financial Planning Manager				Date	October 20, 2009	

RESOLUTION R-4783

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND AUTHORIZING THE TRANSFER OF FUNDS FROM THE CONTINGENCY RESERVE FUND TO THE GENERAL FUND TO PAY FIRE HYDRANT COSTS IN 2009-2010 AND FOR PROFESSIONAL SERVICES RELATED TO THE PROPOSED TRANSFER BY VERIZON.

WHEREAS, the City has unforeseen general fund expenses for the costs of hydrant maintenance and replacement for 2009 and 2010; and

WHEREAS, the City also has unforeseen general fund expenses for the cost of legal and financial consultant assistance needed related to the proposed transfer by Verizon of its cable franchise agreement with the City to Frontier Communications; and

WHEREAS, under RCW 35A.146, the City may, by resolution or ordinance adopted by a vote of the majority of the entire City Council, authorize the transfer of funds from the contingency fund to the appropriate operating fund;

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

Section 1. Funds in the amount of \$188,262 shall be transferred from the Contingency Reserve Fund to the general fund for the purpose of paying fire hydrant costs in 2009-2010.

Section 2. Funds in the amount of \$54,750 shall be transferred from the Contingency Reserve Fund to the general fund for the purpose of paying for legal counsel and financial consultant assistance needed related to the proposed transfer by Verizon of its cable franchise agreement with the City to Frontier Communications.

Passed by majority vote of the Kirkland City Council in open meeting this \_\_\_\_ day of \_\_\_\_\_, 2009.

Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 20.

\_\_\_\_\_  
MAYOR

Attest:

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

ORDINANCE NO. 4240

AN ORDINANCE OF THE CITY OF KIRKLAND AMENDING THE BIENNIAL BUDGET FOR 2009-2010.

WHEREAS, the City Council finds that the proposed adjustments to the Biennial Budget for 2009-2010 reflect revenues and expenditures that are intended to ensure the provision of vital municipal services at acceptable levels;

NOW, THEREFORE, the City Council of the City of Kirkland do ordain as follows:

Section 1. The April 2010 adjustments to the Biennial Budget of the City of Kirkland for 2009-2010 are hereby adopted.

Section 2. In summary form, modifications to the totals of estimated revenues and appropriations for each separate fund and the aggregate totals for all such funds combined are as follows:

<u>Funds</u>	Current Budget	Adjustments	Revised Budget
General	121,991,440	(959,336)	121,032,104
Lodging Tax	791,648	0	791,648
Street Operating	9,471,380	106,432	9,577,812
Cemetery Operating	210,362	0	210,362
Parks Maintenance	2,227,124	0	2,227,124
Recreation Revolving	2,890,797	0	2,890,797
Contingency	2,328,060	320,000	2,648,060
Cemetery Improvement	586,574	0	586,574
Impact Fees	4,151,098	0	4,151,098
Park & Municipal Reserve	11,448,172	80,000	11,528,172
Off-Street Parking Reserve	217,610	0	217,610
Tour Dock	126,275	0	126,275
Street Improvement	2,833,503	0	2,833,503
Grant Control Fund	222,924	0	222,924
Excise Tax Capital Improvement	22,396,187	0	22,396,187
Limited General Obligation Bonds	2,585,729	0	2,585,729
Unlimited General Obligation Bonds	2,687,388	0	2,687,388
General Capital Projects	42,989,570	0	42,989,570
Grant Capital Projects	18,307,402	0	18,307,402
Water/Sewer Operating	46,193,216	9,434	46,202,650
Water/Sewer Debt Service	3,505,639	0	3,505,639
Utility Capital Projects	18,399,331	0	18,399,331
Surface Water Management	12,946,027	0	12,946,027
Surface Water Capital Projects	11,238,517	0	11,238,517
Solid Waste	18,578,902	0	18,578,902
Equipment Rental	13,599,185	0	13,599,185

<u>Funds</u>	Current Budget	Adjustments	Revised Budget
Information Technology	10,167,580	0	10,167,580
Facilities Maintenance	9,373,036	0	9,373,036
Firefighter's Pension	1,634,077	0	1,634,077
	394,098,753	(443,470)	393,655,283

Section 3. This ordinance shall be in force and effect five days from and after its passage by the Kirkland City Council and publication, as required by law.

Passed by majority vote of the Kirkland City Council in open meeting this 20<sup>th</sup> day of April, 2010.

Signed in authentication thereof this 20<sup>th</sup> day of April, 2010.

\_\_\_\_\_  
MAYOR

Attest:

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

Approved as to Form:

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

Adjustment Type	Dept.	Description	Adjustments	Appropriation Adjustment	Funding Source				Funding Source Notes
					Internal Transf./Chrg.	Reserves	Resources Forward	External Revenue	
<b>General Fund</b>									
Housekeeping	PW	Revised Engineering Service Charges	54,629	54,629	54,629				CIP & Operating Funds
Housekeeping	FA	Reallocate Accounting Support Associate-IV Position to CIP	20,401	20,401	20,401				CIP
Housekeeping	PK	Correction to Utility Tax to Reflect New Recreation Revenue	14,500	14,500	14,500				Transfer from Recreation Revolving Fund
Housekeeping	FB	Paging and Alerting Project Close-out	80,236	-					Contingency/Department Expenditure Savings
Housekeeping	ND	2009 Fire Hydrant Charges Reconciliation	9,434	-					General Fund Contingency
Housekeeping	HR	ECityGov Alliance Contract for Project Management	4,968	4,968				4,968	ECityGov Alliance Payment
Housekeeping	PCD	ARCH Contract for Planning Staff Services	17,058	17,058				17,058	ARCH Payment
Housekeeping	F&B	Issaquah Contract for Building Inspector Services	96,410	-					City of Issaquah Payment/Decrease in Bldg Revenue
Housekeeping	ND	Sales Tax Mitigation Payments	120,000	120,000				120,000	Sales Tax Mitigation
Housekeeping	F&B	Adjustment to 2010 Fire District #41 Contract	(176,301)	(176,301)				(176,301)	Fire District #41
Housekeeping	F&B	Reserve Fire Fighters Funding	60,000	60,000				60,000	Fire District #41
Housekeeping	F&B	Hire and Equip 3 Entry Level Fire Fighters for Vacant Positions	49,400	-					General Fund Contingency
Housekeeping	ND	Replenish Council Special Projects Reserve	80,000	-					2009 COLA Reserve
Housekeeping	ND	Replenish Contingency Fund	320,000	-					2009 Expenditure Savings
Budget Balancing	F&B	Non Labor Budget Gap Concessions	(57,300)	(57,300)				(57,300)	Sales Tax
Budget Balancing	Var.	Labor Budget Gap Concessions	(1,032,092)	(1,032,092)				(1,032,092)	Sales Tax
Council Directed/Other	CC	Additional Funding for Bank of America Appeal	2,401	2,401	2,401				Council Special Projects Reserve
Council Directed/Other	F&B	Medical Transport Fee Study	12,400	12,400	12,400				Council Special Projects Reserve
<b>General Fund Total</b>			<b>(323,856)</b>	<b>(959,336)</b>	<b>104,331</b>	<b>-</b>	<b>-</b>	<b>(1,063,667)</b>	
<b>OTHER FUNDS</b>									
<b>Street Operating Fund</b>									
Council Directed/Other	PW	Antique Mall Parking	106,432	106,432				106,432	Parking Revenues
<b>Street Operating Fund Total</b>			<b>106,432</b>	<b>106,432</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>106,432</b>	
<b>Contingency Fund</b>									
Housekeeping		Contingency Replenishment	320,000	320,000	320,000				Transfer from General Fund
<b>Contingency Fund Total</b>			<b>320,000</b>	<b>320,000</b>	<b>320,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Park and Municipal Reserve Fund</b>									
Housekeeping		Council Special Projects Reserve Replenishment	80,000	80,000	80,000				Transfer from General Fund
<b>Park and Municipal Reserve Fund Total</b>			<b>80,000</b>	<b>80,000</b>	<b>80,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Water/Sewer Utility Operating Fund</b>									
Housekeeping	PW	2009 Fire Hydrant Charges Reconciliation	9,434	9,434	9,434				Interfund Charge
<b>Water/Sewer Utility Operating Fund Total</b>			<b>9,434</b>	<b>9,434</b>	<b>9,434</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>Surface Water Capital Fund</b>									
Council Directed/Other	PW	Close NE 124th/124th Ave Int. Imp. Project	15,126	-					Surface Water Capital Reserve
<b>Surface Water Capital Fund Total</b>			<b>15,126</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>TOTAL OTHER FUNDS</b>			<b>530,992</b>	<b>515,866</b>	<b>409,434</b>	<b>-</b>	<b>-</b>	<b>106,432</b>	
<b>TOTAL ALL FUNDS</b>			<b>207,136</b>	<b>(443,470)</b>	<b>513,765</b>	<b>-</b>	<b>-</b>	<b>(957,235)</b>	

**CITY OF KIRKLAND**

City Manager's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3001

[www.ci.kirkland.wa.us](http://www.ci.kirkland.wa.us)**MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager

**From:** Kari Page, Neighborhood Services Coordinator

**Date:** April 9, 2010

**Subject:** South Rose Hill/Bridle Trails Neighborhood Meetings with the City Council

**RECOMMENDATION:**

City Council choose topics for introductory statements and finalize the meeting agenda for the upcoming meeting with the South Rose Hill/Bridle Trails Neighborhood.

**BACKGROUND:**

The Council is scheduled to meet with the South Rose Hill/Bridle Trails Neighborhood on Tuesday, May 11, 2010 at Lake Washington Methodist Church, (7525 132nd Ave NE). The format has changed based upon the following City Council direction from the March 16 Study Session.

- ✓ Add time for casual conversations with residents at the beginning and end of the meeting.
- ✓ Begin with short introductions from Council members (maximum 2-3 minutes each Council member). Possible options for Council introduction topics:
  1. Council background: discuss why you became interested in the City Council, what topics and issues you are most interested in, and what your priorities are; or
  2. Long range topics: introduce important long range issues which you feel the City has an obligation or responsibility to discuss and publicly debate; or
  3. Neighborhood topics: briefly respond to one of the neighborhood's priority topics (see topics submitted by neighborhood board below).
- ✓ Allocate majority of time to addressing questions from the audience.
- ✓ Continue to provide written/handouts with answers to questions submitted in advance.
- ✓ Answer questions submitted in advance in the context of questions from the audience (rather than repeating information in written/handout).
- ✓ Post the neighborhood topics on a flip chart and ask audience for additions to this list for the question and answer session.
- ✓ Proactively manage "town hall" style meeting by having the Mayor set a positive tone, start and end on time, stay on track, encourage participation, and evenly distribute questions from audience to Council members.
- ✓ Continue to reduce costs and minimize paperwork by sending post cards with instructions to go online to submit their questions in advance. Provide a phone number for those who prefer not to submit their requests online.
- ✓ As funding becomes available, look for ways to televise these meetings and invite live phone-in questions.

Potential discussion topic areas suggested by the South Rose Hill/Bridle Trails Neighborhood Board include:

**1. Annexation**

- Are Neighborhood Plan updates going to stay on schedule? How will the schedule impact the workload for the Planning Department and Planning Commission?
- How will the existing level of police services be maintained after annexation?
- Will the rank or schedule for Capital Improvement Projects in South Rose Hill/Bridle Trails neighborhood be affected by annexation?

**2. Transportation**

- What is the City doing to encourage Metro to improve bus service to South Rose Hill/Bridle Trails, the Houghton P & R, and the freeway station?
- What is the schedule for NE 85<sup>th</sup> Street Corridor Improvements? Can the sidewalks on 124<sup>th</sup> Avenue NE leading to Rose Hill Meadows Park be fast tracked?

**3. New City Manager**

- How is the City Manager search going? What are the most critical requirements for the position? What is the hiring process? How close is a decision?

**4. Houghton Transfer Station**

- Work on the transfer station is going to begin soon. Who from the City is going to monitor the construction compliance with permits and rules?

Based upon the direction from the March 16 Study Session, the suggested agenda for May 11 is as follows:

6:45-7:00 p.m.	Informal Meet and Greet
7:00-7:05 p.m.	Welcome and Introduction - Mayor Joan McBride
7:05-7:10 p.m.	Comments from the Neighborhood Association Co-Chair Deirdre Johnson
7:10-7:30 p.m.	Introductions from City Council members (Note: Direction Needed)
7:30-8:45 p.m.	General Discussion and Questions from Audience
8:45 p.m.	Social Time

The proposed meeting agenda reflects the overall direction from the Council based on input from Council, staff and the neighborhood association. The Council agreed to shorten the presentations from the City Council to allow more time for interaction with the audience.

Options provided above include:

1. Council background: discuss why you became interested in the City Council, what topics and issues you are most interested in, and what your priorities are; or
2. Long range topics: introduce important long range issues which you feel the City has an obligation or responsibility to discuss and publicly debate; or
3. Neighborhood topics: briefly respond to one of the neighborhood's priority topics (see topics submitted by neighborhood board below).

Council direction is needed on the preferred option so that staff can assist as needed.

The schedule below outlines the timeline for receiving the questions and answers in advance of the meeting. If you have any suggestions or changes to this schedule, please let us know.

**South Rose Hill/Bridle Trails**  
 Neighborhood Meeting with the City Council

	Task	Date
	Council Meeting (finalize agenda)	April 20
	Residents Receive Mailing	April 15
	Directors Answer Questions	April 26-May 5
	City Council Receives Questions and Answers	May 6
	Meeting date	May11

March						
M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

April						
M	T	W	T	F	S	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

May						
M	T	W	T	F	S	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

**CITY OF KIRKLAND**

City Manager's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3001  
www.ci.kirkland.wa.us**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.

#### ANNEXATION OF WILD GLEN CONDOMINIUMS PARCEL (CONTACT: ERIC SHIELDS, PLANNING DIRECTOR)

Wild Glen is a condominium located on a triangle of land west of 100<sup>th</sup> 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 31<sup>st</sup>. 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 submitted to the BRB until after the larger annexation takes effect. 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](http://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.

#### GIS REQUEST FOR PROPOSALS (CONTACT: XIAONING JIANG, GIS ADMINISTRATOR)

The GIS priority data development for the annexation area Request for Proposals was published on April 1<sup>st</sup> and the due date is April 30<sup>th</sup>. 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 6<sup>th</sup>, 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****123 Fifth Avenue, Kirkland, WA 98033 425.587.3800****www.ci.kirkland.wa.us**

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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:*

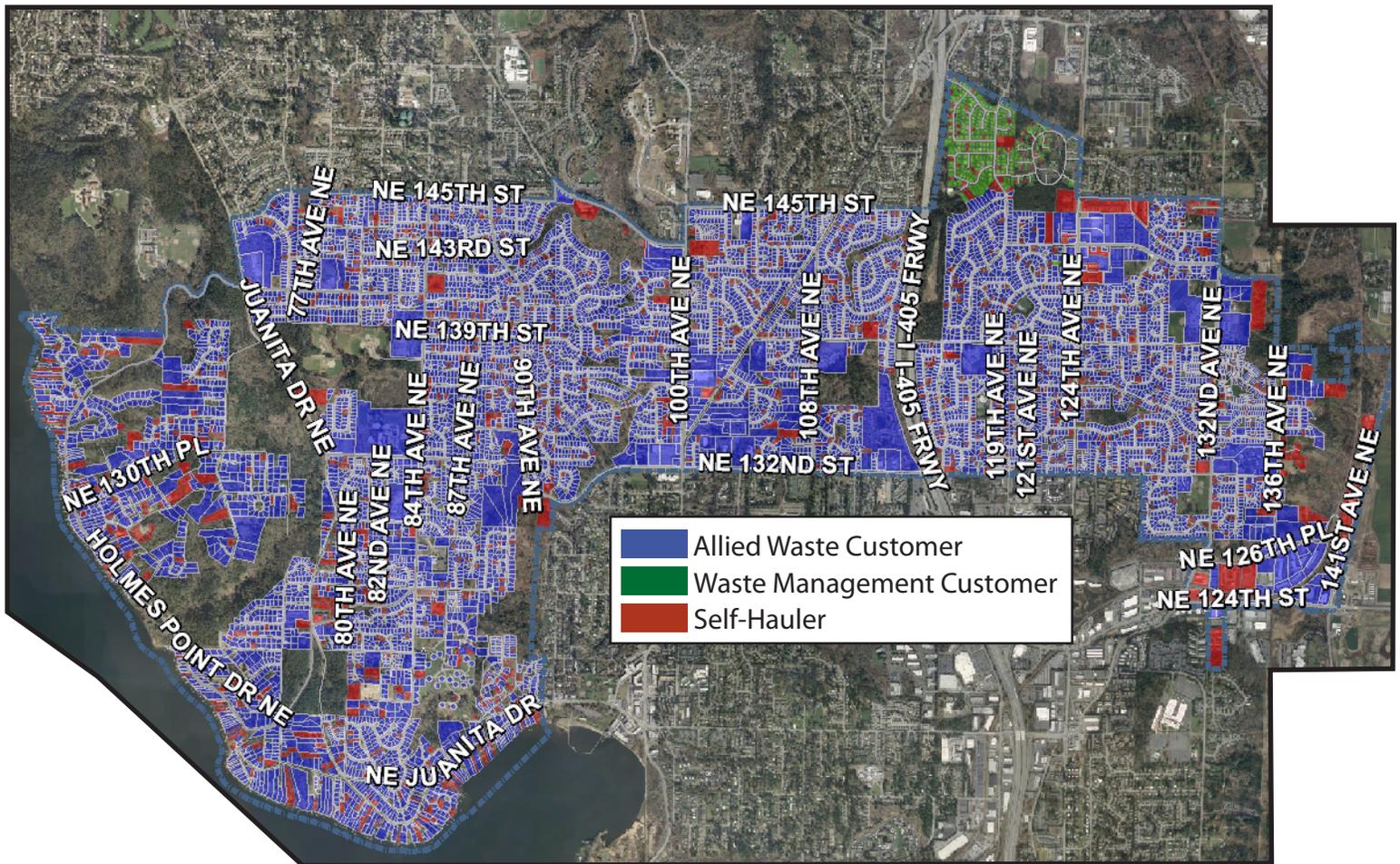
Our contract is due to expire on September 30, 2012 but may be extended until September 30, 2014. Per the 4-Way Agreement, WMI is obligated to begin providing service to the annexation area on July 1, 2011. Given our existing contract's expiration date, WMI is in a position where they could lose a competitive 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](mailto:jmacgillivray@ci.kirkland.wa.us).

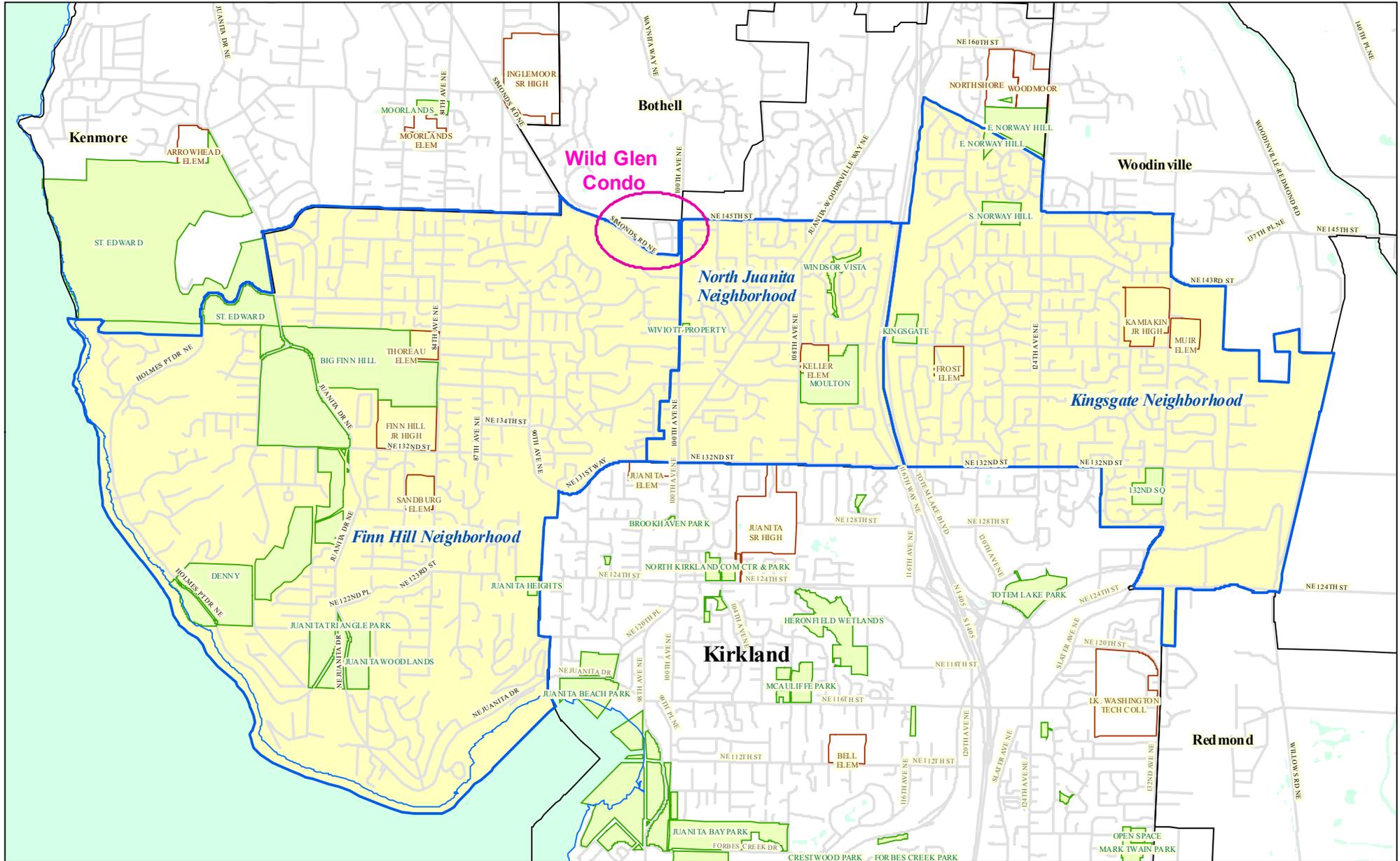
# Attachment 1: Kirkland Annexation Area - Self-Hauler Map



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



# 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

- 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.

# 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](mailto: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.

- 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)



- **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](http://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](http://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](http://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](http://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.

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](http://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

## ***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.

## 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."



## 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

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

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](http://www.ci.kirkland.wa.us/depart/CMO/Annexation/CA).

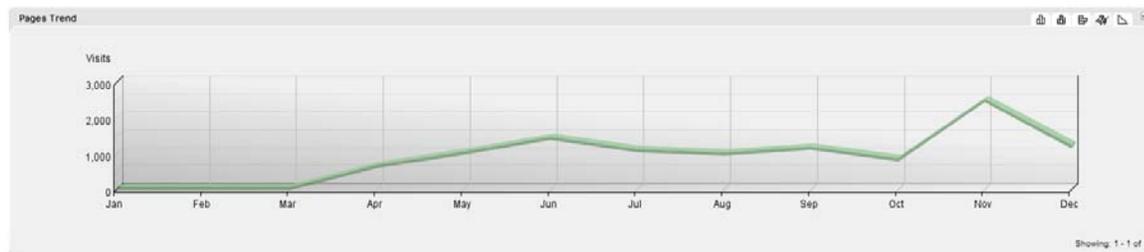
## Print Messaging

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: <ul style="list-style-type: none"> <li>• Annexation Process</li> <li>• City Finances</li> <li>• Public Safety</li> <li>• Zoning &amp; Building Requirements</li> <li>• Parks, Recreation &amp; Community Services</li> <li>• Community Involvement</li> </ul> <i>The FAQs were reviewed by the Public Disclosure Commission.</i>	2 <sup>nd</sup> Quarter edition (online) "Council decides key issues"
April 7, 2009 "Council to file with BRB"		4 <sup>th</sup> Quarter edition (online) "Council accepts annexation"
May 13, 2009 "Public Participation Opportunities"		
June 17, 2009 "Pro/Con Committees"		<b>Direct Mailer to PAA</b>
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](http://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



## 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 <a href="mailto:annexation@ci.kirkland.wa.us">annexation@ci.kirkland.wa.us</a>	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](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](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](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](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](http://www.pnwlocalnews.com/east_king/kir/news/69620002.html)

- Kirkland annexation fails, could go back to city council (11.23.09)  
[http://www.pnwlocalnews.com/east\\_king/kir/news/71663162.html](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](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](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](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](http://www.pnwlocalnews.com/east_king/kir/news/79423567.html)

### *Seattle Times*

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

## Appendix B: 2011-2012 Annexation Service Package

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

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
							\$ -
<b>Total</b>			<b>\$ 3,100</b>	<b>\$ 5,950</b>	<b>\$ 3,100</b>	<b>\$ -</b>	<b>\$ 12,150</b>

## Appendix C: Annexation Liaisons

DRAFT

**CITY OF KIRKLAND**

Information Technology Department

123 Fifth Avenue, Kirkland, WA 98033 425.587.3050

www.ci.kirkland.wa.us

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**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.



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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**RECEIVED**

APR 01 2009

CITY OF KIRKLAND  
CITY MANAGER'S OFFICE

*cc: Mardynne  
Eric  
Robin*

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 5<sup>th</sup> 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](mailto: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



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

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## **MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager  
**From:** Brenda Cooper, Chief Information Officer;  
**Date:** April 8<sup>th</sup> 2010  
**Subject:** Permit System Replacement

## RECOMMENDATION

That City Council approve the purchase of a permit system and authorize use of the Major System Replacement Reserve as well as authorize the City Manager to sign a contract with Energov Solutions.

## BACKGROUND DISCUSSION

The City of Kirkland is using an electronic permit system that was purchased in 1988 originally to support business licensing and then extended to support permitting in 1992. Even though the system was sold a few times and renamed at least twice, it was maintained and supported by the various companies that procured it, and is in fact still maintained at a very basic level by Accela, the current owner. Accela has been clear that they plan to stop providing any support at all for the system soon.

We began identifying funding in the CIP about five years ago for the replacement of the aging system. However, we had only rough estimates of the actual cost of replacement. When City Council approved the 2008-13 CIP, \$621,000 was set aside for this project.

In 2009, we determined that other local cities also owned systems that are being phased out by Accela. We joined together to do a regional procurement process in two phases.

- Phase I: Evaluate the market and assess the likely price that we would have to pay for this system.
- Phase II: Develop and issue an RFP and select a vendor.

At this point, both phases have been completed and a system has been selected that we believe will meet our needs. Six cities joined together on the procurement and five of the six cities selected the same vendor, [Energov Solutions](#).

### Phase I Results:

Phase I was completed on September 30, 2008. Eleven cities shared the cost of Phase I. The complete final report is available on the City's webpage and can be accessed by searching for "Regional Permit Replacement."

Phase I estimated that our "one-time" costs to procure a new system would be around \$1.3 million (reference page 11). The 2009-2014 CIP process was already complete, so there was no opportunity to add funds in that process, even if funds had been available. When we prepared the 2009 CIP update, we were able to reallocate funds from some technology CIP projects that we could defer because they were optional, reduce, or close out. This resulted in about \$200,000 dollars being added to the Major Systems Reserve to help with the likely shortfall in this project.

### Phase II Activities and Results:

In 2009, we joined up with 6 cities for Phase II: Kirkland, Bothell, Issaquah, Renton, Redmond, and Sammamish (the other cities from Phase I dropped out, primarily for lack of budget). We issued and awarded an RFP for a vendor to help us with the system selection process, and jointly chose Soft Resources, LLC, a Kirkland-based IT consulting company that specializes in large-systems acquisitions.

Soft Resources started work in early 2009, and a joint RFP was released in October of 2009. The responses varied widely; the amounts that would be paid to vendors<sup>1</sup> came in between just under two hundred thousand dollars to just under two million dollars. The list was winnowed down to four vendors and each vendor had a day to demonstrate their system to us as a region. We also performed extensive background checks on the vendors and sent two people on a site visit to Charleston County, South Carolina to look at the Energov Solutions installation there.

While we realize that this is a "no new levels of service" budget time, the very act of purchasing a replacement system will result in some positive benefits to the city and its customers. These include:

- The system is based on GIS, and will leverage the investment you've made so far in GIS data and technology.
- Energov will be much easier to integrate with our award-winning regional portal, mybuildingpermit.com, and is one part of our strategy to take plans online for all permit types which is both better for the environment and less expensive for the contractor.
- We will be able to take business license application, payments, and renewals online. This may improve compliance with our licensing requirements.
- The mobile capability is much enhanced including giving field inspectors and code enforcement staff better access to GIS data, routing information, and improved field connectivity.
- This allows us to add Interactive Voice Response (IVR) for permitting and business licensing functions.

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<sup>1</sup> Which is only about three-quarters of the total project cost

- A better workflow tool will improve our ability to track and control permits.
- We will have better connections into the state databases for contractors and business licenses in order to be sure contractors are licensed.

We have been in negotiations with Energov Solutions, and have agreed on the following price structure:

Item	Cost	Notes
Software and interfaces	\$246,928	Includes desktop and mobile licensing to support staff in Finance (business licensing), Fire and Building, Public Works, and Planning, interface to mybuildingpermit.com, interactive voice response, and a markup tool for electronic plans. (Includes an additional \$10,000 one-time discount)
Server Hardware and System Software	\$15,884	Includes three servers and associated licensing
Implementation	\$327,617	Includes system analysis, business process analysis, user acceptance testing design, migration of up to 30 reports and the inclusion of 250 standard reports, data conversion from our system and from King County's system, various small internal integrations, travel, and training.
Total Software, Hardware, and implementation	\$590,429	
Add first year's maintenance	\$77,098	
Total with maintenance	\$667,527	
Add contingency (15%)	\$49,143	Contingency is a percent of implementation costs, which are more variable than software or hardware costs
Add estimated backfill	\$145,000	This is to backfill a portion of the project work with other staff so that key players can participate in this project. Details broken out below
Total request	\$861,670	

Funding Sources:		
Permit Replacement CIP	\$590,015	Estimated remaining amount in CIP after consultant services for study and RFP
Major Systems Reserve	\$200,000	This is roughly the amount we added to this reserve in anticipation of this project
IT cash saved by not paying support for Advantage this past year	\$17,674	
Utilities	\$22,000	Fair allocation of the portion of permitting that directly and clearly benefits utilities
Permit technology fee cash	\$37,000	
Total	\$866,689	
Less request	\$861,670	
Over (Shortfall)	\$5,019	

#### Affect on Ongoing Costs:

While this will replace the ongoing cost of the current permit system, the maintenance of the new system will be more expensive. The current annual maintenance cost is just over \$20,000 per year, and the new cost will be just over \$75,000. The increase was anticipated since software maintenance is priced as a percentage of the purchase price (generally with an inflation escalator and cap) and modern systems are much more expensive. In comparison, the police systems we implemented (and then transferred to NORCOM) had about \$90,000 a year in ongoing maintenance associated with them plus a premium for 24/7 support. The cost will be assessed to user departments and partially recovered through development fees.

#### Staff Backfill:

This is a very large project. The permit system is used by almost all departments and performs critical public-facing functions such as permits, inspections, business licensing, and code enforcement. Although the work is not being done because of Annexation (we would have had to complete this project at about the same time even if we didn't annex), it is important that we complete the work before annexation.

The actual staff we anticipate will work on the project are:

Project Director(s):	Tom Phillips and Brenda Cooper
Project Manager:	Katy Coleman
Technical Project Lead:	Kyle Coulson
Project Team:	Dawn Nelson
	Desiree Goble
	Gloria Martin
	Steve Lybeck
	Tom Jensen
	Shelli Craig

Other staff may have roles in various parts of the project, but these people will be involved throughout the implementation.

In all cases the key people we need working on this are senior staff, and we are adding staff that they can delegate to in order to help free up enough time to do this project. We are requesting specific staff backfill in three areas, and the establishment of a small reserve that can be drawn on for other needs.

This is not going to cover the total staff time costs for the project. This is simply the estimated amount we recommend to backfill. Other work on this project will be absorbed by existing or planned capacity or through prioritization of existing work. Backfill funding availability is not automatic: whether or not it becomes available to the requesting departments may depend on development services activity levels.

The project was already on IT's workplan and we believe we have adequate resources to complete it.

#### SUMMARY

This is a planned project with a significant amount of work and change associated with it. Although it is being driven by an acute need to replace an aging tool, we believe the project will be instrumental in helping us to get into position to continue improving and modernizing critical permitting and inspection processes and to begin to provide business licensing activities online.

# FISCAL NOTE

CITY OF KIRKLAND

Source of Request							
Brenda Cooper, Chief Information Officer							
Description of Request							
Request funding of \$200,000 from the Technology Major Systems Replacement Reserve to provide additional funding for the planned purchase of a Permit System replacement.							
Legality/City Policy Basis							
Fiscal Impact							
<b>One-time use of \$200,000 of the Technology Major Systems Reserve.</b> The reserve is able to fully fund this request.							
Recommended Funding Source(s)							
<i><b>Reserve</b></i>	Description	2010 Est End Balance	Prior Auth. 2009-10 Uses	Prior Auth. 2009-10 Additions	Amount This Request	Revised 2010 End Balance	2010 Target
	Major Systems Replacmnt. Rsv.	247,900	0	197,600	200,000	245,500	247,900
	2009-10 Prior Authorized Additions include: \$144,600 from the closure of Police Automatic Vehicle Location System project and \$53,000 from the closure of Parks Work Order System project.						
<i><b>Revenue/Exp Savings</b></i>							
<i><b>Other Source</b></i>							
Other Information							

Prepared By	Neil Kruse, Budget Analyst	Date	April 9, 2010
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**CITY OF KIRKLAND**  
Fire & Building Department  
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**MEMORANDUM**

**To:** Marilynne Beard, Interim City Manager  
**From:** Helen Ahrens-Byington, Deputy Fire Chief and City Emergency Manager  
**Date:** April 8, 2010  
**Subject:** Status of Emergency Preparedness

RECOMMENDATION:

City Council should receive an update on the City's emergency preparedness efforts.

BACKGROUND:

Preparing for a disaster is not an end point, but a journey. As new information is learned, better methods are found. As new citizens, employees, businesses, and non-governmental organizations join in the journey, new strengths are acquired.

The City of Kirkland has been moving forward on the path to becoming better prepared for a disaster and in its ability to respond to disasters. However, it is important that we continue moving towards strengthening our ability to recover from a disaster. For Kirkland to become a resilient community, we need participation from each City department, as well as non-governmental organizations, businesses, citizens and employees.

Vision:

The City of Kirkland's Office of Emergency Management (OEM) will provide leadership in promoting a community that is resilient in the event of a disaster.

Mission:

To create and sustain partnerships that support disaster prevention, preparedness, response and recovery to become a resilient community.

This memo will outline current activities and future needs for the program and include a recommendation regarding program priorities needed to achieve the program's vision.

### **Current Activities and Future Needs:**

Emergency Management planning must be approached from multiple perspectives – prevention, response and recovery. The following narrative discusses current and future activities for each area.

#### **PREVENTION:**

The National Multi-Hazard Mitigation Council conducted a study on costs associated with prevention activities versus lack of prevention. They found that for every \$1 spent on prevention (mitigation), \$4 is saved in the future. For example, after the local windstorm in 2007, power companies invested resources into trimming trees back from power lines to prevent the same level of disruption that occurred then.



#### **Current Activities:**

- The Building Division supports a program called "Project Impact." This program helps mitigate earthquake damage by encouraging homeowners to do seismic retrofit of their homes. Seismic retrofitting includes anchoring the home to the foundation, bracing cripple walls, connecting floor joists, and strapping the water heater.

#### **Future Needs:**

- The City should continue to evaluate areas of potential risks before a disaster. This means our division working with Public Works and Planning Departments to make sure everything is being done to prevent dangerous situations.
- After a disaster, the City should evaluate damages and determine what could be done to prevent in the future.
- The City should update its Hazard Mitigation Plan. We are currently in the process of partnering with cities and special purpose districts in Northeast King County, including School Districts and Evergreen Hospital.

#### **PREPAREDNESS:**

Preparedness involves all aspects of the community and is the key to becoming a resilient community.

**Personal Preparedness** – Includes asking questions of individuals such as:

- ✓ "Who depends on you?"
- ✓ "How will you ensure the safety of your family, including pets?"
- ✓ "Do you have a plan for food, water and shelter, if such outside resources are not available for a week or longer?"

The recent events in Haiti and Chile demonstrate what happens when people become desperate without resources. This emphasizes the real need for everyone in the community to be prepared.

Current Activities:

City of Kirkland Office of Emergency Management (OEM) met with several organizations to promote the importance of everyone being prepared.

1. The Emergency Preparedness Coordinator, Stephanie Day, partnered with the Senior Council to place fliers in utility bills to promote the need to be prepared.
2. Mc Donald's Corporation and the Kirkland Kiwanis both worked with the Kirkland OEM to promote the preparedness message to its membership.
3. Evergreen Hospital and Kirkland OEM are working together to provide disaster preparedness information to citizens that are taking CPR and first aid at the Hospital.
4. Kirkland OEM, the Kirkland Chamber of Commerce, Fire District 41 and Kirkland Fire Department donations all supported providing disaster preparedness kits to low income families in the City of Kirkland and Fire District 41. This was an important outreach for the preparedness effort. Helping to prepare families who otherwise have limited resources, benefit the entire community.



Future Needs:

The City of Kirkland needs to have a coordinated, effective outreach to the community to increase emergency preparedness. In order to be effective, this effort needs to be organized and continuous. Onetime events may get some people to act but it is the long-term message and the ongoing education in the community that will really make the difference. Hiring a Community Preparedness Specialist will fill the need to assist the community to take action to be prepared.

1. In 2010 the Emergency Management Performance Grant (EMPG) will be larger than past years due to the money City Council dedicated to Emergency Management CIP projects in 2010. This allowed the City to apply for a Vista Volunteer to assist with Community Preparedness. The volunteer will work 40 hours a week for 1 year. The cost to the City is \$5,500 – which will be paid from the grant. Vista Corps will pay the volunteer a stipend and money for college that can be used for themselves, their children or grandchildren. Applicants cannot work another job while volunteering.
2. The volunteer will be used to assist with two main projects, Community wide Map your neighborhood project and coordinating one CERT class. The Vista volunteer will help increase the preparedness effort with in the City but will not replace the need for a coordinated, efficient outreach to the community and businesses that a Community Preparedness Specialist could accomplish.

**Business Preparedness** -- Local businesses supply vital resources to the community, the local economy, and government functions. National statistics state that 60% of businesses that close for 3 or more days due to a disaster will not reopen, yet there are still a very low percentage of businesses that have a plan for a disaster. If a business has a Continuity of Business plan before the disaster, it is highly likely that they will be back open before the 3 days.

Current Activities:

1. The Office of Emergency Management has materials and access to an online planning system that makes it very simple for a business to develop a plan.
2. We have a volunteer from Western Washington University who is working on getting the information out to business.



Future Needs:

1. Increase business preparedness education in the community by hiring a Community Preparedness Specialist.

**RESPONSE:**

A disaster is defined as an event that overwhelms local resources. It is important for the City to have a coordinated response to a disaster in order to support the community in the most efficient manner possible. This coordination must occur prior to the disaster and it must be both local and regional.

The City of Kirkland is connected to the jurisdictions around us and to organizations within; the response to a disaster will take a coordinated response between jurisdictions. In the initial stages of a disaster, all resources will be overwhelmed.

The Emergency Preparedness Coordinator is responsible for coordinating the local response. The Emergency Manager develops relationships with regional partners. "Ready to respond to a disaster" means developing and maintaining plans, equipment, partnerships; and then developing and performing training, drills, and exercises to test the response and to identify gaps or improvements needed.

**Plans and Equipment:**

The Office of Emergency Management (OEM) has coordinated with other departments in the development, improvement, and testing of emergency plans. It is critical that the City establishes these plans prior to the disaster. Part of planning also includes determining what equipment and supplies will be necessary to support the plan, and then purchasing those supplies and equipment.

Current Activities:

1. Completely updated the Emergency Operations Center (EOC) Procedure Manual.
2. Updated CEMP (Comprehensive Emergency Management Plan) internally with participation from all departments.
3. Developed a Debris Management Plan. This is both a local and a regional plan and was very complex to develop. The Public Works Department supported the development. Streets Maintenance Manager John Hopfauf was instrumental in developing this.
4. Completed the National Incident Management System (NIMS) compliance report to track staff training received. The NIMS compliance report is due annually in order for the City eligible to receive grants; each full-time City staff person is required to take NIMS training. The Police Department, Public Works Department, Fire and Building Department, and the Emergency Management Action Team (EMAT), in coordination with

- OEM, do an excellent job keeping track of who has received NIMS training and those who need it.
5. With the impending threat of a pandemic last year, City Council / City Manager recognized the importance of being prepared and reallocated funds to support this emerging need. Public Works, Police, and Fire developed response plans in coordination with OEM. Facilities helped supply City buildings with sanitizer in common areas and Finance helped coordinate the purchasing of personal protective equipment (PPE).
  6. The North Kirkland Community Center now has an emergency generator and an upgraded kitchen which increases the City's capabilities during a disaster. OEM worked in partnership with Parks and Community Services, Facilities and the Building Division to get this upgrade completed in a timely manner and under budget.
  7. OEM has been working with the City's Pet Shelter Team to purchase supplies, and has begun to develop a plan to support a basic pet shelter during a disaster. Several of the team members have been to regional trainings on pet shelter management to learn what needs to be done to support this important function during a disaster. This team is a great partnership between staff from several departments.
  8. Communication is always difficult during a disaster and our capabilities must constantly be reviewed and improved. Providing multiple avenues of communication and having those avenues accessed daily by the community will improve communication during a disaster. The City Council has been very proactive in this area and has supported communication CIP projects.

Community

- o Information signs at central locations - 2010
- o HAM radio capabilities at a shelter - 2010
- o AM Radio in 2012

Responders

- o Improved HAM radio capability at the fire stations, EOC, and a new site, the Maintenance Center

Future Needs:

1. The City of Kirkland needs to develop a Continuity of Government Plan.
2. Planning and equipment purchases are ongoing activities and need to be built into the ongoing OEM budget.
3. Through the 2010 EMPG grant, OEM is partnering with the Parks and Community Services Department to develop a Sheltering Operational Plan and a vulnerable population's framework. This will also include developing strong partnerships with community and regional organizations.

**Partnerships:**

It is important to update and renew ongoing partnerships and to continue to build new partnerships.

Current Activities:

1. Developed a Letter of Agreement with American Humane Society, for Pet Sheltering.
2. Meet monthly with the Amateur Radio Emergency Services (ARES) volunteer team. ARES meets and/or drills every month. Last year, they participated in drills with surrounding cities, the State Emergency Operations Center (EOC) and with Evergreen Hospital. Currently, we have about 40 members and are always looking for more.
3. Meet quarterly with Lake Washington School District (LWSD)

4. Last fall, OEM hosted a LWSD Emergency Preparedness Committee meeting at City Hall. At that meeting, members toured the City Hall disaster supply container and discussed the value and importance of having supplies readily available and on site.
5. Verizon Wireless provided an update to staff on their business continuity planning efforts and what equipment/capabilities they can provide the City in a disaster.
6. Regular meetings with Regional partners in Emergency Management are held.
7. Partnered with Evergreen Hospital Medical Center.
8. Meeting with Kirkland Redmond Medical Reserve Corps coordinated by King County, Seattle Public Health.
9. OEM hosted a King County Roads and Transit Meeting.
10. Current volunteer is assisting OEM to develop and update Memoranda of Understanding (MOU) with businesses in the community.

Future Needs:

1. Need to support larger local organizations to have Emergency Management functions within their organizations. Larger organizations within the community can either be a huge asset or a huge liability for the City, depending on whether they are prepared or not. A great example is Evergreen Hospital Medical Center. They are the largest employer in the City and an asset to the Community. They are currently supporting emergency management within their organization and partner with the City's OEM on a regular basis. They have 2.5 staff positions dedicated to Emergency Management.

**Training, drills, and exercises:**

As important as the plan is, it is virtually worthless if staff are not trained on its contents.

Current Activities:

1. Communications Academy – Two day training conference for volunteer communicators (HAM radio operators). Topics included: technical communication, lessons learned from various disaster events, and emergency management.
2. Implemented the Government Emergency Telecommunications Service (GETS) and Wireless Priority Service (WPS) programs in Kirkland. Provided initial training and participated in a statewide drill.
3. In 2009, OEM developed and instructed an EOC tabletop exercise called "Day 3". The Incident Command teams dealt with issues that may be expected to arise 3 days after a major, catastrophic earthquake. There were 3 community organizations that participated in the tabletop: Evergreen Hospital Medical Center, Lake Washington School District and Northwest University.
4. OEM coordinated a ten-person Kirkland EOC team, to attend a week long, free training at the Emergency Management Institute in Emmitsburg, MD.
5. Four shelter team members from the Parks and Community Services Department attended an American Red Cross Shelter Manager training.
6. Public Works, Police, and Fire operations staff trained with EOC staff in an EOC – Incident Command System (ICS) Interface class.
7. Three departments participated in Public Assistance training.



8. All departments participated in the annual EOC set-up drill.
9. The Emergency Manager attended the State All-Hazards Communication Unit Leader training.
10. OEM facilitated a Policy Group discussion with the Directors and the City Manager's Office.
11. OEM and Information Technology worked together to develop and coordinate an emergency test of the VPN (remote) system. This exercise tested the capabilities of the City to continue to function during a disaster, if staff were unable to report to work and needed to work remotely.

Future Needs:

1. Training, drills, and exercises must be ongoing. Staff assigned to work in the EOC during a disaster does not regularly perform those activities, therefore training must be ongoing.
2. Continue to participate in regional activities.
3. Continue to have local partners participate in City activities.

**RECOVERY:**

Recovery is the ultimate goal of Emergency Management, so that the community can return to normal or return to a new normal. For Kirkland, it is to return to "an attractive, vibrant and inviting place to live, work and visit." Recovery also takes the longest to achieve; look at New Orleans almost five years after Hurricane Katrina. To date, the primary focus has been around preparedness and response from the local level to the State and to the Federal Emergency Management. Agencies are just now starting to focus on Recovery.

Current Activities:

1. Both members of the OEM have participated in a state level training on Recovery

Future Needs:

1. Start a Recovery Plan for the City of Kirkland

**Comprehensive Emergency Management Plan Update:**

The State requires this plan be reviewed every 4 years. The original plan was completed in 2004. The Office of Emergency Management (OEM) started the review in 2008. OEM felt it was important that City staff participate in the review to increase familiarity with the content of the plan. This presented challenges in several ways. City personnel are very busy on a normal basis and emergency management is not part of their regular daily activities; yet the plan requires subject matter experts to review the information. The experts are in every department. An outside challenge was that the State was also in the process of reviewing their plan and there were minimal guidelines when Kirkland started the review.

OEM worked with the State Department of Emergency Management, received training and guidelines that were needed and then started coordinating internally. The Emergency Manager was tasked with updating the Basic Plan and making sure it was reviewed by the Emergency Management Action Team (EMAT) and Directors. The Emergency Preparedness Coordinator was tasked to work with the EMAT which was in turn tasked with facilitating the review of the ESF's (Emergency Support Functions). EMAT worked with subject matter experts within their departments and then OEM and directors reviewed the ESF's.

The Administrative support staff in the Fire Department reviewed and formatted all parts of the plan. It will be submitted to the State in April. The State will review and inform OEM of any required changes. The final plan will be submitted to City Council for approval.

**RECOMMENED PRIORITIES:**

To make the Emergency Management function more effective, staff believes that the following priorities should be addressed as resources allow.

**1. Secure funding for the Emergency Preparedness Coordinator position.**

The City’s disaster capabilities increased with the Council’s support of the Emergency Preparedness Coordinator position in 2007. This improvement allowed the City of Kirkland to be able to coordinate a response to a disaster. In order to maintain the current level of disaster response capabilities, at a minimum, the City must maintain this level of staffing. To fully carry out the mission of Emergency Management, which includes prevention, preparedness, response and recovery, additional staff would be needed.

Emergency Management requires an ongoing commitment of resources. Staffing for this function is limited given the many tasks needing to be addressed.

The Kirkland Office of Emergency Management positions include:

- Permanent Positions (.5 FTE):
  - ❖ Emergency Manager .5 FTE (.5 of the Admin Deputy Fire Chief position)
- Temporary positions (1.0 FTE):
  - ❖ Emergency Preparedness Coordinator

A comparison with other local cities is shown below:

	<b>Permanent staff</b>	<b>Temporary staff</b>	<b>Total staff</b>
<b>Bellevue</b>	<b>3.6 FTE</b>	<b>2.0</b>	<b>5.6</b>
<b>Redmond</b>	<b>3.0 FTE</b>	<b>3.0</b>	<b>6.0</b>
<b>Kirkland</b>	<b>.5 FTE</b>	<b>1.0</b>	<b>1.5</b>

With more staffing, Bellevue and Redmond are able to do more planning, coordination, and preparedness outreach to the community. Both cities are also able to support a dedicated EOC.

- Bellevue Office of Emergency Management positions include:
  - Permanent Positions (3.6 FTE):
    - ❖ Emergency Manager

- ❖ Emergency Preparedness Coordinator (Public Educator)
- ❖ Emergency Plans Coordinator
- ❖ Senior Admin Assistant .6 FTE
- Temporary positions currently funded by other grants (2.0 FTE):
  - ❖ UASI Grant Coordinator – Limited Term full time
  - ❖ 2 Admin Assistant Public Education – Part time
- Redmond Office of Emergency Management positions include:
  - Permanent Positions (3.0 FTE):
    - ❖ Emergency Management Director
    - ❖ Emergency Preparedness Coordinator (EOC Coordinator)
    - ❖ Emergency Management Specialist (Public Education)
  - Temporary positions (3.0 FTE):
    - ❖ Paid Intern
    - ❖ 2 fulltime Vista Volunteers

Staff believes that identifying ongoing funding for the Emergency Preparedness Coordinator can make the greatest impact on the City's ability to plan for, respond and recover from a disaster.

2. **Construct a permanent EOC.**

The Office of Emergency Management would like to partner with all Departments to make a permanent EOC that would also be available for a training/meeting room. This model is used in most jurisdictions that have a permanent EOC. The City Hall/Public Safety expansion should address this need.

3. **Fund a Community Preparedness Specialist.**

This position would provide specific community preparedness education, investing now to save later.

4. **Develop a Continuity of Government Plan.**

Ensure that the City of Kirkland has a plan for continuing essential government services during a disaster and to assist with resuming services to the community after the disaster.



**CITY OF KIRKLAND**  
**City Manager's Office**  
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## MEMORANDUM

**To:** Marilynne Beard, Interim City Manager

**From:** Erin Leonhart, Intergovernmental Relations Manager

**Date:** April 6, 2010

**Subject:** 2010 LEGISLATIVE UPDATE 8

The 2010 State Special Legislative session is scheduled to be concluded by April 13<sup>th</sup>. As of this memorandum, the Legislature is still in session and the House and Senate have yet to agree on a budget/revenue package.

This is an update on the City's interests as of April 6<sup>th</sup>. The final Gordon Thomas Honeywell report about the budget and a final scorecard comparison against the adopted legislative agenda will be emailed to the Council in advance of the meeting on April 20<sup>th</sup>.

Enhanced 911 Emergency Communications Services (HB 3216 and SSB 6846) – Emergency 911 communications services allow callers to reach agencies that can dispatch an appropriate type of response. Enhanced 911 (E-911) is a type of service that allows the caller's phone number and location to be automatically displayed at the public safety answering point. In Washington, 911 systems are primarily administered by counties and in some cases cities.

Enhanced 911 services are funded by county and state excise taxes. All counties may impose an excise tax on each switched telephone access line. The current maximum rate that a county may levy on a switched access line is 50 cents. Counties may also impose an excise tax of up to 50 cents per month on each radio (wireless) access line. In contrast to the counties, the state levies a 20-cent tax on switched telephone access lines and radio access lines. State E-911 excise taxes fund a state E-911 coordinator and help counties to pay for the extra costs incurred in upgrading from a basic system to an E-911 system.

The Senate version of this bill passed both houses and will be sent to Governor Gregoire for consideration. The final bill:

- Increases the maximum tax rate by 5 cents and 20 cents, respectively, for state and county enhanced 911 excise taxes;
- Expands the enhanced 911 excise tax to include interconnected voice-over internet protocol service lines; and
- Provides centralized collection by the state Department of Revenue for county enhanced 911 excise taxes.