

Exhibit F

Licensing Support Contract (Optional)

Between City of Kirkland ("City") and King County ("County")

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

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

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

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

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

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

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

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

specified and agreed in **Attachment A** (the "**Licensing Revenue Charge**"), regardless of the amount of Licensing Revenue received by the City during the Service Year (see **Exhibit D** of the Agreement for additional detail).

F. Other Terms and Conditions:

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

IN WITNESS WHEREOF, the Parties hereto have caused this Contract for Licensing Support Services to be executed effective as of this ____ day of August, 2012.

King County

City of Kirkland





Dow Constantine
King County Executive

Marilynne Beard
Assistant City Manager



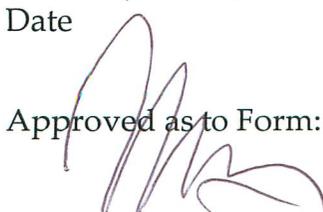


Date

Date

Approved as to Form:

Approved as to Form:


Deputy Prosecuting Attorney

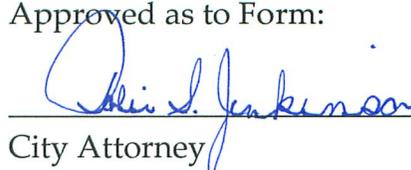

City Attorney

Exhibit F: Attachment A
LICENSING REVENUE SUPPORT SERVICES REQUEST

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

1. City of Kirkland Date of Request: August 20, 2012

2. Licensing Revenue Target (the amount by which the City seeks to increase its revenues in the Service Year): **\$22,802**

Note:

- For Licensing Revenue Support Cities, the Licensing Revenue Support Target is defined in **Table 1 of Exhibit C-5** of the Agreement, unless the Parties otherwise agree.
 - The amount of volunteer/staff hours and other in-kind services required of the City in exchange for receipt of licensing support services is based on the size of the Licensing Revenue Target (see Licensing Support Contract/**Exhibit F** of Agreement).
3. Contact person who will coordinate City responsibilities associated with delivery of licensing support services:
Name: Nick Seibert
Title: Lieutenant
Phone: 425-587-3445
Fax: N/A
Email: nseibert@kirklandwa.gov

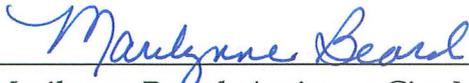
I understand that:

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

- E. Receipt of service is subject to County and City agreeing on the Licensing Revenue Target and County charge for these services (incorporated in calculation of the **Licensing Revenue Credit/Charge** per the Agreement), and executing the Licensing Support Contract (**Exhibit F** of the Agreement).

Request signed as of this 20th day of August 2012.

City of Kirkland



Marilynne Beard, Assistant City Manager

To be completed by King County:

The County offers to provide the City licensing revenue support services in Service Year 2013 -15 intended to generate \$22,802 (the "Licensing Revenue Target") in additional Licensing Revenue for a total Service Year cost of \$0, some or all of which cost may be charged to the City in calculating the Licensing Revenue Charge, as further described in the Licensing Support Contract and **Exhibits C-5** (for Licensing Support Cities) and **D** of the Agreement.

King County

By: 
Its: Executive
Date: 8/31/12

To be completed by the City:

The County offer is accepted as of this ___ day of August 2012.

City of Kirkland



Marilynne Beard, Assistant City Manager

August 20, 2012



Dow Constantine, King County Executive
Office of the King County Executive
401 Fifth Avenue, Suite 800
Seattle, WA 98104-2391

RE: Licensing Support Contract

Dear Executive Constantine,

As you are aware, King County and the City of Kirkland have negotiated an Animal Services Interlocal Agreement for 2013 through 2015 (the "Agreement"). By its terms, the Agreement will be deemed to go into effect upon the meeting of certain conditions (the "Minimum Contracting Requirements" set forth in Section 15). Once the Agreement goes into effect, services are to be provided beginning in January 2013. Section references and defined terms used in this letter refer to those in the Agreement.

In the course of those negotiations, King County agreed that it would be providing varying levels of animal licensing revenue support to cities depending on their specific needs (see Section 7 (c)). Cities for which Licensing Revenue Targets were, according to Exhibit C-5, greater than \$20,000 were to receive the Licensing Revenue Support or credit equivalent, for the full three year term of the Agreement.

This intention is set forth in Exhibit C, which states:

"In exchange for certain in-kind support, these "License Revenue Support Cities" are assured in 2013 of receiving an identified amount of additional licensing revenue or credit equivalent ("Licensing Revenue Target"). In 2014 and 2015, all Contracting Cities may request licensing support by entering into a separate licensing support contract with the County (Exhibit F): this support is subject to the availability of County staff, with priority going to the nine Licensing Revenue Support Cities, **provided that, Licensing Revenue Support Cities with a Licensing Revenue Target over \$20,000/year will be assured such service in 2013-2015 by entering into a licensing support contract by September 1, 2012.**" *emphasis added*

Additionally, Exhibit C-5 states in relevant part:

"...a Licensing Revenue Support City for which RT [Revenue Target] is in excess of \$20,000 per year may receive licensing revenue support services in all three years, but only if by September 1, 2012, it commits to providing in-kind support in all three Service Years by executing the contract in Exhibit F with respect to **all 3 Service Years** (2013, 2014 and 2015)." *emphasis original*

Notwithstanding the intention of the parties that the cities meeting these criteria (Kirkland and Bellevue) would receive licensing support for all three Service Years, Exhibit F, Section F (3) states:

“Either Party may terminate the Contract with or without cause by providing not less than 2 months’ advance written notice to the other Party”

In addition, Exhibit F, Attachment A, Section A states:

“...provision of licensing revenue support services is subject to the County determining it has staff available to provide the services;”

The parties acknowledge and agree that receiving Revenue Support services for all three years of the Agreement was a material inducement for the City of Kirkland approving the Agreement and that the provision relating to the County having the ability to terminate without cause should not apply to the contract with the City of Kirkland, nor is the County’s obligation to provide such service, upon execution of Exhibit F, dependent on the availability of resources.

Finally, Exhibit F, Section F, Item 2 states:

“Each Party will provide the other with a monthly written report of the services performed during the Service Year.”

In the final months of the negotiations, King County proposed, and Kirkland and Bellevue supported, that the required license support services reports would be provided by each party on a quarterly basis rather than monthly.

In lieu of undergoing a lengthy amendment process to correct these drafting errors, by signing this letter simultaneously with the License Support Contract and Attachment A thereto, the parties agree that, with respect to the City of Kirkland, the agreement of the parties and the appropriate interpretation of the Agreement and the Licensing Support Contract is that the County cannot terminate its provision of Revenue Support services and credits thereunder without cause nor withhold such services based on resource constraints. The parties further agree that the required license support services reports will be provided quarterly; provided that the parties reserve the right to revisit this waiver of monthly reports if circumstances warrant. Additionally, by signing this letter, you warrant that you have the power and authority to bind King County to the interpretations described herein.

Sincerely,



Marilynne Beard,
Assistant City Manager, City of Kirkland

AGREED AND ACCEPTED



Dow Constantine, King County Executive



Date