



City of Kenmore - 18120 68th Avenue NE - PO Box 82607, Kenmore WA 98028
Phone: 425-398-8900 - Fax: 425-481-3236 - Email: city_hall@kenmorewa.gov

City of Kenmore
CITY COUNCIL EXECUTIVE SESSION

6:00 p.m., Monday, April 23, 2012

PURSUANT TO

RCW 42.30.110(1)(i) - Litigation

Kenmore City Hall
18120 68th Ave. NE, Kenmore, WA 98028

City of Kenmore
CITY COUNCIL REGULAR MEETING AGENDA

7:00 p.m., Monday, April 23, 2012

Kenmore City Hall, Council Chambers
18120 68th Ave. NE, Kenmore, WA 98028

AGENDA ITEMS ARE SUBJECT TO CHANGE up to and including the time of the meeting; items may be added or dropped. Please call the City Clerk if you have any questions or to confirm the agenda items prior to the meeting at (425) 398-8900, or stop by City Hall at 18120 68th Avenue NE, Kenmore. The agendas are also available on our website at: www.kenmorewa.gov. We are trying to make our public meetings accessible to all members of the public. If you require special accommodations, please call the City Clerk at least three (3) business days prior to the meeting.

I. CALL TO ORDER REGULAR MEETING

II. ROLL CALL

III. FLAG SALUTE

IV. AGENDA APPROVAL

V. CITIZEN COMMENTS

This is an opportunity to express your views on issues that are important to you and to the community. Please limit your comments to three (3) minutes.

VI. CONSENT AGENDA

- A. Approve Claim Nos. 25643 - 25717 in the Amount of \$324,021.31 for the Period Ending April 13, 2012.
- B. Authorize City Manager to Execute an Interlocal Agreement, Contract No. 12-C1017, with Northshore Utility District with an Estimated Value of \$17,500 for Water and Sanitary Sewer Work to be Completed as Part of the 61st Avenue NE and NE 181st Street Traffic Signal Improvement Project (City Project #0159) - Ron Loewen, City Engineer

VI. CONSENT AGENDA

- C. Authorize the City Manager to Execute Contract No. 12-C1026 with Puget Sound Energy (PSE) for Undergrounding Aerial Facilities as Part of the 61st Avenue NE and NE 181st Street Traffic Signal Improvement Project in the Amount of \$93,100 - Ron Loewen, City Engineer
- D. Authorize the City Manager to Execute a Roadway, Sidewalk, Retaining Wall, and Utility Easement and Agreement with Compass Pointe Condominium Homeowners Association for the 61st Avenue NE and NE 181st Street Traffic Signal Improvement Project in the Amount of \$34,600 - Ron Loewen, City Engineer
- E. Declare the 2004 Tymco 600 Street Sweeper to be Surplus Property and Authorize its Sale in the June 16, 2012 Auction at James G. Murphy, Inc. - Jennifer Gordon, Public Works Operations Manager

VII. PROCLAMATIONS

- A. Dr. John Bastyr Day - May 16, 2012
- B. Building Safety Month - May 2012

VIII. BUSINESS AGENDA

- A. Adoption of Ordinance No. 12-0337 of the City of Kenmore, Washington, Amending Section 19.35.060 of the Kenmore Municipal Code to Revise the City's Categorical Exemptions Relating to the State Environmental Policy Act, and Fixing an Effective Date – Debbie Bent, Director of Planning and Community Development
- B. Discussion and Possible Direction on Regional Animal Services of King County Proposed Interlocal Agreement Structure - Nancy Ousley, Assistant City Manager

IX. COUNCILMEMBER COMMENTS/REPORTS

X. ADJOURNMENT

Upcoming Meetings:

May 14, 2012 Monday 7:00 p.m. Regular Council Meeting
May 21, 2012 Monday 7:00 p.m. Regular Council Meeting
May 28, 2012 Monday 7:00 p.m. Regular Council Meeting

City of Kenmore **Voucher Certification and Approval**

I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described herein and that the following claims, paid by checks 25643-25717 which total \$324,021.31 are just, due, and unpaid obligations against the City of Kenmore/King County/Washington, and that I am authorized to authenticate and certify to said claims.


13 APR 2012

 City Manager Date


4-13-12

 Finance Director Date

Check #	Vendor Name	Description	Check Amt
25643	DEPARTMENT OF LABOR AND INDUSTRIES	1st Qtr 2012 Addtl L&I	\$ 16.31
25644	CITY OF KENMORE	Payroll Entry	50.00
25645	NATIONWIDE FINANCIAL 401a	Payroll Entry	10,697.14
25646	NATIONWIDE RETIREMENT SOLUTIONS 457	Payroll Entry	1,570.00
25647	ICMA RETIREMENT TRUST 457 - 304745	Payroll Entry	2,003.84
25648	DRS 457	Payroll Entry	1,737.50
25649	CITY OF KENMORE FS	Payroll Entry	153.26
25650	BANK OF AMERICA 941	Payroll Entry	11,764.95
25651	DEPARTMENT OF RETIREMENT SYSTEMS	Payroll Entry	9,101.77
25652	STATE OF FLORIDA DISBURSEMENT UNIT	Payroll Entry	275.00
25653	PEOPLES STORAGE	Rent C304 - April, 2012	177.00
25654	OFFICE CLEANING CREW	March, 2012 Custodial Services	1,920.00
25655	NATIONAL LEAGUE OF CITIES	NLC Conference Reg. 9/20-9/22/12	595.00
25656	NATIONAL LEAGUE OF CITIES	NLC Conference Reg. 5/17-5/19/12	295.00
25657	BAKER, DAVID	Reimburse - Hosting NE Mayor's Lunch	91.57
25658	BRAVO ENVIRONMENTAL SERVICE	Storm Drain Repairs/ Maintenance	1,293.80
25659	CITY OF LAKE FOREST PARK	Billing for March, 2012 00-C86	59,022.81
25660	COASTWIDE LABORATORIES	City Hall Maintenance Supplies	28.11
25661	ALLIED WASTE SERVICES #172	March Trash - CH/ Kenmore Vill/ Park	975.79
25662	FERGUSON ENTERPRISES INC	61st & NE 200th Drainage Supplies	1,112.24
25663	FLEX ONE/AFLAC BENEFIT SERVICES	March, 2012 AFLAC Admin. Fee	50.00
25664	FULL MAINTENANCE GARDENING	6700 Bldg Landscape Maint - March	373.40
25665	CALPORTLAND COMPANY	Drainage Repair Material 20007 68th	57.18
25666	GRAY & OSBORNE, INC	Prof. Svcs. 3/4-3/31/12	7,286.91
25667	H.W. LOCHNER, INC.	NE 145th St. Signal 2/4-3/2/12	978.08
25668	KING COUNTY ANIMAL SVCS	March, 2012 Pet Licenses	445.00
25669	KING COUNTY FINANCE	Feb. 2012 Community Work Program	9,030.00
25670	SOUND PUBLISHING, INC.	Kenmore Reporter March Advertising	585.45
25671	KING COUNTY OFFICE OF FINANCE	Jan. 2012 Indigency Screening	3,053.05

VIA. Approve Claim Nos. 25643 - 25717 in the Amount of \$324,021.31 for the Period Ending April 13, 2012.

25672	KING COUNTY TREASURY	2012 Property Taxes	41,546.98
25673	LIGHTHOUSE CONSULTING INC	Feb. IT Services & Anti Spam/ Virus	2,202.32
25674	MR. T'S TROPHIES	10 Laser Name Tags	117.72
25675	NAMI EASTSIDE	1st Qtr 2012 HS Grant 12-C999	385.00
25676	NEXTEL COMMUNICATIONS	Cell Phone Svc. 2/25 - 3/24/12	907.36
25677	NORTHSHORE FIRE DEPT	Fire Marshal Review March, 2012	160.00
25678	NORTHSHORE UTILITY DIST	Storm Culvert Repair & Utility Bills	3,595.76
25679	NORTHSHORE YOUTH & FAMILY SERVICES	Qtr 1 2012 Counseling Svc 12-C1002	7,217.25
25680	PACIFIC TOPSOILS	Materials Disposal 2/27-3/20/12	265.69
25681	PUGET SOUND ENERGY	2/14-3/15 Abagobez 18804 73rd	14,557.68
25682	CEMEX	Pothole/ Drainage Repair Materials	150.02
25683	STEWART BEALL MACNICHOLS & HARMELL	March, 2012 Public Defender Svc.	3,300.00
25684	TIMEMARK INCORPORATED	Traffic Counter Repairs	98.30
25685	WASHINGTON STATE DEPT OF INFO SERV	March List Serv	175.00
25686	WA STATE DEPT OF TRANSPORTATION	Review Chgs 181st Signal & SR522 ROW	415.78
25687	COLUMBIA RIDGE LANDFILL	March Street Sweeper Dump Fees	1,058.30
25688	WONDERLAND DEVELOPMENT	Qtr 1 2012 Birth-3 Program 12-C1003	2,766.50
25689	SEES TREES AND EXCAVATION INC	Tree Removal NE 181st & 67th NE	2,213.00
25690	ROGERS, GLENN	March D.C. Conference Exp. Reimb.	1,447.31
25691	SOUND LAW CENTER	Hearing Examiner Services	847.00
25692	AT WORK	Qtr 1 2012 Community Liason 12-C986	601.50
25693	DIGITAL REPROGRAPHICS SERVICES INC.	Copies	130.28
25694	INGALLINAS BOX LUNCH	City Engineer Interview Panel Lunch	159.76
25695	QUALITY BUSINESS SYSTEMS	March Copier Usage	728.35
25696	A+ CONFERENCING	Conference Call 4/2/12	14.96
25697	UNIVERSAL FIELD SERVICES	11-C948 Feb. 2012 Services	641.59
25698	SHRED-IT	Shredding Svc. 4/11/12	49.50
25699	PASSPORT TRAVEL AND TOURS	Travel Chgs through 3/6/12	9,363.41
25700	GORDON THOMAS HONEYWELL	March Govt. Affairs Consulting Svc.	3,596.36
25701	SARAH ROBERTS	March Prosecution & D.V. Service	10,100.00
25702	FIRE PROTECTION, INC	Annual City Hall Alarm Monitoring	959.22
25703	FRONTIER	CH, Elevator & 6700 Bldg 3/28-4/27/12	956.97
25704	AM TEST, INC	Swamp Creek Sample Testing	125.00
25705	PAWS	March, 2012 Animal Sheltering	480.00
25706	WELLS FARGO FINANCIAL	Xerox Copier Lease 4/10-5/10/12	803.43
25707	SNOHOMISH COUNTY SHERIFF'S OFFICE	Jail Service Fees - March, 2012	20,999.56
25708	MILLER STEPHENS, MARY	March Public Defense Svc @ Sno Cty	1,250.00
25709	TRANE U.S. INC.	City Hall HVAC Repairs	4,625.91
25710	AAA FLAG & BANNER MFG. CO., INC.	61 Street Banners	7,934.89
25711	KAMINS CONSTRUCTION	NE 145th St. Signal - Construction	39,640.55
25712	VAN NESS FELDMAN, P.C.	Feb. 2012 Attorney Services 09-C827	5,579.20
25713	KING COUNTY FINANCE/ GIS	12-C1007 Aerial Mapping Funding	2,313.21
25714	THE FRAUSE GROUP, INC.	Economic Dev. Brochure 11-C971	787.00
25715	J TAYLOR CONSULTING, LLC	Mar 11-31 Kenmore Vill Mgt 12-C1020	1,219.35
25716	PANEFULLY CLEAN LLC	City Hall Window Cleaning	2,285.00
25717	UNITY ELECTRIC	Qtr 2 Fire Alarm Monitor Kenmore Vill.	509.18
			<u>\$ 324,021.31</u>

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2012

PRIOR VENDOR ACTIVITY**Previous YTD**

A+ CONFERENCING	\$ 108.18
AAA FLAG & BANNER MFG. CO., INC.	1,042.44
ACTION ENTERTAINMENT	350.00
ADAMSON POLICE PRODUCTS	947.00
ADT SECURITY SERVICES	280.50
AFLAC	1,512.95
ALCALDE & FAY	15,205.21
ALLIED WASTE SERVICES #172	1,549.47
AM TEST, INC	375.00
AMERICAN GENERAL	1,475.52
AMERICAN PLANNING ASSOCIATION	411.00
AMERICAN SOCIETY OF COMPOSERS	311.52
ASSOCIATION OF WA CITIES	14,058.00
AUTOMATED CONTROLS	516.84
AWC EMPLOYEE BENEFITS	107,496.56
BAKER, DAVID	864.82
BANG, ROBERT	595.00
BANK OF AMERICA 941	70,004.50
BANNER BANK BH	986.68
BANNER BANK CS	1,073.69
BANNER BANK DB	553.76
BANNER BANK JG	375.00
BANNER BANK JGORDON	842.15
BANNER BANK KENMORE	6,620.31
BANNER BANK LB	273.70
BANNER BANK LD	253.56
BANNER BANK NO	1,145.49
BARTON, ANDREW	1,641.29
BASTYR UNIVERSITY	50,000.00
BENT, DEBORAH A	576.00
BIS	525.00
BLACKBAUD	4,956.23
BRAVO ENVIRONMENTAL SERVICE	1,558.65
BULGER SAFE & LOCK, INC.	546.36
CALPORTLAND COMPANY	179.60
CARLSON, THOMAS G.	214.29
CASCADE PEST CONTROL	427.05
CB RICHARD ELLIS, INC	7,750.00
CEDARBROOK	287.55
CEMEX	825.02
CHANDLER, RONALD	937.47
CITY OF BELLEVUE	7,581.02
CITY OF KENMORE	150.00
CITY OF KENMORE FS	972.16
CITY OF LAKE FOREST PARK	141,151.44
CITY OF SHORELINE	914.77
CLYDE/WEST	1,254.02
COASTAL WEAR PRODUCTS INC	1,356.71
COASTWIDE LABORATORIES	808.33
CODE 4 PUBLIC SAFETY EDUCATION	99.00

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CODE PUBLISHING COMPANY	11,282.92
COLUMBIA RIDGE LANDFILL	6,828.77
COMCAST	350.70
CONSOLIDATED PRESS	845.11
COX PRINTING & SIGNS	235.43
CROWN PRODUCTS LLC	885.88
CSAT, LLC	800.00
DAILY JOURNAL OF COMMERCE	125.80
DAY & NITE PLUMBING & HEATING	2,955.41
DAY WIRELESS SYSTEMS	163.82
DEPARTMENT OF LABOR AND INDUSTRIES	8,731.86
DEPARTMENT OF LICENSING	10.00
DEPARTMENT OF RETIREMENT SYSTEMS	56,035.13
DRS 457	10,425.00
EFFICIENCY INC	967.98
EMERGENCY SERVICE COORDINATING AGCY	47,288.00
EMPLOYMENT SECURITY DEPT	1,972.46
ESA ADOLFSON	300.00
ESPRESSO WORKS	75.00
EVERGREEN SAFETY COUNCIL	175.00
EXTREME PROMOTIONS	170.00
FAST WATER HEATER	24.21
FEDEROV, LYUBIM	3,544.45
FERGUSON ENTERPRISES INC	503.23
FINANCIAL CONSULTANTS INT'L INC	76.02
FLEX ONE/AFLAC BENEFIT SERVICES	100.00
FPOD LLC	7,500.00
FRONTIER	1,714.32
FRUHLING SAND & TOPSOIL	323.00
FULL MAINTENANCE GARDENING	746.80
GALLS, LLC	26.25
GORDON DERR	5,411.50
GORDON THOMAS HONEYWELL	7,629.35
GOVERNMENT FINANCE OFFICERS ASSOC	190.00
GOVERNMENTAL ACCT STANDARDS BOARD	215.00
GRAY & OSBORNE, INC	20,306.88
GREENWOOD HEATING & AC	39.45
H.W. LOCHNER, INC.	76,943.47
HDR	2,293.31
HOME DEPOT CREDIT SERVICES	65.26
ICMA RETIREMENT TRUST 457 - 304745	12,023.04
INDEPENDENT STATIONERS	883.75
INGLEMOOR VIKING BASKETBALL BOOSTER	50.00
INGLEWOOD GOLF COURSE	1,047.92
INSLEE, BEST, DOEZIE & RYDER, P.S.	29,541.96
INTEGRA TELECOM	1,473.35
INTERNATIONAL CITY/CNTY MGMT ASSOC	1,015.97
INTERNATIONAL INST OF MUNI CLERKS	175.00
iWORQ SYSTEMS	1,000.00
JACOBSON, BETTS & COMPANY	3,008.00
JAU JOU, STANLEY	222.80
JEFF DURRANT	739.90

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JET CITY PRINTING	408.43
JURASSIC PARLIAMENT	235.34
KAMINS CONSTRUCTION	75,097.58
KELLY PRINTING & GRAPHICS	724.35
KESSELRING'S	343.47
KING COUNTY W.L.R.D.	52,836.02
KING COUNTY ANIMAL SVCS	600.00
KING COUNTY FINANCE	6,820.60
KING COUNTY LIBRARY SYS	169,633.00
KING COUNTY RADIO COMM SERVICES	246.58
KING COUNTY RECORDER'S OFFICE	331.00
KING COUNTY SHERIFF	7,263.84
LAWRENCE, HENRY	752.54
LIGHTHOUSE CONSULTING INC	3,921.47
MAIL FINANCE	752.28
McKEE & SCHALKA	4,000.00
MILLER STEPHENS, MARY	1,250.00
MILNE ELECTRIC, INC	210.00
MINZGHOR, NICHOLAS	1,214.22
MR. T'S TROPHIES	122.66
NATIONAL ASSOC OF PARLIAMENTARIANS	85.00
NATIONAL IMPRINT CORPORATION	427.87
NATIONAL LEAGUE OF CITIES	1,784.00
NATIONAL LIFE OF VERMONT	985.02
NATIONWIDE FINANCIAL 401a	65,432.12
NATIONWIDE RETIREMENT SOLUTIONS 457	9,420.00
NEXTEL COMMUNICATIONS	1,794.21
NORTH COAST ELECTRIC	13.83
NORTHSHORE FIRE DEPT	1,260.00
NORTHSHORE SCHOOL DISTRICT	333.53
NORTHSHORE UTILITY DIST	14,938.20
NORTHSHORE YMCA	1,707.00
NRC ENVIRONMENTAL SERVICES, INC.	2,059.86
OAC SERVICES, INC	2,066.25
OFFICE CLEANING CREW	960.00
OFFICE MAX	1,775.01
OFFICE TEAM	97.30
OLYMPIC ENVIRONMENTAL RESOURCES INC	910.00
OM WORKSPACE	858.47
ORB ARCHITECTS	47,203.48
OTAK	17,249.23
PACIFIC TOPSOILS	736.24
PAWS	320.00
PENDLETON CONSULTING LLC	6,199.73
PEOPLES STORAGE	354.00
PERKINS COIE	109.00
PERTEET INC.	8,701.63
PETTY CASH CUSTODIAN	415.27
PHOTOTAINTMENT	963.60
PHSI PURE WATER FINANCE	301.89
PLYWOOD SUPPLY INC	496.40
PRIME PACIFIC BANK	60.00

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PROTECTION TECHNOLOGIES, INC	720.92
PROTHMAN COMPANY	12,124.84
PRUDENTIAL	373.13
PSR MECHANICAL	752.27
PUGET SOUND CLEAN AIR AGENCY	11,308.00
PUGET SOUND ENERGY	37,695.42
PUGET SOUND FINANCE OFFICERS ASSOC	50.00
QUALITY BUSINESS SYSTEMS	1,316.18
RCS VALUATION CORP	750.00
ROGERS, GLENN	494.60
ROLLABELS	37.15
SARAH ROBERTS	20,200.00
SEATTLE TIMES	405.92
SEES TREES AND EXCAVATION INC	5,568.09
SESAC	15.00
SHRED-IT	148.50
SMITH, BRENT	219.23
SNOHOMISH COUNTY SHERIFF'S OFFICE	56,672.42
SOUND PUBLISHING, INC.	882.00
STAPLES ADVANTAGE	245.30
STATE OF FLORIDA DISBURSEMENT UNIT	1,650.00
STEPHENS, MARY	2,500.00
STEWART BEALL MACNICHOLS	6,300.00
STOUDER, FRED	154.00
STRIPE RITE, INC.	3,969.38
SUBURBAN CITIES ASSOC	11,632.64
SUSSMAN/PREJZA & CO, INC	2,173.80
THE KIPLINGER TAX LETTER	99.00
TOTAL LANDSCAPE CORP	18,270.93
TOWN & COUNTRY FENCE, INC	366.83
TOWNE CENTRE HARDWARE	264.63
TRANE U.S. INC.	396.08
UNITED WAY OF KING COUNTY	376.00
UNIVERSAL FIELD SERVICES	2,669.44
VAN NESS, ALLAN	1,024.34
VERIZON SELECT SERVICES INC.	724.86
WA ASSOC OF CODE ENFORCEMENT	25.00
WA CITIES INSURANCE AUTHORITY	148,649.00
WA FINANCE OFFICERS ASSOCIATION	200.00
WA GUARANTEED EDUCATION TUITION	1,245.00
WA RECREATION & PARK ASSOCIATION	104.00
WA STATE DEPT OF ENTERPRISE SVCS	500.00
WA STATE DEPT OF LABOR & INDUSTRIES	120.20
WA STATE DEPT OF TRANSPORTATION	9,616.24
WASHINGTON STATE DEPT OF REVENUE	174.13
WELLS FARGO FINANCIAL	2,410.29
WESTERN METAL ART & SIGN	187.85
WETLANDS & WOODLANDS INC	1,238.72
ZONAR SYSTEMS	525.33
	<u>1,667,727.45</u>

VIA. Approve Claim Nos. 25643 - 25717 in the Amount of \$324,021.31 for the Period Ending April 13, 2012.

CITY OF KENMORE, WASHINGTON			
AGENDA BILL SUMMARY			
AGENDA TITLE			MEETING DATE
Authorize the City Manager to execute an interlocal agreement (Contract 12-C1017) with Northshore Utility District with an estimated value of \$17,500 for water and sanitary sewer work to be completed as part of the 61 st Avenue NE and NE 181 st Street Traffic Signal Improvement Project (City Project #0159).			April 23, 2012
DEPARTMENT	DIRECTOR	CONTACT PERSON	PHONE
Engineering	Ron Loewen <i>Ron</i>	Ron Loewen	(425) 398-8900
COST OF PROPOSAL: Preparation of Agenda Bill and Agreement: Staff Time 4 hours Agreement Estimated Costs: Design: \$800 Construction: <u>\$16,700</u> Total: \$17,500 Northshore Utility District will reimburse the City for all costs.		ACCOUNT NUMBER: 09 00 7097	
AMOUNT BUDGETED: 2011-2012 Budgeted Amount: \$1,976,000 These budgeted funds included the District's work items.		NAME AND FUND #: Arterial Street Fund	
ATTACHMENT(S) TO AGENDA PACKET ITEM: City of Kenmore – Northshore Utility District Interlocal Agreement (12-C1017)			
SUMMARY STATEMENT: The District will be responsible for moving an existing fire hydrant, reconnecting an existing water service 1-inch diameter, locating and capping two unused sanitary side sewer stubs, and completing six utility adjustments to grade within the Project area. The proposed interlocal agreement between the District and the City is attached. The City's consultant, H.W. Lochner Inc., has incorporated the water and sewer work into the City's contract documents. The District will reimburse the City for all design and construction costs associated with the water and sewer work. Both the City and the District will separately bear their own staff time. The 2011-12 Budget for the 61 st Avenue NE and NE 181 st Street Traffic Signal Project is \$1,976,200. With the authorization of this agreement, the project budget will not change.			
CONSISTENT WITH OR COMPARISON TO PAST COUNCIL POLICIES, ORDINANCES, DIRECTION: Revised Code of Washington, RCW Chapter 39.34 Interlocal Cooperation Act.			

VIB. Authorize City Manager to Execute an Interlocal Agreement, Contract No. 12-C1017, with Northshore Utility District with an Estimated Value of \$17,500 for Water and Sanitary Sewer Work to

RECOMMENDED CITY COUNCIL ACTION/SUGGESTED MOTION: Authorize the City Manager to execute an interlocal agreement (Contract 12-C1017) with Northshore Utility District with an estimated value of \$17,500 for water and sanitary sewer work to be completed as part of the 61 st Avenue NE and NE 181 st Street Traffic Signal Improvement Project (City Project #0159).		
REVIEWED BY FINANCE DIRECTOR: 	REVIEWED BY CITY ATTORNEY:	APPROVED BY CITY MANAGER: 
TODAY'S DATE: April 6, 2012	REVISION DATE(S):	FILE NAME & PATH (HYPERLINK): S:\0159 61st Ave NE and NE 181st St Traffic Signal\Utilities\NUD\2012-03-02-AB for Interlocal Agreement with NUD for water and sewer work.doc

VIB. Authorize City Manager to Execute an Interlocal Agreement, Contract No. 12-C1017, with Northshore Utility District with an Estimated Value of \$17,500 for Water and Sanitary Sewer Work to

12-C1017

**CITY OF KENMORE –
NORTHSHORE UTILITY DISTRICT
INTERLOCAL AGREEMENT**

**FOR INCORPORATION OF NORTHSHORE UTILITY DISTRICT
WATER AND SANITARY SEWER WORK INTO THE CITY OF
KENMORE'S 61ST AVENUE NE & NE 181ST STREET TRAFFIC SIGNAL
PROJECT (#0159)**

The City of Kenmore (hereinafter "City") and Northshore Utility District (hereinafter "District"), both municipal corporations, in accordance with the Interlocal Cooperation Act (Chapter 39.34 RCW) do hereby agree as follows:

1. THE PROJECT

City will be installing a new traffic signal at the intersection of 61st Avenue NE and NE 181st Street (hereinafter referred to as the "Traffic Signal"). To accommodate the Traffic Signal, District will move an existing fire hydrant, reconnect an existing water service 1-inch diameter, locate and cap two unused sanitary side sewer stubs, and complete six utility adjustments to grade within the Project area (hereinafter referred to as "Water & Sewer Facilities").

2. PURPOSE

The purpose of this Agreement is to identify the Water & Sewer Facilities work as denoted on the City's construction plans, and allow for payment by District to City for costs incurred by City in surveying, traffic control, design and construction of the Water & Sewer Facilities. The design for the Water & Sewer Facilities will be incorporated into the City approved construction drawings. The parties have determined that it is in their mutual best interest to coordinate the Water & Sewer Facilities work within the Project area in conjunction with the Traffic Signal.

3. COOPERATION

The Water & Sewer Facilities work will be performed in accordance with the design performed by H.W. Lochner, Inc. The Water & Sewer Facilities and the Traffic Signal improvements are hereinafter collectively referred to as "the Project."

4. CONSTRUCTION PROCEDURE

a. District Engineering and Design

District shall be responsible for the engineering and design costs associated with the Water & Sewer Facilities. District's plans, specifications, standard details and bid item schedule shall be incorporated into the Project plan set for bidding purposes. City shall incorporate District's plans, specifications, standard details and schedule of items in such a manner as to allow the identification of costs for the Water & Sewer Facilities.

S:\0159 61st Ave NE and NE 181st St Traffic Signal\Utilities\N\UD\N\UD_Kenmore Interlocal Agreement_Intersection of 61st and 181st.doc

VIB. Authorize City Manager to Execute an Interlocal Agreement, Contract No. 12-C1017, with Northshore Utility District with an Estimated Value of \$17,500 for Water and Sanitary Sewer Work to

b. Contractor Selection

City shall call for bids for performing the Project. City shall incorporate the Water & Sewer Facilities specifications, standard details, and schedule of items in such a manner as to allow the identification of costs for the Water & Sewer Facilities.

c. City as Contracting Agency

City shall serve as the contracting agency during construction for the parties and shall generally manage and oversee the construction of the Water & Sewer Facilities as a part of the Project. District will provide on-call inspections of the Water & Sewer Facilities work prior to backfilling operations being performed. District will be responsible for direct inspection of all Water & Sewer Facilities, including testing of the water line appurtenances. District will be responsible for any and all excess costs incurred by City as a direct result of District's failure to timely inspect and test the work performed by the contractor. Compaction requirements of District will be incorporated with those of City. District will provide for compaction testing.

d. Change Orders

City may approve changes in those parts of the construction contract providing for the Water & Sewer Facilities, provided that if any change order would change the nature of the work or would cause that portion of the contract price attributable to such work to increase by more than \$1,000.00 or cumulatively more than two percent (2%) of the original contract amount attributable to the Water & Sewer Facilities work, District's prior consent to the change orders shall be obtained, which consent shall not be unreasonably withheld. In the event that consent is unreasonably withheld, District will be held responsible for all liability incurred by City resulting from such withholding of consent. City shall immediately provide District with copies of all requests for change orders and executed change orders associated with Water & Sewer Facilities regardless of the dollar amount of the change order.

e. Payment Procedure

City shall provide District with monthly progress billings for the survey, design, construction administration and construction of that portion of the Project attributable to Water & Sewer Facilities. City and District will meet to review and agree upon progress and proposed disbursements to Project contractor(s). District shall pay City for the cost of the Water & Sewer Facilities as provided in the contract bid (as adjusted by change order), based upon agreed upon progress, within forty five (45) days of receipt of each billing.

f. Payments to Contractor

City shall make all disbursements to Project contractor(s).

g. Final Acceptance

That portion of the contractor's work consisting of Water & Sewer Facilities shall not be given final acceptance until it is approved in writing by City and District. Neither party shall unreasonably withhold approval for final acceptance hereto. The Water

& Sewer Facilities shall become the property of District upon final acceptance. City agrees to assign all warranties related to the Water & Sewer Facilities to District.

h. Staff Time, Costs, and Incidental Expenses

At all times material hereto, the parties shall separately bear their own staff time, engineering costs, and incidental expenses except as specifically provided elsewhere in this Agreement.

Should any claims arise related to the Water & Sewer Facilities portion of Project, City shall handle and administer such claims in the same manner as it would handle any other claims on the Project and District shall reimburse City for all expenses associated with handling of such claims. City shall immediately notify District and keep it informed as to the progress of the claim. District will provide guidance to City regarding proposed terms of settlement. Any decision regarding the settlement or prosecution of a claim shall be approved by District prior to being finalized. If District and City cannot agree as to the prosecution or settlement of a claim, District may prosecute or defend the claim and City will assign such claims to District. District agrees to pay all costs of prosecution or defense if assigned such claims and defend, indemnify and hold harmless City from all damages City suffers from District's prosecution or defense of the claim.

i. District Inspections

City will allow the District to inspect the Water & Sewer Facilities work at reasonable times before any work is covered. To accomplish this, City will provide District with copies of the contractor's project schedules and any revisions thereto, and advise District 24 hours prior to the need for such inspection. District agrees to provide such inspection in a timely manner to minimize delay to the contractor and City.

j. Other Costs

Other costs to City to be reimbursed by the District shall be submitted to District for review and approval. These submittals shall be based upon actual costs, substantiated by contract unit prices, invoices or other verification of the actual costs attributable to District for authorization of payment. Actual time of payment shall be as stated in section "e" above.

5. INDEMNIFICATION AND INSURANCE

- a. City shall require contractor building the Project to have Northshore Utility District, its Commissioners, officials, agents and employees named as additional insureds on all policies of insurance to be maintained by contractor(s) under the terms of any Project contract(s) with City. The contractor building the Project shall be required to maintain Public Liability Insurance.
- b. City shall require contractor building the Project to indemnify, defend, and save harmless District and its Commissioners, officers, agents, or employees from any claim, real or imaginary, filed against District or its officers, agents, or employees alleging damage or injury arising out of the contractor's participation in the Project.
- c. City shall require contractor building the Project to be solely and completely responsible for safety and safety conditions on the job site, including the safety of

all persons and property during performance of the work. Contractor shall comply with all applicable City, County, and State regulations, ordinances, orders, and codes regarding safety. The contractor's attention is directed to the requirements of the Washington Industrial Safety and Health Act, WISHA, RCW 49.17.

6. NOTICES AND OTHER COMMUNICATIONS

All notices and other formal communications to be delivered under this Agreement shall be mailed or delivered to the following:

City of Kenmore
Ron Loewen, City Engineer
or his designee
P.O. Box 82607
Kenmore, Washington 98028-0607

Northshore Utility District
Dave Kaiser, Engineering Director
or his designee
P.O. Box 82489
Kenmore, Washington 98028-0489

Provided, however, the parties may change their respective designation of representatives by written notification to one another.

7. This Agreement may be signed in counterparts, and, if so signed, shall be deemed one integrated document.

The date of this Agreement is _____, 2012.

Execution of this Agreement by the undersigned representatives of each party has been authorized by City Council action taken on _____, 2012 and Resolution No. 2012-_____ of the Board of Commissioners of the Northshore Utility District.

CITY OF KENMORE

NORTHSHORE UTILITY DISTRICT

City Manager

General Manager

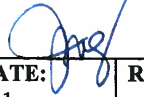
Approved as to form:

Approved as to form:

City Attorney

District General Counsel

CITY OF KENMORE, WASHINGTON			
AGENDA BILL SUMMARY			
AGENDA TITLE			MEETING DATE
Authorize the City Manager to execute a Roadway, Sidewalk, Retaining Wall, and Utility Easement and Agreement with Compass Pointe Condominium Homeowners Association for the 61 st Avenue NE and NE 181 st Street Signal Improvement Project in the amount of \$34,600.			April 23, 2012
DEPARTMENT	DIRECTOR	CONTACT PERSON	PHONE
Engineering	Ron Loewen <i>Ron</i>	Ron Loewen	425 398 8900
COST OF PROPOSAL: <u>Staff Cost:</u> Preparing agenda bill 2 hours <u>Compass Pointe Condominium</u> Easement Compensation \$34,600 Declaration Amendments \$ 3,000		ACCOUNT NUMBER: 09 00 7097 61 st Ave NE/NE 181 st St Signal	
AMOUNT BUDGETED: Right of Way Budget: \$309,300		NAME AND FUND #: Arterial Street Fund No. 09	
ATTACHMENT(S) TO AGENDA PACKET ITEM: - Roadway, Sidewalk, Retaining Wall, and Utility Easement and Agreement with Compass Pointe Condominium Homeowners Association - September 12, 2011 Agenda Bill			
SUMMARY STATEMENT: The City Council previously authorized acquisition of right of way for the 61 st and 181 st Traffic Signal project. City staff and consultants have reached agreement with the Compass Pointe Condominium Association for a right of way easement along the Associations 61 st Avenue NE frontage. The easement is required for widening 61 st Avenue NE. The easement value was determined by appraisals and negotiation. Typically only an easement would be required, however the Association was concerned about the use of the property and their liability so an agreement was prepared. Under the agreement, the City is not allowed to enter any other portion of their property without permission to access the easement area, the City is required to maintain the improvements in the easement area including the sidewalks, each party assumes liability for its own actions and the city is responsible for public use of the easement area.			
CONSISTENT WITH OR COMPARISON TO PAST COUNCIL POLICIES, ORDINANCES, DIRECTION: Council set a priority for SR 522 in 2008 and reaffirmed in 2009 with council action on December 1, 2008 - Agenda title: Consider Projects for Federal Stimulus Package and Potential Action for Authorization to Design and Right of Way Acquisition for SR 522 Phase I Stage 2.			

City Council action on July 26th, authorizing the design and right of way acquisition for the 61st Avenue NE and NE 181st Street signal. City Council action on September 27, 2010 selecting an alternative authorizing the design and right of way acquisition for the 61st Avenue and NE 181st St signal project. City Council action on June 27, 2011 modifying the project scope of work to include undergrounding of aerial facilities. City Council action on September 12, 2011 authorizing condemnation or negotiation of real property interests necessary for the 61st Avenue NE & NE 181st Street Traffic Signal Project.		
RECOMMENDED CITY COUNCIL ACTION/SUGGESTED MOTION: Authorize the City Manager to execute a Roadway, Sidewalk, Retaining Wall, and Utility Easement and Agreement with Compass Point Condominium Homeowners Association for the 61st Avenue NE and NE 181st Street Signal Improvement Project in the amount of \$34,600.		
REVIEWED BY FINANCE DIRECTOR: 	REVIEWED BY CITY ATTORNEY:	APPROVED BY CITY MANAGER: 
TODAY'S DATE: April 5, 2011	REVISION DATE(S):	FILE NAME & PATH (HYPERLINK): S:\0159 61st Ave NE and NE 181st St Traffic Signal\Council\April 23, 2012\120423_agenda_bill.doc

After Recording Mail To:

City of Kenmore
Public Works Dept.
PO Box 82607
Kenmore, WA 98028-0607

**ROADWAY, SIDEWALK, RETAINING WALL AND UTILITY
EASEMENT AGREEMENT**

Grantor:	Compass Pointe Condominium Homeowners Association, a Washington Nonprofit Corporation
Grantee:	City of Kenmore, a Municipal Corporation
Abbreviated Legal:	Ptn of Common Areas of Compass Pointe Condominium, V 143, pgs 1-5
Tax Parcel No.:	172600-0000-00
Ref. Nos. of Related Documents:	9710240281, 9710240280
SR 522 Corridor Improvements – Phase 1, Stage 2 Project	
Project Parcel #99	

A. Grant of Easement: Grantor, Compass Pointe Condominium Homeowners Association, a Washington Nonprofit Corporation, for valuable consideration received, does hereby grant and convey to Grantee, the City of Kenmore, a Municipal Corporation, its successors and assigns, to the same extent and purposes as if the rights granted had been acquired under the Eminent Domain Statute of the State of Washington, a permanent non-exclusive easement under, over, in, along, across and upon the real property described on Exhibit A and depicted on Exhibit B (the "Easement Area"), attached hereto and incorporated herein by this reference.

B. Easement Purpose: The purposes of the easement granted herein are for public streets, sidewalks, retaining wall, utilities (including, but not limited to, sanitary sewer/wastewater, water, surface water, natural gas, telephone, power, communication, cable, fiber optic and other utilities), appurtenances, open space and all activities reasonably

related thereto including constructing, reconstructing, installing, repairing, using and maintaining said streets, sidewalks, retaining wall, utilities (including, but not limited to, sanitary sewer/wastewater, water, surface water, natural gas, telephone, power, communication, cable, fiber optic and other utilities), appurtenances, and open space together with the right of ingress and egress thereto without prior institution of any suit or proceedings of law and without incurring any legal obligation or liability therefore, except as provided below.

C. Easement Conditions: The easement granted herein is subject to the following terms and conditions:

1. Grantee shall, upon completion of any work within the Easement Area (excluding permanent improvements), restore the surface of the Easement Area and any of Grantor's improvements disturbed or destroyed during execution of the work, as nearly as practical to their normal conditions that they were in immediately before the commencement of the work or entry by Grantee.
2. Grantee shall be solely responsible for the repair, maintenance and upkeep of the Easement Area, including those public improvements Grantee places or constructs thereupon. All sidewalks, stormwater drains, signs, curbs and roadways shall be maintained in safe acceptable condition and state of repair, in a manner consistent with Grantee's obligation to do so under its public duty.
3. Grantee shall, at its expense, be solely responsible for repairing damage to its improvements located within the Easement Area
4. The easement granted herein does not give Grantee or the general public any right to access the Easement Area by way of ingress or egress through, over or across Grantor's other property that is located outside the Easement Area. Grantee may request access to Grantor's other property that is located outside the Easement Area for repair, maintenance and construction of permanent or other improvements to the Easement Area, and such access may be permitted by Grantor by way of further separate agreement.
5. Grantor shall not interfere with the easement rights granted to Grantee and the public. Grantor shall not:
 - i. Erect or maintain any buildings or structures within the Easement Area; or
 - ii. Disturb the lateral and subjacent support of the roadway, sidewalks, retaining wall, appurtenances, utilities and other uses of the Easement Area by Grantee and the public; or

- iii. Plant trees, shrubs, or vegetation having deep root patterns that may cause damage to or interfere with the use of the street, sidewalk, retaining wall, appurtenances and utilities located within the Easement Area.

D. Indemnification: Upon execution and recording of this Agreement by Grantee, Grantee (or its successors in interest) shall save, defend, indemnify and hold harmless Grantor and its officers, directors, employees, agents, volunteers and owner/members from any and all claims for injuries or damages suffered by any person or property occurring in the Easement Area or which may be caused by the Grantee's exercise of the rights granted herein or the general public's use of the Easement Area or improvements therein; provided, that Grantee shall not be responsible to Grantor for any injuries or damages suffered by any person or property caused by the acts or omissions of Grantor and its officers, directors, employees, agents, volunteers and owner/members.

E. Attorneys' Fees: In the event any suit, action or other proceeding shall be instituted to enforce compliance with any of the terms or conditions of this Agreement, the prevailing party shall be entitled to their reasonable attorneys' fees expenses and costs, including those on appeal or at arbitration.

F. Amendment: This Agreement may be amended by a written agreement, executed and acknowledged by all parties subject hereto. Any amendments hereto shall only be effective upon recording, and shall reference the recording number of this Agreement, as well as the Declaration and Survey Map and Plans of the Compass Pointe Condominium (King County Recorder's Nos. 9710240281, 9710240280).

G. Effective Upon Recording – Easement Runs With Land: Once this Agreement is executed by the respective parties' authorized agents, and consideration paid by Grantee, Grantee shall cause this Agreement to be recorded with the King County Recorder's Office. The easements and agreements herein shall run with the land and shall be binding upon Grantor and Grantee, and any heirs, successors and assigns.

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//////////

[signatures appear on following page(s)]

DATED this ____ day of _____, 20__.

COMPASS POINTE CONDOMINIUM HOMEOWNERS ASSOCIATION

By: _____
Printed Name: _____
Title: _____

By: _____
Printed Name: _____
Title: _____

By: _____
Printed Name: _____
Title: _____

CITY OF KENMORE

Printed Name: _____
Its: _____
Date: _____

STATE OF WASHINGTON

County of

}
}
} **SS.**
}

I certify that I know or have satisfactory evidence that
_____ and _____ and
_____ (is/are) the person(s) who appeared before me, and said
person(s) acknowledged that (he/she/they) signed this instrument, on oath stated that (he
is/she is /they are) authorized to execute the instrument and acknowledged it as
the _____ and _____ and
_____ of Compass Pointe Condominium Homeowners Association to be
the free and voluntary act of such party for the uses and purposes mentioned in this
instrument.

DATED: _____

Name (typed or printed): _____
NOTARY PUBLIC in and for the State of Washington
Residing at _____
My appointment expires: _____

STATE OF WASHINGTON

}
}
} SS.
}

County of

I certify that I know or have satisfactory evidence
that _____ and _____ (is/are)
the person (s) who appeared before me, and said person(s) acknowledged that (he/she/they)
signed this instrument, on oath stated that (he is/she is /they are) authorized to execute the
instrument and acknowledged it as the _____ and
_____ and _____ of City of Kenmore to be the
free and voluntary act of such party for the uses and purposes mentioned in this instrument.

DATED: _____

Name (typed or printed): _____
NOTARY PUBLIC in and for the State of Washington
Residing at _____
My appointment expires: _____

CITY OF KENMORE, WASHINGTON			
AGENDA BILL SUMMARY			
AGENDA TITLE			MEETING DATE
Adopt Ordinance No 11-0324 authorizing by condemnation or negotiation of real property interests necessary for the 61st Avenue NE & NE 181st Street Traffic Signal Project			September 12, 2011
DEPARTMENT	DIRECTOR	CONTACT PERSON	PHONE
Engineering	Ron Loewen 	Ron Loewen	425 398 8900
COST OF PROPOSAL: <u>Right of Way Activities</u> <u>Staff Cost:</u> Preparing agenda bill: 6 hours Administering right of way acquisition: 40 hours <u>Contract Services:</u> Design/Legal Description: \$ 27,200 Appraisals: \$ 37,400 Negotiations: \$ 39,900 Compensation: <u>\$204,800</u> Total \$309,300		ACCOUNT NUMBER: 09 00 7097 61 st Ave/NE 181 st Signal	
AMOUNT BUDGETED: <u>Right of Way Budget:</u> \$1,105,000 <u>Overall Project Budget:</u> Project Budget: \$2,771,900 Expended Budget as of July 22: \$ 131,354 Obligated ¹ Budget as of July 31: \$ 226,815 Remaining Budget ² as of July 31: \$2,435,085 Estimated Remaining Expenditures \$1,639,385 (Over) / Under Budget ³ : \$ 795,700 ¹ Obligated includes funds spent and obligated through signed agreements. ² Remaining Budget is the total budget less the obligated amount. ³ See explanation in Summary Statement		NAME AND FUND #: Arterial Street Fund No. 09	
ATTACHMENT(S) TO AGENDA PACKET ITEM: Exhibit A - Ordinance No 11-0324 Exhibit B - Right of Way Graphic Exhibit C - Example Notification Letter Exhibit D - June 27, 2011 Agenda Bill Exhibit E - September 27, 2010 Agenda Bill			

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VID. Authorize the City Manager to Execute a Roadway, Sidewalk, Retaining Wall, and Utility Easement and Agreement with Compass Pointe Condominium Homeowners Association for the 61st

SUMMARY STATEMENT:

The City has initiated right of way activities on the 61st Avenue NE and NE 181st Street traffic signal project. Appraisals have been completed and formal offer letters have been submitted to all property owners. Each property owner has been contacted multiple times and negotiations are proceeding on an amicable basis on all. However in order to meet our schedule of starting construction early next year we may need to proceed with condemnation on one or more properties. The condemnation ordinance, see Exhibit A, authorizes the City Manager to pursue condemnation if negotiations are at an impasse.

A public hearing has been scheduled to hear public testimony prior to considering the adoption of the ordinance. Notice has been provided on the City's web site, in the official paper and certified letters sent to the affected property owners.

DISCUSSION:

The 61st Avenue NE and NE 181st Street traffic signal project will be acquiring street right of way from 4 parcels, see Exhibit B, at an estimated cost of \$309,300. Parcel acquisitions areas and locations have been identified based on design drawings and are included in a right of way map. Appraisals are completed and the acquisition will include the following real property rights: fee simple, right of way easement, permanent utility easements, and temporary construction easements. The right of way process for this project must comply with State and Federal regulations. The process is as follows:

- Preparation of a right of way plan based on design plans.
- Preparation of either appraisals or administrative offer worksheets in lieu of an appraisal, based on market research. Administrative offer worksheets are completed when the value of the acquisition, during the project funding estimate phase, is anticipated to be less than \$25,000. This is typically the case for very small acquisitions or easements. If the property owner requests a full appraisal, then one will be prepared.
- An independent review appraiser reviews the appraisals. The reviewer will either agree or recommend a revised amount. Based on the reviewer's recommendation, the City approves the amount of just compensation to the property owner.
- Offers to property owners are made in person. All offers are explained in detail including the legal instruments that need to be signed. The initial offer is followed by several additional contacts to resolve issues and answer questions. We will make every reasonable effort to negotiate settlement of the acquisition.
- Upon settlement, the City will reimburse property owner's expenses for evaluating offers, up to \$750 upon submission of a bill or paid receipt.
- During negotiations, and if necessary, we will ask for voluntary possession and use of property to be acquired for the project. This will allow the City to construct the project while we continue to discuss the value of the real property rights needed.
- If we are unable to reach a settlement then the City will file a condemnation action in King County Superior Court. The proposed condemnation ordinance will give the City Manager the authority to file the condemnation action.
- Prior to trial we will once again request a possession and use agreement. The condemnation process will be in two parts, first a court hearing of "Use and Necessity" and secondly a court trial to determine the value of the property acquisition.
- Once the court case is resolved or if the property owner signs the agreements closing and escrow

will proceed and the City will deposit a check for the agreed upon amount.

- Prior to construction, the Washington State Department of Transportation will review right of way property acquisition files and certify the process. The Department of Transportation certification is required before bid advertising.

During the negotiations we will make every reasonable effort to reach agreement on acquisition. The right of way consultants understand Federal and State acquisition requirements and the need to provide property owners with the time to consider offers and ask questions. They are available on short notice and prepared to answer questions. If issues arise the project designers are also available to discuss modifications or explain design decisions. We will also share appraisal information with property owners upon request. However there are times when negotiations reach an impasse and condemnation is necessary.

We are recommending the City Council authorize the City manager to file a condemnation action if acquisition negotiations reach an impasse. Authorizing condemnation now avoids delays to the project and demonstrates the City's intent to acquire land and proceed with the project. Without the condemnation ordinance at this time we would wait until the impasse and then schedule consideration of an ordinance. This process would interject several months into the project schedule and delay the bid advertising date. In addition the ordinance would likely be repeated several times for each parcel as negotiations reach an impasse adding expense to the project and consuming Council agenda time.

As part of the legal requirements each property owner was sent a letter, see Exhibit C, advising them of the City Council's consideration of the condemnation ordinance. These letters were sent two weeks prior to the hearing date certified mail. Additionally each property owner or their representatives were verbally advised of the condemnation process and the hearing.

During the City Council discussion authorizing the project in September 2010, the City Council decided to pursue the additional right-of-way needed for the SR522 Phase I, Stage 2 project (Jack in the Box, Uplake Town Center, and Burke-Gilman Trail). The right-of-way budget for those 3 parcels and the 4 required for the 61st Avenue NE and NE 181st Street Signal Project totaled \$1,105,000 of which \$795,700 was allocated for the 3 Stage 2 parcels. Since then the City was awarded a \$2.5 million Federal Surface Transportation grant for acquisition of Stage 2 right of way. If we were to proceed with acquisition on these parcels, make an offer or authorize condemnation the acquisition costs would not be eligible for Federal grant reimbursements. Therefore the acquisition process for these 3 parcels has been placed on hold until an agreement for the Federal grant can be executed sometime in late September. This will reduce the signal project budget by \$795,700.

As a footnote, the \$2.5 million grant requires a match amount \$337,500 saving the City \$458,200 while allowing the acquisition of all right of way for the Stage2 project.

Since the last time the City Council reviewed the right of way acquisition requirements there have been some changes:

- The parcel on the northeast corner of the intersection is a condominium. In order to acquire fee title for the right of way all condominium owners would be required to authorize acquisition. However the Home Owners Association has the authority to grant easements. We are therefore requesting a right of way easement rather than fee title which will reduce the acquisition time and project costs.
- Based on discussions with the owner of the parcel on the southwest corner of the intersection the acquisition requirements have been reduced to reduce the impacts on their business and existing improvements. This will also reduce the project costs.

With respect to the overall project, the City issued a SEPA determination of non-significance (DNS) on August

24, 2011.

RECOMMENDATION:

City staff recommends the adoption of Ordinance 11-0324 authorizing the acquisition by negotiation or condemnation of real property interests needed for the 61st Ave NE and NE 181st Street traffic signal project.

CONSISTENT WITH OR COMPARISON TO PAST COUNCIL POLICIES, ORDINANCES, DIRECTION:

Council set a priority for SR 522 in 2008 and reaffirmed in 2009 with council action on December 1, 2008 - Agenda title: Consider Projects for Federal Stimulus Package and Potential Action for Authorization to Design and Right of way Acquisition for SR 522 Phase I Stage 2.

City Council action on September 27, 2010 selecting an alternative authorizing the design and right of way acquisition for the 61st Avenue and NE 181st signal project.

City Council action on June 27, 2011 selecting an alternative authorizing the design and right of way acquisition for the 61st Avenue and NE 181st signal project.

RECOMMENDED CITY COUNCIL ACTION/SUGGESTED MOTION:

Adopt Ordinance No 11-0324 authorizing by condemnation or negotiation of real property interests necessary for the 61st Avenue NE & NE 181st Street Traffic Signal Project

REVIEWED BY FINANCE
DIRECTOR:



REVIEWED BY CITY
ATTORNEY:

APPROVED BY CITY MANAGER:



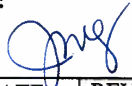
TODAY'S DATE:
August 24, 2011

REVISION DATE(S):

FILE NAME & PATH (HYPERLINK):

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Signal\Council\Agenda Bill - Condemnation Ord..doc

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CITY OF KENMORE, WASHINGTON			
AGENDA BILL SUMMARY			
AGENDA TITLE			MEETING DATE
Declare the 2004 Tymco 600 Street Sweeper to be Surplus Property and Authorize its Sale in the June 16, 2012 Auction at James G. Murphy, Inc.			April 23, 2012
DEPARTMENT	DIRECTOR	CONTACT PERSON	PHONE
Public Works	Jennifer Gordon	Jennifer Gordon	425-398-8900
COST OF PROPOSAL: Administrative Staff Time 10% of the gross sales to the Auctioneer		ACCOUNT NUMBER: 41.00.4729 Sale of Property	
AMOUNT BUDGETED: N/A		NAME AND FUND #: Surface Water 41	
ATTACHMENT(S) TO AGENDA PACKET ITEM: James G. Murphy Consignment Agreement			
SUMMARY STATEMENT: The City Council approved the purchase of a new street sweeper at the February 27, 2012 Council meeting. Council also gave staff direction to move forward with the process to surplus the 2004 Tymco 600 Street Sweeper. The 2004 Tymco 600 Street Sweeper will be declared surplus and sold by auction. Revenue from the sale will go into the Surface Water Fund to partially fund the purchase of the new street sweeper.			
CONSISTENT WITH OR COMPARISON TO PAST COUNCIL POLICIES, ORDINANCES, DIRECTION: Direction to surplus the 2004 Tymco 600 Street Sweeper given at the February 27, 2012 Council meeting pursuant to Ordinance No. 01-0121.			
RECOMMENDED CITY COUNCIL ACTION/SUGGESTED MOTION: Declare the 2004 Tymco 600 Street Sweeper to be Surplus Property and Authorize its Sale in the June 16, 2012 Auction at James G. Murphy, Inc.			
REVIEWED BY FINANCE DIRECTOR: 	REVIEWED BY CITY ATTORNEY:	APPROVED BY CITY MANAGER: 	
TODAY'S DATE: 3/30/2012	REVISION DATE(S):		FILE NAME & PATH (HYPERLINK): i:\city clerk\agenda items\public works\2012 council meetings\04.23.12\declaration of surplus property 2004 tymco street sweeper.doc

VIE. Declare the 2004 Tymco 600 Street Sweeper to be Surplus Property and Authorize its Sale in the June 16, 2012 Auction at James G. Murphy, Inc. - Jennifer Gordon, Public Works Operations

Please sign & return one copy
in the enclosed envelope

JAMES G. MURPHY INC.
Commercial/Industrial/Real Estate Auctioneers
Appraisals/Liquidations
P.O. Box 82160/18226 68th Avenue N.E.
Kenmore, WA 98028
(425) 486-1246

RECEIVED
MAR 26 2012

CITY OF KENMORE

CONSIGNOR	CITY OF KENMORE				
ADDRESS	PO BOX 82607				
CITY ST ZIP	KENMORE, WA 98028				
PHONE	425-984-6160	FAX		CONTACT	

CONSIGNOR AGREES TO CONSIGN BELOW DESCRIBED ARTICLES FOR AUCTION UNDER THE FOLLOWING TERMS AND CONDITIONS:

- The date for the auction of the consigned articles described below ("Consigned Articles") will be **June 16, 2012**. All aspects of the auction shall be solely within the discretion and control of the James G. Murphy Company ("Auctioneer").
- There are no minimum or reserve prices on the Consigned Articles, and Auctioneer will not guarantee any selling price for said articles. Neither consignor, nor anyone acting for Consignor may bid on or buy-back any item Consignor has consigned to auction.
- Consignor agrees to pay auctioneer a commission in the amount of % of the gross sales or standard commission for selling the Consigned Articles, as follows:

HEAVY EQUIPMENT/ROLLING STOCK

Sale Price	Commission	
0 to 1,000*	30%	
1,001 to 5,000	15%	
5,001 to 10,000	12.5%	
10,001 and up	10%	10%
*Minimum charge of \$50		

MISCELLANEOUS EQUIPMENT/TOOLS

Sale Price	Commission
0 to 1,500	30%
1,501 and up	20%
*Minimum charge of \$50	

- At the completion of the auction, Auctioneer shall furnish to Consignor a list of the Consigned Articles sold together with the sale prices obtained. After deducting from the auction proceeds all amounts due Auctioneer under this agreement (including amounts for commission, reimbursable expenses, and indemnification), and any amounts necessary to pay other parties (including lienors) as may be required by law or under this agreement, Auctioneer shall pay to Consignor the net proceeds within 14 days after the auction.
- Consignor agrees not to sell or in any manner dispose of any of the Consigned Articles prior to auction. If Consignor sells or disposes of any of the Consigned Articles prior to auction, Consignor shall reimburse Auctioneer for commission on any article thus sold or disposed of (as well as for any reimbursable expenses and indemnification due Auctioneer under this agreement for said article) as if the article had been sold at auction. Further, Auctioneer may deduct any commission, reimbursable expenses, and indemnification due on any such article from the proceeds of articles consigned by Consignor that were sold at auction.
- Consignor warrants that he has full authority to sell Consigned Articles and further, that he will make available all necessary documents of title within three (3) days prior to the day of auction.
- Consignor warrants and guarantees that his title to the Consigned Articles is unencumbered and free from any liens except for the following (if none, so state):

\$ _____

- If there are any liens against the Consigned Articles, Consignor authorizes Auctioneer to deduct amounts from the auction proceeds with which to pay off lienholder(s). Auctioneer shall deduct all amounts owing to Auctioneer before making payments to lienholder(s). Notwithstanding the foregoing, Auctioneer shall have no duty to determine the existence of liens, or to pay lienors.
- Consignor assumes all risk of loss to the Consigned Articles until such risk passes to buyer. Auctioneer is not responsible for fire, theft, vandalism, or other losses. It is the Consignor's responsibility, at his sole expense, to keep said articles insured until such risk passes to buyer.
- Consignor warrants to Auctioneer, solely for the protection of Auctioneer, that there are no known hidden defects in articles sold or to be sold.
- Consignor hereby engages Auctioneer as the agent of Consignor for purposes related to the auction. Auctioneer shall have authority to execute bills of sale to purchasers at the auction, and to receive, demand, and collect sale proceeds.
- Auctioneer does not guarantee that any sale to a bidder at the auction will be completed. If for any reason a bidder refuses to pay for an auctioned item prior to removal of the item from the auction site, Auctioneer may, at its option, return the item in question to Consignor (in which case Auctioneer shall not be required to make any payment to Consignor) or re-auction such item within a reasonable time after the auction specified herein.
- Auctioneer may charge Consignor for actions required to prepare the Consigned Articles for auction.
- Consignor authorizes Auctioneer to start and move equipment in the auction area.
- Consignor assumes, and indemnifies Auctioneer from, all risk and liability which may arise from the failure of the Consigned Articles to comply with government regulations, including environmental regulations, and Consignor shall pay all costs of cleanup of such articles and any other costs incurred due to environmental pollutants associated with said articles.
- Consignor will indemnify Auctioneer from any loss, casualty, or liability (including attorneys fees, costs, expenses, settlements and judgements) incurred by or threatened against Auctioneer by any third party from any claim (whether or not suit is filed) not the fault of Auctioneer, including but not limited to the following matters: claims asserting defects in Consignor's title or in Consignor's authority to consign for auction any goods sold or to be sold; injury (including environmental injury) resulting from any goods sold or to be sold; or claims caused by any breach of this agreement by Consignor. Consignor authorizes auctioneer to withhold net auction proceeds as necessary to assure Auctioneer of indemnification hereunder, but Consignor's obligation to indemnify shall not be limited to amounts withheld (if any).
- Consignor will indemnify Auctioneer for all attorneys fees and costs (whether or not suit is filed) incurred by Auctioneer to enforce any term of this agreement, or to determine conflicting or uncertain claims by third parties to the auction proceeds, whether by negotiation, arbitration, or commencement of suit (including interpleader action). Consignor authorizes Auctioneer to withhold net auction proceeds as necessary to assure reimbursement of Auctioneer for attorneys fees and costs hereunder, but Consignor's obligation to indemnify shall not be limited to amounts withheld (if any).
- In the case of conflicting or uncertain claims (including Consignor's and/or Auctioneer's claims) to the auction proceeds, Auctioneer may obtain determination of those claims (including filing of suit for interpleader) for the protection and release of Auctioneer from any further liability for the auction proceeds. In case of interpleader, Auctioneer may deduct all commissions, expenses, and indemnification amounts to which Auctioneer is entitled under this agreement before the net proceeds are interpleaded.
- This contract contains the entire agreement between the parties. No representations or warranties have been made by Auctioneer or by any of Auctioneer's agents or employees. No modification of the terms herein shall be effective except in writing and signed by both parties.
- Consignor agrees to submit, at Auctioneer's election, to the jurisdiction and venue of the Superior Court of the State of Washington for King or Snohomish County (in which case Consignor waives any right of removal) or to the jurisdiction and venue of the United States District Court for the Western District of Washington in any action concerning in any way this agreement. This agreement shall be governed by the laws of the State of Washington.

DESCRIPTION:

(1) 2004 TYMCO 600 STREET SWEEPER

Consignor agrees, by signature, to abide by the foregoing terms and conditions, and further, acknowledges receipt of a copy of this contract:

(Name of company or individual)

Consignor #

By _____
(Authorized Agent)

Date: 03/23/12

VIE. Declare the 2004 Tymco 600 Street Sweeper to be Surplus Property and Authorize its Sale in the June 16, 2012 Auction at James G. Murphy, Inc. - Jennifer Gordon, Public Works Operations

City of Kenmore, Washington PROCLAMATION

WHEREAS, Dr. John Bartholomew Bastyr was born on May 16 one hundred years ago; and

WHEREAS, Dr. Bastyr graduated from Seattle College of Chiropractic in 1931 and upon completion of his internship in 1934 he obtained the license of Naturopathic Doctor; and

WHEREAS, during his successful tenure as a naturopathic physician and chiropractor, Dr. Bastyr was a pioneer in keeping interest alive in naturopathic medicine by encouraging his patients and colleagues to consider the advantages of natural medicine; and

WHEREAS, Dr. Bastyr was well known for his caring nature and dedication to his patients, and is commonly referred to as the father of the modern naturopathic medicine movement because of his continued commitment to the innovative teachings of natural medicines; and

WHEREAS, in 1978, in recognition of Dr. John Bastyr's commitment to naturopathic medicine, the John Bastyr College of Naturopathic Medicine was established and later renamed Bastyr University; and

WHEREAS, the 51-acre Bastyr University campus is located in a stunning natural setting near Lake Washington in Kenmore and is Kenmore's largest employer; and

WHEREAS, Bastyr University continues to be the leading academic center for advancing and integrating knowledge in the natural health arts and sciences through the education of future leaders and an integrated approach to education, research, and clinical services; and

WHEREAS, since the establishment of Bastyr University, over 2,000 Doctor of Naturopathic Medicine degrees have been awarded to physicians who practice around the globe; and

WHEREAS, in 1995, Dr. Bastyr passed away leaving a legacy of visionary approaches to the healing arts and inspiration to generations of practitioners in the natural medicine movement,

NOW, THEREFORE I, David Baker, Mayor of the City of Kenmore in the State of Washington, on behalf of the City Council, do hereby proclaim the 16th of May, 2012 as;

"Dr. John Bastyr Day"

IN WITNESS THEREOF, signed this 23rd day of April, 2012.

Signed _____

David Baker, Mayor

Attested _____

Lynn Suskin, City Clerk

City of Kenmore, Washington

PROCLAMATION

Whereas, our state's continuing efforts to address the critical issues of safety, energy efficiency and sustainability in the built environment that affect our citizens, both in everyday life and in times of natural disaster, give us confidence that our structures are safe and sound, and;

Whereas, our confidence is achieved through the devotion of vigilant guardians—building safety and fire prevention officials, architects, engineers, builders, laborers and others in the construction industry—who work year-round to ensure the safe construction of buildings, and;

Whereas, these guardians—dedicated members of the International Code Council—develop and implement the highest-quality codes to protect Americans in the buildings where we live, learn, work, worship, play, and;

Whereas, the International Codes, the most widely adopted building safety, energy and fire prevention codes in the nation, are used by most U.S. cities, counties and states; these modern building codes also include safeguards to protect the public from natural disasters such as hurricanes, snowstorms, tornadoes, wildland fires and earthquakes, and;

Whereas, Building Safety Month is sponsored by the International Code Council and International Code Council Foundation, to remind the public about the critical role of our communities' largely unknown guardians of public safety—our local code officials—who assure us of safe, efficient and livable buildings, and;

Whereas, "Building Safety Month: An International Celebration of Safe and Sensible Structures" the theme for Building Safety Month 2012, encourages all Americans to raise awareness of the importance of building safety; green and sustainable building; pool, spa and hot tub safety; and new technologies in the construction industry. Building Safety Month 2012, encourages appropriate steps everyone can take to ensure that the places where we live, learn, work, worship and play are safe and sustainable, and recognizes that countless lives have been saved due to the implementation of safety codes by local and state agencies, and,

Whereas, each year, in observance of Building Safety Month, Americans are asked to consider projects to improve building safety and sustainability at home and in the community, and to acknowledge the essential service provided to all of us by local and state building departments and federal agencies in protecting lives and property.

NOW, THEREFORE I, David Baker, Mayor of the City of Kenmore in the State of Washington, on behalf of the City Council, do hereby proclaim May, 2012 as;

"Building Safety Month"

IN WITNESS THEREOF, signed this 23rd day of April, 2012.

Signed _____

David Baker, Mayor

Attested _____

Lynn Suskin, City Clerk

CITY OF KENMORE, WASHINGTON			
AGENDA BILL SUMMARY			
AGENDA TITLE			MEETING DATE
Adoption of Ordinance No. 12-0337, An Ordinance of the City Of Kenmore, Washington, Amending Section 19.35.060 of the Kenmore Municipal Code to Revise the City's Categorical Exemptions Relating to the State Environmental Policy Act, and Fixing an Effective Date.			April 23, 2012
DEPARTMENT	DIRECTOR	CONTACT PERSON	PHONE
Community Development	Debbie Bent	Lauri Anderson, Senior Planner	425-398-8900
COST OF PROPOSAL: Staff time to develop approach. Attorney time to answer questions and prepare ordinance.		ACCOUNT NUMBER: N/A	
AMOUNT BUDGETED: None		NAME AND FUND #: N/A	
ATTACHMENT(S) TO AGENDA PACKET ITEM: Staff memo dated April 6, 2012, with three attachments, including proposed ordinance (Attachment 1)			
SUMMARY STATEMENT: At the 4/23/12 Council meeting, Council will consider adoption of Ordinance 12-0337 regarding minor amendments to State Environmental Policy Act (SEPA) procedures. On March 26, 2012, Council conducted a public hearing on a draft ordinance amending Section 19.35.060 of the Kenmore Municipal Code to revise the City's categorical exemptions relating to SEPA. The amendment would eliminate some SEPA exemptions for proposed projects such as new construction and extension of utilities located in the 100 year floodplain associated with Swamp Creek, Little Swamp Creek and the Sammamish River. The amendment is proposed in order to ensure compliance with Federal Emergency Management Agency (FEMA) requirements to protect endangered species. Following the public hearing, Councilmembers asked about the feasibility of retaining a SEPA exemption for additions or modifications to existing structures in the floodplain that would not increase the footprint of those structures (second story additions, for example). As this change would require rewriting of a State SEPA exemption, the City Attorney's opinion was requested. The legal opinion is that such a rewriting is possible, and language in the amended ordinance (Attachment 1) includes that rewritten exemption. The basis for the rewriting is FEMA's "model ordinance" for Endangered Species Act compliance. An additional standard--that the cost of the improvements not exceed 50% of the market value of the structure--has been included by the City Attorney to address FEMA's concern that a "substantial improvement," as they've defined it in the model ordinance, is not removed from consideration of impact.			
CONSISTENT WITH OR COMPARISON TO PAST COUNCIL POLICIES, ORDINANCES, DIRECTION: Amended Ordinance 12-0337 provides a SEPA exemption for some minor additions or modifications to structures in the floodplain as requested by Councilmembers at the March 26, 2012 Council meeting. The original ordinance presented at the March 26 meeting is provided as Attachment 3 to the staff memo for comparison purposes.			
RECOMMENDED CITY COUNCIL ACTION/SUGGESTED MOTION: Adopt Ordinance No. 12-0337, An Ordinance of the City Of Kenmore, Washington, Amending Section 19.35.060 of the Kenmore Municipal Code to Revise the City's Categorical Exemptions Relating to the State Environmental Policy Act, and Fixing an Effective Date.			
REVIEWED BY FINANCE DIRECTOR:		REVIEWED BY CITY ATTORNEY:	APPROVED BY CITY MANAGER:
			
TODAY'S DATE: April 6, 2012	REVISION DATE(S):		FILE NAME & PATH (HYPERLINK):



The City of Kenmore

18120 68TH AVENUE NE PO Box 82607
KENMORE, WASHINGTON 98028

MEMO

TO: Nancy Ousley, Assistant City Manager

FROM: Debbie Bent, Director of Planning & Community Development
Lauri Anderson, Senior Planner

DATE: April 6, 2012

SUBJECT: Amendments to KMC 19.35.060, State Environmental Policy Act (SEPA)
Categorical Exemptions

Summary and Recommendation: Staff recommends that Council approve a motion to adopt revised Ordinance 12-0337 (Attachment #1) which includes minor amendments to the City's SEPA regulations to aid in compliance with the Endangered Species Act as required by the Federal Emergency Management Agency (FEMA) through their National Flood Insurance Program.

The minor SEPA amendments that are the subject of the proposed ordinance would remove some projects from the list of SEPA exemptions if they are located in the 100 year floodplain associated with Swamp Creek, Little Swamp Creek and the Sammamish River. The proposed amendments would eliminate SEPA exemptions for new construction and extension of utilities, but would not eliminate the exemption for ongoing maintenance and repair. As requested by Councilmembers at the March 26, 2012 Council meeting, the ordinance also would retain the SEPA exemption for minor additions and modifications to existing structures that do not increase the building footprint. As written, the exemption would not apply to additions or modifications that would enclose ground-level space (a carport, for example).

Background: The National Flood Insurance Program (NFIP) administered by FEMA offers flood insurance to homeowners, renters, and business owners if their community participates in the NFIP. As a participating community, Kenmore agrees to adopt and enforce ordinances that meet or exceed FEMA requirements to reduce the risk of flood damage.

In September of 2008, the federal National Marine Fisheries Service (NMFS) issued a Biological Opinion (BiOp) that determined that FEMA's implementation of the NFIP causes jeopardy to several species of Puget Sound Salmon and Orca Whales as well as adverse modification to their habitat, conflicting with the Endangered Species Act (ESA).

In the Biological Opinion, NMFS provided a Reasonable and Prudent Alternative (RPA) to modify the implementation of FEMA's flood insurance program in a manner that would

remove the jeopardy situation. FEMA gave the Puget Sound communities covered by the NFIP three options to address the BiOp. Kenmore selected the permit by permit compliance approach, rather than adopting FEMA's model ordinance. This approach is the default compliance position and means that an applicant for a development project within the floodplain will be required to provide a habitat assessment that determines whether or not the project will have an adverse effect.

The city's existing critical area regulations, including flood hazard regulations, stream regulations, and fish and wildlife habitats of importance regulations that are contained in Chapter 18.55 of the Zoning Code, address many of the issues raised by the BiOp. KMC chapters that address shoreline management and flood damage prevention provide additional standards. However, there are gaps in these regulations that could result in the need for further analysis and mitigation measures to achieve complete compliance with the BiOp. For example, the BiOp includes buffer standards that may exceed the city's critical area buffer requirements and contains more restrictive standards for development of impervious surfaces and vegetation removal.

To address potential gaps, staff is recommending eliminating some SEPA exemptions in frequently flooded areas (i.e. the 100 year floodplain). This will allow the city to use SEPA to address the BiOp, if necessary. WAC 197-11-908 allows each city to select certain categorical exemptions (SEPA exemptions) that do not apply in critical areas. The choice of exemptions is limited to those in the State statute shown in Attachment #2.

The proposed ordinance would eliminate SEPA exemptions in frequently flooded areas for new construction and extension of utilities, but would not eliminate the exemption for ongoing maintenance and repair. Following the March 26, 2012 public hearing on the original ordinance (see Attachment #3), Council requested an opinion from the City Attorney on whether or not the State SEPA exemption related to addition and modification to structures (WAC 197-11-800(2)(e)) could be rewritten to retain a limited exemption for some minor modifications. The City Attorney's opinion is that such a rewriting is possible and the proposed ordinance contains the revision. The basis for the rewriting was the model ordinance developed by FEMA to address the BiOp (an alternative compliance option to the permit by permit approach taken by Kenmore). The limitation on value (the addition or modification cannot exceed 50% of the market value of the structure) is taken directly from the model ordinance's definition of "substantial development." FEMA believes that a habitat assessment is warranted whenever there is "substantial development."

As presented in Ordinance 12-0337, the SEPA exemption would not apply to ground level enclosures of existing space (a carport, for example). Enclosure of unenclosed ground level space could change the horizontal path of floodwaters, affecting flood volumes and flood velocities, as well as water quality. For this reason, evaluation under the BiOp through SEPA is recommended.

In both Attachments #1 (proposed ordinance) and #3 (original ordinance), the relevant language is shaded to highlight the differences.

Memo to Nancy Ousley
Page 3
April 6, 2012

Attachments

1. Ordinance 12-0337
2. SEPA exemptions that could be eliminated in critical areas.
3. Ordinance presented for the March 26, 2012 public hearing

**CITY OF KENMORE
WASHINGTON
ORDINANCE NO. 12-0337**

**AN ORDINANCE OF THE CITY OF KENMORE,
WASHINGTON, AMENDING SECTION 19.35.060 OF THE
KENMORE MUNICIPAL CODE TO REVISE THE CITY'S
CATEGORICAL EXEMPTIONS RELATING TO THE STATE
ENVIRONMENTAL POLICY ACT, AND FIXING AN
EFFECTIVE DATE.**

WHEREAS, the City of Kenmore adopted Chapter 19.35 of the Kenmore Municipal Code (KMC), which established the City's environmental procedures under the State Environmental Policy Act (SEPA); and

WHEREAS, WAC 197-11-908 provides that cities may determine that certain categorical exemptions from SEPA do not apply in certain critical areas adopted under the Growth Management Act; and

WHEREAS, the City adopted KMC 19.35.060, which establishes categorical exemptions from SEPA review, including certain activities in critical areas, such as flood hazard areas; and

WHEREAS, the City Council desires to amend KMC 19.35.060 to make certain activities in frequently flooded areas (flood hazard areas) subject to SEPA review, by removing them from the list of categorical exemptions; and

WHEREAS, pursuant to RCW 36.70A.106, the City submitted the proposed revisions to KMC 19.35.060 to the Washington State Department of Commerce for its review of the same;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Amendment. Section 19.35.060 of the Kenmore Municipal Code is amended to read as follows:

19.35.060 Categorical exemptions.

The city adopts by reference the following sections of the WAC which contain information on categorical exemptions:

197-11-305	Categorical exemptions;
197-11-800	Categorical exemptions;

ATTACHMENT 1

- 197-11-880 Emergencies;
- 197-11-890 Petitioning DOE to change exemptions;
- 197-11-908 Critical areas.

A. The following exempt threshold levels are hereby established pursuant to WAC 197-11-800(1)(c) except as provided in WAC 197-11-305 and 197-11-800(1)(a):

1. The construction or location of any residential structures of 20 or fewer dwelling units;
2. The construction of a barn, loafing shed, farm equipment storage building, produce storage or packing structure, or similar agricultural structure, covering 30,000 square feet and to be used only by the property owner or his or her agent in the conduct of farming the property. This exemption shall not apply to feed lots;
3. The construction of an office, school, commercial, recreational, service or storage building with 12,000 square feet of gross floor area, and with associated parking facilities designed for 40 automobiles;
4. The construction of a parking lot designed for 40 automobiles;
5. Any fill or excavation of 500 cubic yards throughout the total lifetime of the fill or excavation and any fill or excavation classified as a Class I, II, or III forest practice under RCW 76.09.050 or regulation thereunder.

B. The following categorical exemptions do not apply in frequently flooded areas (flood hazard areas) pursuant to WAC 197-11-908:

1. 197-11-800(1);
2. 197-11-800(2)(a), (b), (c), (d), and (g);
3. 197-11-800(e), except that for residential structures, addition or modification of floor area above the ground floor that does not increase the ground floor area shall continue to be exempt, provided, that the cost of the addition or modification does not exceed 50% of the market value of the existing structure;
4. 197-11-800(6)(a);
5. 197-11-800(13)(c);
6. 197-11-800(23)(a), (b), (c), (d), and (g), except that repair and maintenance that does not change the action from an exempt class shall continue to be exempt; and
7. 197-11-800(24)(e) and (g)

C. The determination of whether a proposal is categorically exempt shall be made by the *department*.

Section 2. Effective Date. This ordinance shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

APPROVED by the City Council this ____ day of _____, 2012.

David Baker, Mayor

ATTACHMENT 1

ATTEST/AUTHENTICATED:

Lynn Suskin, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY _____
Rod Kaseguma, City Attorney

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO. 12-0337

ATTACHMENT 2

WAC 197-11-908 allows cities to select certain categorical exemptions (SEPA exemptions) that do not apply in one or more critical areas. The selection may be made from the following subsections of WAC 197-11-800:

197-11-800(1) Minor new construction, including (i) The construction or location of any residential structures of 20 or fewer dwelling units; (ii) The construction of a barn, loafing shed, farm equipment storage building, produce storage or packing structure, or similar agricultural structure, covering 30,000 square feet, and to be used only by the property owner or his or her agent in the conduct of farming the property. This exemption shall not apply to feed lots; (iii) The construction of an office, school, commercial, recreational, service or storage building with 12,000 square feet of gross floor area, and with associated parking facilities designed for 40 automobiles; (iv) The construction of a parking lot designed for 40 automobiles; and (v) Any landfill or excavation of 500 cubic yards throughout the total lifetime of the fill or excavation; and any fill or excavation classified as a Class I, II, or III forest practice under RCW 76.09.050 or regulations thereunder.

197-11-800(2)(a) The construction or designation of bus stops, loading zones, shelters, access facilities and pull-out lanes for taxicabs, transit and school vehicles.

197-11-800(2)(b) The construction and/or installation of commercial on-premise signs, and public signs and signals.

197-11-800(2)(c) The construction or installation of minor road and street improvements such as pavement marking, freeway surveillance and control systems, railroad protective devices (not including grade-separated crossings), grooving, glare screen, safety barriers, energy attenuators, transportation corridor landscaping (including the application of Washington state department of agriculture approved herbicides by licensed personnel for right of way weed control as long as this is not within watersheds controlled for the purpose of drinking water quality in accordance with WAC 248-54-660), temporary traffic controls and detours, correction of substandard curves and intersections within existing rights of way, widening of a highway by less than a single lane width where capacity is not significantly increased and no new right of way is required, adding auxiliary lanes for localized purposes, (weaving, climbing, speed change, etc.), where capacity is not significantly increased and no new right of way is required, channelization and elimination of sight restrictions at intersections, street lighting, guard rails and barricade installation, installation of catch basins and culverts, and reconstruction of existing roadbed (existing curb-to-curb in urban locations), including adding or widening of shoulders, addition of bicycle lanes, paths and facilities, and pedestrian walks and paths, but not including additional automobile lanes.

197-11-800(2)(d) Grading, excavating, filling, septic tank installations, and landscaping necessary for any building or facility exempted by subsections (1) and (2) of this section, as well as fencing and the construction of small structures and minor facilities accessory thereto.

197-11-800(2)(e) Additions or modifications to or replacement of any building or facility exempted by subsections (1) and (2) of this section when such addition, modification or replacement will not change the character of the building or facility in a way that would remove it from an exempt class.

ATTACHMENT 2

197-11-800(2)(f) The demolition of any structure or facility, the construction of which would be exempted by subsections (1) and (2) of this section, except for structures or facilities with recognized historical significance.

197-11-800(2)(g) The installation of impervious underground tanks, having a capacity of 10,000 gallons or less.

197-11-800(2)(h) The vacation of streets or roads.

197-11-800(3) The repair, remodeling, maintenance, or minor alteration of existing private or public structures, facilities or equipment, including utilities, involving no material expansions or changes in use beyond that previously existing; except that, where undertaken wholly or in part on lands covered by water, only minor repair or replacement of structures may be exempt (examples include repair or replacement of piling, ramps, floats, or mooring buoys, or minor repair, alteration, or maintenance of docks). The following maintenance activities shall not be considered exempt under this subsection: (a) Dredging; (b) Reconstruction/maintenance of groins and similar shoreline protection structures; or (c) Replacement of utility cables that must be buried under the surface of the bedlands. Repair/rebuilding of major dams, dikes, and reservoirs shall also not be considered exempt under this subsection.

197-11-800(5) Purchase or sale of real property.

197-11-800(6)(a) Except upon lands covered by water, the approval of short plats or short subdivisions pursuant to the procedures required by RCW 58.17.060, but not including further short subdivisions or short platting within a plat or subdivision previously exempted under this subsection.

197-11-800(13)(c) All licenses to operate or engage in amusement devices and rides and entertainment activities, including but not limited to cabarets, carnivals, circuses and other traveling shows, dances, music machines, golf courses, and theaters, including approval of the use of public facilities for temporary civic celebrations, but not including licenses or permits required for permanent construction of any of the above.

197-11-800(23)(a) Installation and construction, relocation when required by other governmental bodies, repair, replacement, maintenance, operation or alteration that does not change the action from an exempt class, of all communications lines, including cable TV, but not including communication towers or relay stations.

197-11-800(23)(b) Installation and construction, relocation when required by other governmental bodies, repair, replacement, maintenance, operation or alteration that does not change the action from an exempt class, of all storm water, water and sewer facilities, lines, equipment, hookups or appurtenances including, utilizing or related to lines eight inches or less in diameter.

197-11-800(23)(c) Installation and construction, relocation when required by other governmental bodies, repair, replacement, maintenance, operation or alteration that does not change the action from an exempt class, of all electric facilities, lines, equipment or appurtenances, not including substations, with an associated voltage of 55,000 volts or less; and the overbuilding of existing distribution lines (55,000 volts or less) with transmission lines (more than 55,000 volts); and the undergrounding of all

ATTACHMENT 2

electric facilities, lines, equipment or appurtenances.

197-11-800(23)(d) Installation and construction, relocation when required by other governmental bodies, repair, replacement, maintenance, operation or alteration that does not change the action from an exempt class, of all natural gas distribution (as opposed to transmission) lines and necessary appurtenant facilities and hookups.

197-11-800(23)(e) Installation and construction, relocation when required by other governmental bodies, repair, replacement, maintenance, operation or alteration that does not change the action from an exempt class, of all developments within the confines of any existing electric substation, reservoir, pump station or well: Provided, That additional appropriations of water are not exempted by this subsection.

197-11-800(23)(f) Periodic use of chemical or mechanical means to maintain a utility or transportation right of way in its design condition: Provided, That chemicals used are approved by the Washington state department of agriculture and applied by licensed personnel. This exemption shall not apply to the use of chemicals within watersheds that are controlled for the purpose of drinking water quality in accordance with WAC 248-54-660.

197-11-800(23)(g) All grants of rights of way by agencies to utilities for use for distribution (as opposed to transmission) purposes.

197-11-800(24)(c) Issuance of agricultural leases covering one hundred sixty contiguous acres or less.

197-11-800(24)(e) Issuance of leases for school sites.

197-11-800(24)(g) Development of recreational sites not specifically designed for all-terrain vehicles and not including more than twelve campsites.

197-11-800(24)(h) Periodic use of chemical or mechanical means to maintain public park and recreational land: Provided, That chemicals used are approved by the Washington state department of agriculture and applied by licensed personnel. This exemption shall not apply to the use of chemicals within watersheds that are controlled for the purpose of drinking water quality in accordance with WAC 248-54-660.

CITY OF KENMORE
WASHINGTON
ORDINANCE NO. _____

**AN ORDINANCE OF THE CITY OF KENMORE,
WASHINGTON, AMENDING SECTION 19.35.060 OF THE
KENMORE MUNICIPAL CODE TO REVISE THE CITY'S
CATEGORICAL EXEMPTIONS RELATING TO THE STATE
ENVIRONMENTAL POLICY ACT, AND FIXING AN
EFFECTIVE DATE.**

WHEREAS, the City of Kenmore adopted Chapter 19.35 of the Kenmore Municipal Code (KMC), which established the City's environmental procedures under the State Environmental Policy Act (SEPA); and

WHEREAS, WAC 197-11-908 provides that cities may determine that certain categorical exemptions from SEPA do not apply in certain critical areas adopted under the Growth Management Act; and

WHEREAS, the City adopted KMC 19.35.060, which establishes categorical exemptions from SEPA review, including certain activities in critical areas, such as flood hazard areas; and

WHEREAS, the City Council desires to amend KMC 19.35.060 to make certain activities in frequently flooded areas (flood hazard areas) subject to SEPA review, by removing them from the list of categorical exemptions; and

WHEREAS, pursuant to RCW 36.70A.106, the City submitted the proposed revisions to KMC 19.35.060 to the Washington State Department of Commerce for its review of the same;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENMORE, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. Amendment. Section 19.35.060 of the Kenmore Municipal Code is amended to read as follows:

19.35.060 Categorical exemptions.

The *city* adopts by reference the following sections of the WAC which contain information on categorical exemptions:

197-11-305	Categorical exemptions;
197-11-800	Categorical exemptions;

ATTACHMENT 3

- 197-11-880 Emergencies;
- 197-11-890 Petitioning DOE to change exemptions;
- 197-11-908 Critical areas.

A. The following exempt threshold levels are hereby established pursuant to WAC 197-11-800(1)(c) except as provided in WAC 197-11-305 and 197-11-800(1)(a):

1. The construction or location of any residential structures of 20 or fewer dwelling units;
2. The construction of a barn, loafing shed, farm equipment storage building, produce storage or packing structure, or similar agricultural structure, covering 30,000 square feet and to be used only by the property owner or his or her agent in the conduct of farming the property. This exemption shall not apply to feed lots;
3. The construction of an office, school, commercial, recreational, service or storage building with 12,000 square feet of gross floor area, and with associated parking facilities designed for 40 automobiles;
4. The construction of a parking lot designed for 40 automobiles;
5. Any fill or excavation of 500 cubic yards throughout the total lifetime of the fill or excavation and any fill or excavation classified as a Class I, II, or III forest practice under RCW 76.09.050 or regulation thereunder.

B. The following categorical exemptions do not apply in frequently flooded areas (flood hazard areas) pursuant to WAC 197-11-908:

1. 197-11-800(1);
2. 197-11-800 (2)(a), (b), (c), (d), (e), and (g);
3. 197-11-800(6)(a);
4. 197-11-800(13)(c);
5. 197-11-800(23)(a), (b), (c), (d), and (g), except that repair and maintenance that does not change the action from an exempt class shall continue to be exempt; and
6. 197-11-800(24)(e) and (g)

C. The determination of whether a proposal is categorically exempt shall be made by the *department*.

Section 2. Effective Date. This ordinance shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

APPROVED by the City Council this ____ day of _____, 2012.

David Baker, Mayor

ATTEST/AUTHENTICATED:

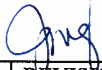
ATTACHMENT 3

Lynn Suskin, City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY _____
Rod Kaseguma, City Attorney

FILED WITH THE CITY CLERK:
PASSED BY THE CITY COUNCIL:
PUBLISHED:
EFFECTIVE DATE:
ORDINANCE NO.

CITY OF KENMORE, WASHINGTON			
AGENDA BILL SUMMARY			
AGENDA TITLE			MEETING DATE
Discussion and Possible Direction on Regional Animal Services of King County Proposed Interlocal Agreement Structure			23 April 2012
DEPARTMENT	DIRECTOR	CONTACT PERSON	PHONE
Executive	Rob Karlinsey (effective 23 April)	Nancy Ousley	425-398-8900
COST OF PROPOSAL: Preliminary estimate \$13,000 in 2013 total net costs for regional animal services and PAWS sheltering service, assuming a scenario 23 cities participating (original 26 minus Shoreline, Kirkland, Auburn)		ACCOUNT NUMBER: 01.19.6422 Regional Animal Services 01.19.6421 Animal Enforcement (weekend) 01.19.6419 Animal Sheltering (PAWS)	
AMOUNT BUDGETED: \$2000 for Animal Sheltering 2011-2012		NAME AND FUND #: General Fund	
ATTACHMENT(S) TO AGENDA PACKET ITEM: 1) Staff Memo 2) Briefing Packet from King County			
SUMMARY STATEMENT: Kenmore is one of 26 cities that are parties to an interlocal agreement with King County for Regional Animal Services that was adopted in 2010, with an expiration date of December 31, 2012. In November 2011, King County and cities began negotiations on a restructured interlocal agreement, which is attached in draft form. Cities are being asked to provide a non-binding statement of intent by May 1 regarding their likelihood of participating in the Regional Animal Services agreement, in order for final cost estimates to be prepared and distributed in mid-May. The proposed agreement would be presented for Council action in June and would be in effect 2013- 2015. The draft interlocal agreement responds to issues raised by cities about service cost, cost structure, field service coverage and license/marketing support. Final costs depend on the number of cities involved in the agreement and licensing revenue generated in Kenmore. Kenmore and four other North King County cities will continue to contract with PAWS for sheltering services for dogs and cats.			
CONSISTENT WITH OR COMPARISON TO PAST COUNCIL POLICIES, ORDINANCES, DIRECTION: Council approved Contract No. 10-C881 on June 28, 2010, an interlocal agreement with King County for Regional Animal Services.			
RECOMMENDED CITY COUNCIL ACTION/SUGGESTED MOTION: Motion approving the City Manager to send a non binding Statement of Intent to participate in Regional Animal Services of King County by May 1, in order for additional cost and service analysis to proceed.			
REVIEWED BY FINANCE DIRECTOR: 	REVIEWED BY CITY ATTORNEY:	APPROVED BY CITY MANAGER: 	
TODAY'S DATE: 9 April 2012	REVISION DATE(S):		FILE NAME & PATH (HYPERLINK):

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City Of Kenmore, Washington

9 April 2012

TO: Kenmore City Council

FR: Nancy Ousley *NKO*

RE: Regional Animal Services Proposed New Agreement Framework

The original 2010 interlocal agreement for Regional Animal Services goes through 2012, with an optional two year extension—participating cities would need to let King County know if they intended to stay or leave by May 2012. In the Fall of 2011 the City of Auburn notified the County they did not plan to continue after 2012, which prompted negotiations for a restructured agreement, since Auburn is a high user of the services.

The main points of the agreement are:

- King County has made reductions to the costs that are allocated among the jurisdictions, some of which are program efficiencies and others that are proposed to be carried solely by the County. This amounts to a 13% reduction in 2013 from the costs allocated from 2012.
- The cities' costs are determined more heavily on use than in the previous agreement. Instead of 50% use and 50% population, the allocations are based on 80% use and 20% population. This is positive for Kenmore, particularly with respect to shelter costs, since Kenmore is a relatively lower user of the services. The draft agreement also more fully acknowledges that North King County cities in the model contract with PAWS for dog/cat shelter services.
- In response to our demands, the current field services 5 day/week (Monday-Friday) schedule has changed to seven day per week coverage. This allows Kenmore to eliminate the weekend enhanced service that we currently have purchased along with Shoreline and Lake Forest Park. Kenmore's share of this weekend service is \$11,000 per year. Another aspect of the field services for 2013, is that the officers would be geographically closer to their service area because some would be hosted by cities, instead of all working out of the Kent headquarters.
- Since license revenue in cities offsets the costs, the County will provide licensing support or other services to reach license revenue goals in order to achieve a 2013 net cost that is equal or less than the estimated 2012 cost. The annual license sales goal for Kenmore in 2012 is \$58,995.

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Kenmore's 2013 projected net costs under the proposed regional framework: a spreadsheet attached shows Kenmore paying \$6324 after license revenue is subtracted from the regional service costs. Add an estimated \$7000 for PAWS (the PAWS 2011 cost was \$6880) and the total could be \$13,324. Compare this to the projected 2012 total (regional services, PAWS, and weekend field service minus license revenue) net cost of \$6106.

All of this is predicated on the number of cities in the regional program. The current cost model excludes Auburn, Kirkland and Shoreline from the program, but final decisions from those cities are pending.

Other options for Kenmore: Bothell is preparing a proposal to provide animal field services to Kenmore.

Decision Timeline:

February—cities provide the County with an initial non-binding statement of interest

March 30—complete amendments to the Agreement and cost model based on initial statements of interest

May 1—cities provide a 2nd non binding statement of interest

May 16—final cost estimates distributed

July 1—formal adoption and execution of the agreement of the agreement by all parties

If approved, the amended and restated agreement will take effect on January 1, 2013 and run through December 31, 2015, with an option to extend an additional 2 years.

King County/Cities Work Group for Animal Services ILA Extension Draft Interlocal Agreement Dated April 6, 2012

The King County/Cities Workgroup has reached consensus on a draft **Animal Services Interlocal Agreement for 2013 Through 2015** (draft ILA) for a 3-year extension of the current interlocal agreement for regional animal services.

DRAFT ILA: the draft ILA is summarized on **Attachment A "Summary of Key Provisions"** and **Attachment C "Outline of Terms for Agreement."** It will be an amended successor ILA.

ESTIMATED INDIVIDUAL CITY COSTS: A model showing the estimated cost allocation for 2013 is provided in **Attachment B "Draft 2013 Estimated Payment Calculation"**. It includes all cities currently in the system, except Auburn, Kirkland and Shoreline, reflecting these cities' notice that they are likely to leave the regional system. This document will be updated if these cities remain in the system.

KEY CHANGES PROPOSED: (1) shift to a cost allocation method based more on use, and less on city population; (2) increase the County's level of financial support to the system and hold that support steady over the 3-year contract term (2013-2015); (3) adjust animal control district boundaries to maintain service levels and control costs; (4) increase focus on system revenue generation and future regional revenue possibilities; and (5) implement efficiencies and other changes to reduce allocable costs while maintaining service levels.

PROCESS/TIMELINE: City representatives and King County began working in November 2011, meeting weekly, in order to reach agreement in principle on changes to the current Animal Services Interlocal Agreement necessitate by Auburn's indication in November 2011 of its intent to depart the system. Auburn's notice required a renegotiation discussion per the ILA. The current ILA will not be extended beyond December 31, 2012, and the parties have until July 1, 2012, to sign a new ILA. If the parties do not reach agreement on a modified contract by July 1, 2012, the ILA terminates December 31, 2012. Timeline as follows:

- **February 1, 2012:** Complete and circulate Agreement in Principle and process timeline
- **February 14, 2012:** First non-binding statement of interest from Cities
- **April 6, 2012:** Complete final draft of amended and restated ILA for distribution
- **May 1, 2012:** Second non-binding statement of interest from all parties-cities and the County are asked to confirm their intent to approve the proposed amended and restated ILA. This will provide parties greater assurance regarding their expected share of system costs moving forward
- **May 16, 2012:** Final cost estimates circulated based on second statement of interest
- **July 1, 2012:** Both parties will have executed the Animal Services Interlocal Agreement for 2013 through 2015.

Attachment A: Summary of Key Provisions

Attachment B: Draft 2013 Estimated Payment Calculation

Attachment C: Outline of Terms of Agreement

Attachment D: Benefits of a Regional Animal Services System

Attachment E: Districts Map

Attachment F: Summary of Concerns Expressed by Cities in Workgroup Discussions

Attachment G: RASKC ILA Revenue Work Plan

Attachment H: ILA Negotiations Joint Work Group

Attachment I: E-mail Instructions for Providing Preliminary Notice of Interest

Attachment J: April 6, 2012 PowerPoint Presentation – draft

Attachment K: Animal Services Interlocal Agreement for 2013 Through 2015

Summary of Key Provisions: Proposed RASKC Model

	Current ILA (June 2010 – December 31, 2012— provides for extension through 2014) 2012	Draft Animal Services Interlocal Agreement for 2013 Through 2015
Costs distributed through model	\$5.84 m (2012)	\$5.14 m (2013)
General cost allocation model – for shelter, licensing and control	50% usage, 50% population	80% usage, 20% population
Service term	2.5 years, possible 2 year extension	3 years, re-opener with possible 2 year extension (effective 7/1/12, service begins 1/1/13)
Total County sponsored and mitigation contribution	\$1.37m (2012)	\$1.76 m (2013) *does not include potential costs of licensing support
Revenue Focus	Licensing	Bridge to sustainability: Joint commitment to aggressively explore variety of specific mechanisms to increase system revenues and achieve sustainability at the end of the 3 years
Shelter replacement	Not Included	Not included
Service Days	5 days (Monday-Friday)	5 days (Will include both weekend days; coverage may be provided 7 days per week, but, only 5 days are guaranteed in agreement)
Service Protocols	Established in ILA	Cities to be involved in developing service protocols
Control Districts	4 Districts Officers home base at Shelter	2 Districts Officers hosted in each district

Summary of Key Provisions: Proposed RASKC Model

Goal of model: maintain or lower costs for cities from the estimated 2012 levels

- Increasing county support, adjusting the cost allocation formula, providing credits or licensing support
- Total costs being allocated among all users is 13% lower in 2013 than 2011
- Cost efficiencies included for 2013, or sooner if possible
 - Reduce costs by aligning staffing with current operations
 - i. Shelter: Possible \$305,000 reduction due to projected lower number of animals in shelter
 - ii. Licensing: operating efficiencies, permanent tags and up to \$200,000 in savings (combining positions)
 - iii. Developing a project to bring laundry in-house instead of using commercial services \$65,000 savings
- Key changes from current ILA:
 - Shifted cost allocation model to (80% use/20% population) to place more emphasis on system use rather than population - responsive to low use cities
 - Removed additional shelter staff from the cost allocation model: County will fully fund additional \$235,000
 - Increased total direct county financial support to cities; targeted to high use cities
 - Included licensing support for cities to lower net costs
 - Maintain County financial contribution to higher use cities remains constant over 3 year contract term to provide some sense of cost stability
 - Reduced control districts from 4 to 2 by collapsing two north and two south districts into one in response to Auburn indicating it will leave the system and the potential for Kirkland and Shoreline leaving. Will evaluate other consolidations based on city commitments
- Service levels:
 - No shelter capital upgrades included in the cost model for the 3 year period
 - High quality shelter service levels retained, costs decreased
 - Control service levels maintained
 - County will seek to facilitate 5 day service coverage to include at least one weekend day
 - Licensing service levels retained, costs decreased
- System Revenues: Joint commitment to aggressively explore variety of specific mechanisms to increase system revenues and achieve system stability by end of 3 years
- Northern PAWS cities assumed to continue to purchase shelter services from PAWS

Regional Animal Services of King County
Precommitment 2013 Estimated Payment Calculation

Allocation Method: Population = 20%, Usage = 80% Control Districts 200 and 220 combined into one (420), with 240 and 260 consolidated to District 500, costs to districts 50% and 50%. Usage and Licensing Revenue based on 2011 Preliminary Year End. Credits allocated to jurisdictions with shelter intakes per capita above the system average.

OPTION #2 Kirkland, Shoreline and Auburn out

5 ACO's - 2 Districts

	Control	Shelter	Licensing	Total Allocated Costs (1)	2011 Licensing Revenue (est)	Estimated Net Cost
Budgeted Total Allocable Costs	\$1,665,248	\$2,811,885	\$662,371	\$5,139,504		
Budgeted Non-Licensing Revenue	\$80,040	\$112,507	\$13,265	\$205,812		
Budgeted Net Allocable Costs	\$1,585,208	\$2,699,378	\$649,106	\$4,933,691	\$2,127,000	-\$2,806,691

DRAFT

Animal Control District Number	Jurisdiction	Estimated Animal Control Cost Allocation (2)	Estimated Sheltering Cost Allocation (3)	Estimated Licensing Cost Allocation (4)	Estimated Total Animal Services Cost Allocation	2011 Licensing Revenue (Estimated)	Estimated Net Cost Allocation	2013-2015 Transition Funding (Annual) (5)	2013 Shelter Credit (Annual) (6)	Estimated Net Costs with Transition Funding and Credits	Estimated Revenue from Proposed Licensing Support (7)	Estimated Net Final Cost (8)
420	Carnation	\$5,453	\$3,710	\$1,431	\$10,594	\$4,752	-\$5,842	\$552	\$0	-\$5,290	\$2,706	-\$2,584
	Duvall	\$14,894	\$16,114	\$6,181	\$37,188	\$21,343	-\$15,845	\$0	\$0	-\$15,845	\$12,970	-\$2,875
	Kenmore	\$50,161	\$13,407	\$17,811	\$81,379	\$58,602	-\$22,777	\$0	\$0	-\$22,777	\$16,453	-\$6,324
	Kirkland	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Lake Forest Park	\$30,291	\$8,136	\$13,981	\$52,408	\$48,504	-\$3,904	\$0	\$0	-\$3,904	\$10,381	\$6,477
	Redmond	\$49,766	\$59,657	\$37,283	\$146,706	\$116,407	-\$30,299	\$0	\$0	-\$30,299	\$9,613	-\$21,686
	Sammamish	\$46,491	\$48,726	\$35,937	\$131,153	\$117,649	-\$13,504	\$0	\$0	-\$13,504	\$0	-\$13,504
	Shoreline	\$0	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Woodinville	\$16,191	\$7,059	\$8,901	\$32,150	\$29,220	-\$2,930	\$0	\$0	-\$2,930	\$6,071	\$3,141
	Beaux Arts	\$92	\$194	\$285	\$570	\$930	\$360	\$0	\$0	\$360	\$0	\$360
	Bellevue	\$157,525	\$174,378	\$86,847	\$418,751	\$273,931	-\$144,820	\$0	\$0	-\$144,820	\$74,144	-\$70,676
	Clyde Hill	\$2,049	\$3,463	\$2,253	\$7,764	\$7,170	-\$594	\$0	\$0	-\$594	\$0	-\$594
	Estimated Unincorporated King County	\$295,381	(see total below)	(see total below)	(see total below)	(see total below)	(see total below)	NA	NA	NA	NA	NA
	Issaquah	\$59,242	\$49,510	\$18,778	\$127,530	\$55,947	-\$71,583	\$0	\$0	-\$71,583	\$11,554	-\$60,029
	Mercer Island	\$14,897	\$20,287	\$15,988	\$51,173	\$49,962	-\$1,211	\$0	\$0	-\$1,211	\$0	-\$1,211
	Newcastle	\$18,293	\$13,375	\$5,368	\$37,036	\$15,271	-\$21,765	\$0	\$0	-\$21,765	\$6,176	-\$15,589
	North Bend	\$17,642	\$17,079	\$4,766	\$39,487	\$15,694	-\$23,793	\$1,376	\$586	-\$21,831	\$9,697	-\$12,134
	Snoqualmie	\$13,552	\$12,187	\$7,776	\$33,515	\$25,065	-\$8,450	\$0	\$0	-\$8,450	\$0	-\$8,450
	Yarrow Point	\$686	\$648	\$878	\$2,212	\$2,700	\$488	\$0	\$0	\$488	\$0	\$488
SUBTOTAL FOR CITIES IN 420 (excludes unincorporated area)		\$497,223	\$447,929	\$264,464	\$1,209,616	\$843,147	-\$366,469	\$1,928	\$586	-\$363,955	\$158,765	-\$205,190
500	Kent	\$246,845	\$821,025	\$80,086	\$1,147,956	\$253,944	-\$894,012	\$110,495	\$495,870	-\$287,647	\$0	-\$287,647
	SeaTac	\$74,768	\$191,133	\$15,350	\$281,251	\$47,232	-\$234,019	\$7,442	\$116,611	-\$109,966	\$0	-\$109,966
	Tukwila	\$46,545	\$114,734	\$10,642	\$171,922	\$32,705	-\$139,217	\$5,255	\$61,987	-\$71,975	\$0	-\$71,975
	Auburn	\$0	NA	NA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Black Diamond	\$7,580	\$14,977	\$3,099	\$25,657	\$10,185	-\$15,472	\$1,209	\$3,263	-\$11,000	\$2,550	-\$8,450
	Covington	\$49,222	\$85,653	\$14,588	\$149,463	\$48,982	-\$100,481	\$5,070	\$36,409	-\$59,002	\$0	-\$59,002
	Enumclaw	\$39,148	\$58,779	\$7,988	\$105,915	\$25,307	-\$80,608	\$11,188	\$28,407	-\$41,013	\$6,549	-\$34,464
	Estimated Unincorporated King County	\$289,846	(see total below)	(see total below)	(see total below)	(see total below)	(see total below)	NA	NA	NA	NA	NA
	Maple Valley	\$38,649	\$71,650	\$17,408	\$127,708	\$56,628	-\$71,080	\$6,027	\$6,867	-\$58,186	\$9,988	-\$48,198
	SUBTOTAL FOR CITIES IN 500 (excludes unincorporated area)	\$602,758	\$1,357,952	\$149,163	\$2,009,872	\$474,983	-\$1,534,889	\$146,686	\$749,414	-\$638,789	\$19,087	-\$619,702
TOTAL FOR CITIES		\$999,980	\$1,805,881	\$413,627	\$3,219,488	\$1,318,130	-\$1,901,358	\$148,614	\$750,000	-\$1,002,744	\$177,852	-\$824,892
Total King County Unincorporated Area Allocation		\$585,227	\$893,497	\$235,479	\$1,714,203	\$808,870	-\$905,333					-\$905,333
		\$1,585,208	\$2,699,378	\$649,106	\$4,933,691	\$2,127,000	-\$2,806,691					

Source: Regional Animal Services of King County
Date: March 26, 2012 (Draft)
Numbers are estimates only for the purpose of negotiation discussions. The numbers and allocation methodology are subject to change while negotiations are underway.

Notes:

1. Based on various efficiencies and changes to the RASKC operating budget, adjustments for reduced intakes overall, reduced usage with Auburn, Shoreline and Kirkland out, reducing from six (6) AC officers in the field to five (5) officers, and shifting two positions out of the model (county sponsored), the 2013 Estimated Budgeted Total Allocable Cost has been reduced to \$5,139,504.
2. One half (50%) of Control services costs are allocated to Control District 420, and one half of Control costs are allocated to Control District 500, then costs are further allocated 80% by total call volume (2011 Calls - Preliminary year end) and 20% by 2011 population.
3. This excludes the cost to northern cities of sheltering their animals at PAWS under separate contracts. Shelter costs are allocated 80% by King County shelter volume intake (2011 Preliminary year end) and 20% by 2011 population.
4. Licensing costs are allocated 20% by population (2011) and 80% by total number of Pet Licenses issued (2011) less \$0.00 Sr. Lifetime Licenses.
5. Transition funding is allocated per capita in a two tier formula to cities with certain per capita net cost allocations. For additional detail, see 2010 Interlocal Agreement Exhibit C-4 (2013 column) for more information. Transition Funding does not change for years 2013 - 2015 (except for minimum payments as specified in the ILA).
6. Credits are allocated to those jurisdictions whose shelter intakes per capita exceeded the system average (.0043) and are intended to help minimize the impact of changing the cost allocation methodology from 50% population/50 usage to the new 20% population/80% usage model. See Interlocal Agreement Exhibit C-4 for more detail.
7. New License Support Funding has been included for certain jurisdictions to help limit the Estimated Net Final Cost to the 2012 estimated level (or for PAWS cities, to the 2013 Option 1 Net Final Cost). If Licensing Support is needed in years 2014 and 2015, receipt of License Support will be contingent on the city providing in-kind services and county ability to provide resources and/or recover costs.
8. Net Final Costs greater than \$0 will be reallocated to remaining jurisdictions with a negative net final cost, except for northern cities where the Net Final Cost shall be net of the cities PAWS sheltering costs for the year before determining if there is an amount greater than \$0.

Outline of draft Animal Services Interlocal Agreement for 2013 Through 2015— *changes from current ILA noted in italics*

Attachment C

Note: This is a draft interlocal agreement and is subject to modification

Item	Control	Shelter	Licensing
Parties	County and all cities in current system with exception of Auburn, Kirkland, Shoreline	No change	No change
Services Exhibit A, B and E	1. <i>Reduce control districts from 4 to 2</i> 2. Maintain staffing level of 5 total - 2 ACO each in districts on a regular basis, plus one floater 3. Maintain 5 day service, <i>with coverage for at least 1 weekend day</i> 4. <i>Station officers at host sites within districts where service and travel time improvements or efficiencies result</i> 5. Cities may continue to purchase enhanced services <i>in addition to regular field services, provided they are not receiving a shelter or transition credit.</i>	No changes proposed	Change III (5) to allow mail <i>or e-mail</i> notice for renewals
Cost Allocation Exhibit C	1. Costs allocated to districts as follows: a) 2.5 ACO each district 2) <i>Costs allocated to all jurisdictions within district based 80% on use and 20% on population (current 50%/50%)</i>	<i>Costs allocated to all jurisdictions based 80% on use and 20% on population (current 50%/50%)</i>	<i>Costs allocated to all jurisdictions based 80% on use and 20% on population (current 50%/50%)</i>

Attachment C

Revenue Allocation	<i>As a general principle, the parties agree that animal services should not be a profit making enterprise. It is critical to bring additional revenue into the system to reduce the need for general fund support and there should be appropriate incentives to promote revenue generation.</i> <i>License revenues will first offset costs of jurisdiction where the revenue is generated (cost includes PAWS costs)</i> <i>License revenues above a jurisdiction's cost will be re-allocated to reduce costs for others.</i> <i>New regional revenues for operating, except targeted levies, will be allocated as follows:</i> <i>50% to offset county mitigation funds first, then county sponsored costs, then to reduce the 20% component of the cost allocation model</i> <i>50% to reduce the overall costs (benefits all jurisdictions)</i> <i>New fundraising, or foundation funds will be used to benefit all jurisdictions, unless designated for specific purposes</i> <i>Major capital expenditures are not included in the cost allocation model. If there are new regional revenues or donation, fundraising, or foundation revenues that are designated for capital or targeted levies for operating purposes, these will be held separately from operating revenues noted above.</i> <i>—See Graphic on Revenue Allocation Framework.—</i>
Conditions for ILA to become Effective Section 15	<i>Implied 2013 payment maximum increase after all have signed cannot exceed estimated by 5% or \$3,500, whichever is greater —either party may waive</i> <i>Minimum contiguity—may be waived by County</i> <i>Eliminate 60 day emergency agreement and minimum 6 month contract if implied 2013 payment test not met.</i>
Payment Method/Timing Section 5	<i>Reconciliation due by June 30th each year</i> <i>Non-binding preliminary estimate of Estimated Payment for upcoming year provided by county to cities by September 1st</i> <i>Final Estimated Payment provided in writing to cities by December 15th each year</i> <i>Exhibit C —allow adjustments to estimates of use and license revenue to include consideration of recent trending. County will work with joint city-county committee to determine the adjustments. Absent agreement on adjustments, the default will be to use actual license revenue and use data from last reconciliation year.</i> <i>Exhibit C7 — updated Payment and Calculation Schedule (see attachment)</i>

Attachment C

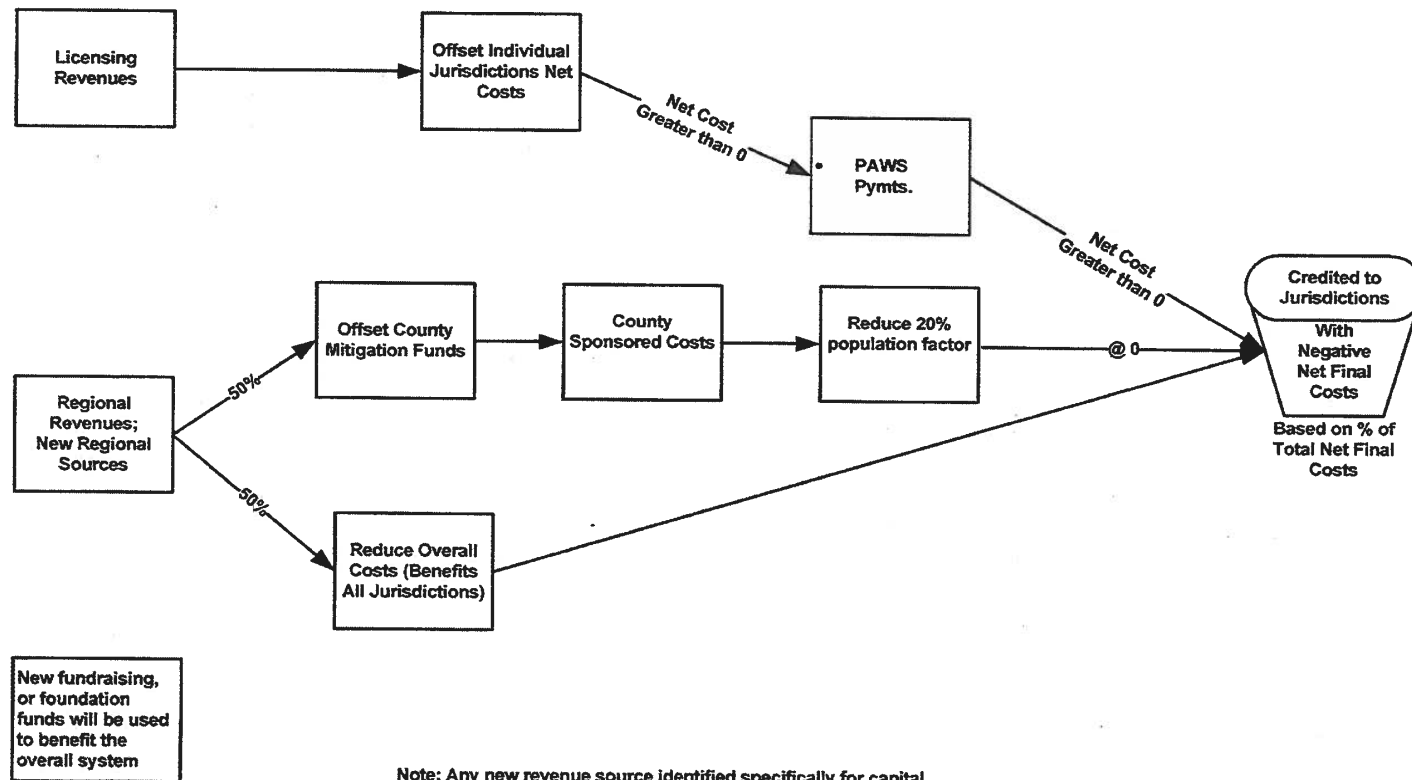
Cost Inflation Cap Exhibit C-1 (page 29)	Retain Annual Budget cap of inflation plus population growth for 3 year term
Contract term and termination provisions Section 4	1) Takes effect 7/1/2012 2) Three year term for services (1/1/2013-12/31/2015) 3) Extension i) Optional two year renewal (renewal no longer automatic, but at option of County whether to extend on same terms; re-openers provided so that parties can consider other amendments in connection with any extension.) ii) County must convene cities in September 2014 to discuss extension with existing terms or renewal with reopener of terms iii) Notice of intent not to renew must be given by March 15, 2015 (rather than May 1 as in current ILA) iv) Parties must reach agreement in writing by July 1, 2015 or ILA terminates 12/31/2015
Services purchased	Section 2 Maintain language providing county discretion over staffing assignments and manner of handling calls, but add new language for cities to provide input through the Joint City-County committee to recommend service delivery metrics and to assist with developing service delivery modifications for handling and responding to calls within districts (build the flexibility in to Exhibit A. at Part I.2.d, d.)
Credits	Exhibit C 1. Carry forward the 2013 transition funding credit from existing agreement for each year of the 3 year term 2. New shelter credit for each year of the 3 year term will be provided to cities with a per-capita shelter use greater than the average (capped at a total amount of \$750,000 per year for this credit category). Maintain option for Impact Mitigation Credit as a tool, but no dollar allocation at this time 3. County will give serious consideration to maintaining credits under an extension agreement.

Attachment C

License revenue support Section 7	1. County will maintain system marketing efforts to generate license revenue across system 2. <i>The County will provide specific canvassing or other support to individual jurisdictions to reach license revenue goals necessary to achieve 2013 net cost equal to or less than estimated 2012 cost.</i> 3. <i>License revenue support in 2013 provides a guaranteed level of revenue for each identified city. Provision of support in 2014 and 2015 subject to separate agreement and contingent on city providing in-kind services as specified in separate agreement and county ability to provide resources and/or recover costs. Preference will be given to the cities identified for license revenue support in 2013. For cities with license revenue support target over \$50,000, support will be provided if city agrees to provide in-kind support for all three years of agreement.</i>
Joint City-County committee and collaborative initiatives Section 11	1. Maintain committee structure. 2. The collaborative initiatives that <u>shall be reviewed</u> by the committee include items from existing ILA: • private licensing; • non-profit services; • marketing/licensing; • service delivery efficiencies <i>refocused to be a continuous improvement effort</i>; • review results of reconciliation; • review preliminary proposed budgets for animal services; provide input to reports; • review and provide input to proposed animal services operational initiatives; • item F – <i>Changed as follows: No major capital expenditures in the Kent facility are contemplated within the contract term. The County will update the estimate of facility needs as part of re-negotiation and/or new regional revenue discussions</i> 3. Add new: 1. <i>Maintain a marketing subcommittee</i> 2. <i>Collaborate on response and service improvements including communication with 911 centers</i> 3. <i>Engage in two-way problem solving</i> 4. <i>Develop alternative dispute mechanisms that could be used to resolve low level issues such as barking dog complaints</i> 5. <i>Work with cities to plan disaster response</i> 6. <i>Review and collaborate on billing protocol</i> 7. <i>Ensure there is at least one meeting each year between ACOs and law enforcement in each district</i> 8. <i>Revenue ideas (near and mid-term)</i>

Proposed Revenue Allocation – Draft Framework

Draft 4-6-12



Note: Any new revenue source identified specifically for capital improvements or targeted for designated operating components would go solely for that purpose.

Benefits of a Regional Animal Services System

Effective and Efficient Service

- Provides a consistent level of service, common regulatory approach, and humane animal care across the region.
- Allows local police agencies to focus on traditional law enforcement instead of civil animal offenses (barking, off-leash, unlicensed animals).
- Builds economies of scale to provide a full range of services, making it less expensive to develop operations, training, licensing and care programs than it would be for cities to duplicate services at the local level.
- Provides a low-cost spay and neuter program which is key to reducing the population of homeless animals and thus reducing the costs of the system over time.
- Reduces the demand on individual jurisdictions to respond to communications from the media, advocacy groups and other interested parties (public disclosure requests).
- Use of volunteers and partnerships with private animal welfare groups increases humane animal treatment with minimal public cost: In 2011, volunteers contributed over 60,000 hours of support to the County animal services system, equivalent to 30 full time employees.
- Takes advantage of current technology – offices can access calls and database in the field; customers receive email notices prior to mailed renewal notices; citizens can locate lost pets online or by phone; cities get detailed, monthly reports on level and types of activity in their jurisdiction.
- King County Board of Appeals hears appeals to civil offenses thus centralizing the adjudication to a forum that is familiar with the issues.

Customer Service

- Provides a single access point for residents searching for a lost pet or seeking animal control help.
- Provides one single point of contact for citizen complaints.
- Pet Adoption Center is open and provides services 7 days a week.
- A regional, uniform pet licensing program that is simpler for the public to access and understand, with a broad range of accompanying services to encourage licensing; marketing, partnering with third parties to encourage license sales, and database management.
- Online licensing sales increase the ease of compliance for pet owners.

Public Health and Safety

- Provides the ability to identify and track rabies and other public health issues related to animals on a regional basis.
- Reduces public health threats through routine vaccination of animals.
- Provides capacity to handle unusual and multi-jurisdictional events involving animals that often require specialized staff, such as: horse cruelty, animal hoarding, loose livestock, dog-fighting,

April 6, 2012

Attachment D

animal necropsies and quarantine, holding of animals as evidence in criminal cases and retrieval of dead animals.

- Provides consistent and knowledgeable services to over 6500 callers per year. Calls are dispatched on a prioritized basis. Emergency response services are available 24 hours per day.

Animal Welfare

- Reduces pressure on non-profit shelters through capacity at public shelter. Non-profit animal welfare groups contribute by accepting transfers of publicly sheltered animals for care and adoption.
- Animals find new homes and are not euthanized for capacity. Euthanasia rates have been reduced.
- Engages citizens through foster homes and other volunteer programs (on-site and adoption events).
- Provides regional response to animal cruelty cases.
- Provides regional preparedness planning and coordination for emergency and disaster response.
- Provides regional capacity for seasonal events (kitten season).
- Avoids competition across jurisdictions for sheltering space and comparisons across jurisdictions on animal welfare outcome statistics.
- Benefit fund allows private donors to contribute to the heroic care of animals—these services are not publicly funded and are not usually available in publicly funded animal service programs.

**Regional Animal Services of King Co.
2013-2015
Proposed ILA - Option 2**

Districts
Cities

**King County
GIS CENTER**

0 1 2 3 Miles

Mar. 2012

CH: krent_services/rocc/bnimal_control

The information on this map was prepared by King County GIS Center. It is provided as a public service and is not intended to be used for any purpose other than that for which it was prepared. King County does not warrant the accuracy, completeness, or timeliness of the information on this map. King County does not assume any liability for any errors or omissions in this map. The information on this map is provided as a public service and is not intended to be used for any purpose other than that for which it was prepared. King County does not warrant the accuracy, completeness, or timeliness of the information on this map. King County does not assume any liability for any errors or omissions in this map.

Summary of Concerns Expressed by Cities in Workgroup Discussions

Issue	Addressed in draft Animal Services Interlocal Agreement for 2013 Through 2015
Costs & Service Levels Generally	
Costs are a major issue for all cities.	Yes
Reallocation of existing costs alone is not sufficient to keep the system together. There must be additional savings and efficiencies.	Yes
Service levels are generally good, although response times have been slower than anticipated.	Yes
There are benefits to a regional animal services system; avoiding the "hassle factor" of having to be in the business is a noted benefit for cities.	Yes
Cities would like the service to be as efficient and effective as possible.	Yes
Cities which have lower use of the system want a cost allocation model that moves away from the current 50% use / 50% population allocation towards a higher weighting on use. In contrast, Cities which have higher use cannot afford a model that gives greater weighting to use.	Yes--Moved to 80 use/ 20 pop. cost allocation model
There is a common desire for a stable long-term financing structure and sustainable operating model. It is agreed that the current model is not sustainable: it is too expensive; departure by any large city shifts costs substantially to remaining parties; and the system requires substantial additional financial contribution from the County beyond the 50/50 cost allocation formula.	Yes--will be major focus of work over next 3 years.
Cities are concerned about funding capital improvements at the Kent shelter in any extension.	Yes. No shelter replacement costs in the ILA
Cities want more input on control response protocols to be sure resources are focused on higher priority calls	Yes
Revenues	
Licensing revenues need to be increased: they have generally been lower than forecast in 2010.	Yes--focus on revenue generation
Additional effort is needed to bring new revenues to the system from other means.	Yes
Service Options: Menus and Service Levels	
Some cities are interested in an "a la carte" option where they could purchase only licensing or control services.	No
Calls for service and animals in the shelter have dropped substantially. Most calls are lower priority calls (e.g., not life/safety).	Yes. Staffing has been reduced in shelter; cities will work with county on field response protocols
Some cities are interested in being able to buy different levels of service – for example, having control officers only respond to high priority calls – but it is acknowledged that this will only work if all cities within a district so agree (otherwise control costs are shifted significantly to those cities in a district	No, but County will engage with cities to refine service protocols. Cities may purchase

Attachment F

seeking to retain response to both low and high priority calls).	enhanced services.
Cities receiving shelter services from PAWS do not want to continue to pay a shelter charge.	Yes – charge reduced
Some cities would like the County to reduce shelter service levels in order to reduce costs.	No. County is not willing to reduce service level in Shelter but is funding more of the shelter staffing costs.
With Auburn's departure and potential for Kirkland and Shoreline, the control district boundaries and control staff deployment need to be re-examined to see if there are less expensive ways to retain service levels	Yes. District boundaries reconfigured, staffing levels reduced.
<u>Term</u>	
The current contract term (2.5 years) is too short and should be extended, but probably for less than 5 years.	Yes. 3 year term with reopener for possible 2-year extension.

RASKC ILA Revenue Workplan

Revenue Sustainability

All partners in RASKC share the goal of creating revenue sustainability for the regional system. Revenues from license sales have historically provided less than 50% of the funding for the system. The majority of additional funding under the current interlocal agreement is provided by the jurisdictions.

The items listed below reflect the partners current thinking of items that could increase revenues for the RASKC model and should be implemented or further evaluated. New ideas may emerge and/or items on the list may be removed if determined not cost efficient or effective. The County will take the lead on the items and work in conjunction with the Joint City County Committee.

Near term - Potentially Implementable in 2012

- Create licensing tool-box for cities
- Increase canvassing effort
- Improve the RASKC website and promote linkages to it from city websites
- Increase public service announcements, media spotlight opportunities
- Utilize e-mail to reach out to supporters
- Consider implementing a second penalty-free licensing period

Medium Term - Potentially Implementable in 2012-2015

- Review/Analyze Licensing fee pricing structure and amount
- Improve options for making donations through the licensing program
- Investigate creation of entrepreneurial options with pet stores to provide discounts on pet items to people with licenses.
- Targeted partnerships with private sector businesses that provide high volume license sales (e.g. license sales in exchange for a share of the license fee)
- Create 501(c)3 for donations and improve efforts to secure donations
- Evaluate feasibility of regional levy to support all, or components of the system
- Evaluate feasibility of new legislative authority to levy a regional sales tax on pet related items

April 6, 2012

Regional Animal Services of King County

Interlocal Agreement – Negotiation Joint Work Group

Cities representatives

- City of SeaTac, James Graddon
- City of Issaquah, Ross Hoover
- City of Newcastle, Melinda Irvine
- City of Woodinville, Sydney Jackson
- City of SeaTac, Annette Louie
- City of Mercer Island, Dave Jokinen
- City of Enumclaw, Michael Thomas
- City of Covington, Derek Matheson
- City of Tukwila, Peggy McCarthy
- City of Kirkland, Lorrie McKay
- City of Lake Forest Park, Cheryl Nicolai
- City of Kenmore, Nancy Ousley
- City of Lake Forest Park, Dennis Peterson
- City of Redmond, Nina Rivkin
- City of Bellevue, Sheida Sahandy
- City of Kent, Jeff Watling

County representatives

- Diane Carlson, Executive Office
- Norm Alberg, Records and Licensing Services Division
- Eric Swansen, Records and Licensing Services Division – Shelter Operations
- Tom Karston, Records and Licensing Services Division
- Lorraine Patterson, Director, Records and Licensing Services Division
- Sean Boufflou, Records and Licensing Services Division
- Yiling Wong, Office of Performance Strategy & Budget

- Neutral facilitator, Karen Reed

Cities represented in Interlocal Agreement

District 200	District 220	District 240	District 260
Carnation	Beaux Arts	Kent	Covington
Duvall	Bellevue	SeaTac	Black Diamond
Kenmore	Clyde Hill	Tukwila	Covington
Kirkland	Issaquah		Enumclaw
Lake Forest Park	Mercer Island		Maple valley
Redmond	Newcastle		
Shoreline	North Bend		
Woodinville	Snoqualmie		
	Yarrow Point		

April 6, 2012

EMAIL Requesting Second Statement of Intent

TO: All cities currently contracting with King County for animal services

FROM: Norm Alberg, Interim Director, Records and Licensing Services Division
Diane Carlson, Director of Regional Initiatives, King County Executive's Office

RE: **Your City's Second non-binding statement of interest in draft Animal Services Interlocal Agreement for 2013 Through 2015 --Response requested by 5/1/12**

Hello—

As you know, the County has been in discussion with cities for several months now on terms for a potential extension of the existing animal services agreement. The City-County workgroup has reached a consensus regional recommendation on a draft **Animal Services Interlocal Agreement for 2013 Through 2015 (draft ILA)**. This 3-year agreement maintains or lowers net costs in 2013 for cities from their estimated 2012 level and provides the framework to work towards a regional model that is financially sustainable for cities and the County. The terms of this proposal are presented in the attached documents.

All cities currently in the system, with the exception of Auburn, Kirkland and Shoreline, provided an initial statement of intent in February to remain in the regional model.

The draft ILA accomplishes County's goal to hold cities harmless for other cities determining they will not remain in the regional system. We are requesting a second non-binding statement of intent from each city as to whether you are interested in signing up for regional animal services under the terms proposed in the attached materials. To accomplish this, we are asking for an email from you by close of business May 1, 2012 indicating which option below best represents your city's position at this time—again, this is non-binding.

The draft ILA at this point is a *draft*—hopefully near final in form. It should not yet be adopted by any Council in this form. A final draft for formal action by all interested parties will be circulated in early May, based on the collective responses to this email from all cities.

If there are significant changes to the cities interested in remaining in the regional system based on the responses to this email, the County will endeavor to hold cities harmless, but will need to re-engage the City-County workgroup to discuss potential changes to the draft ILA. The final contract language will be circulated in mid-May for each city and the County to take action on before July 1, 2012.

Please confirm your response by completing the information below (email to us is fine):

City of _____ **Second Non-Binding Statement of Intent with Respect to Entering Into an Animal Services Agreement based on the draft Interlocal Agreement dated April 6, 2012.**

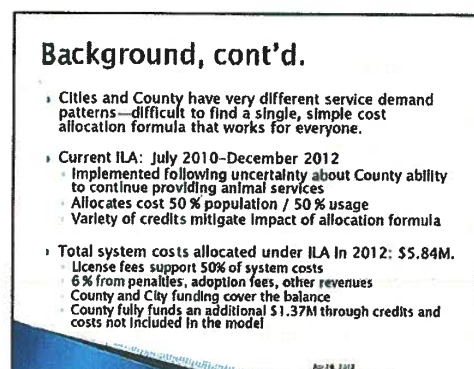
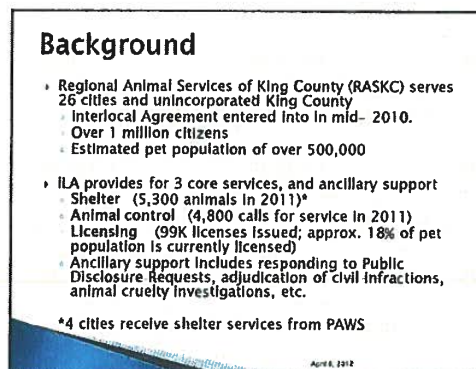
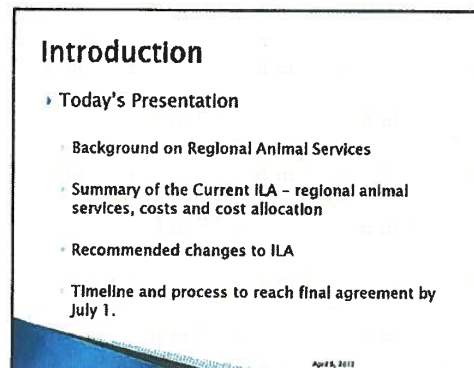
___ **Please continue to include my City in the cost allocation model for purposes of developing a final draft contract language and cost estimates.**

___ **It is extremely unlikely that my City will participate in a contract extension. Please remove my City from the cost allocation model for purposes of developing the final draft contract language and cost estimates.**

My Name/Title: _____ **Date:** _____

If you have any questions about the attached materials please email or call either of us. **Norm Alberg:** (206-296-2963) Norm.Alberg@kingcounty.gov **Diane Carlson:** (206 263-9631) Diane.carlson@kingcounty.gov

April 6, 2012



Benefits of Regional Model

- › Consistent level of service, humane animal care, and regulatory approach countywide.
- › Euthanasia rate continues to be reduced, in 2011 the rate was 14.3%
- › Uniform, regional licensing system and a central location for citizens to license their pets, find lost pets and track health related animal issues
- › Economies of scale for marketing/licensing, field services and shelter operations

Apr-06, 2012

Benefits of Regional System, cont'd.

- › Pet Adoption Shelter open to the public 7 days a week ; provides 24/7/365 on-call response to owners looking for lost pets
- › Ancillary Services
 - › Animal cruelty investigations
 - › Civil offenses handled by Board of Appeals (not law enforcement or courts)
 - › Respond to hundreds of Public Disclosure Requests (PDR's) annually; a centralized approach reducing the impacts to local jurisdictions for PDR's as well as media and/or advocacy group inquiries

Apr-06, 2012

Since the 2010 ILA Began

- › Increased the humane treatment of animals and reduced euthanasia
- › Improved citizen support, over 500 volunteers
- › Upgraded software to improve reporting accuracy and timeliness
- › Hired a marketing manager who helps individual cities develop plans
- › A regional "branding effort" began this year to increase awareness and revenues



Apr-16, 2012

Why negotiate an extension?

- › Contract ends in 2012; automatically extended for 2 years unless a party drops out—which compels renegotiation.
- › City of Auburn, a high user of services, notified County of intent to depart model at end of 2012 – will create unsustainable cost shifts for remaining parties unless ILA is amended.
- › City-County workgroup formed in November 2011. Has considered many options for changing system costs, cost allocation, service delivery that can best support continuation of this regional service option for cities.
- › Since roll-out of February workgroup agreement in principle, Kirkland and Shoreline indicated they may leave the system. Continuing to work with these cities to have them remain in system.
- › New cost model has been developed to show system without all three cities. Cities have been held harmless for cities leaving.

Apr-16, 2012

Cost Issues

Cost Issues

Draft 2013-2015 ILA

- Cost is major issue for all cities.
- Reallocation of existing costs is not sufficient
- Costs must be reduced, by additional savings and efficiencies.
- PAWS Cities cost allocations for shelter must be reduced.
- County has significantly reduced costs:
 - \$148k (2013) transition funding — continues.
 - \$750k/year additional credits to high-use cities
 - \$235k more in shelter staffing will be fully funded by County (Pet Director and Volunteer Coordinator)
 - \$518k downsize operations with potential departure of 3 cities.
 - Shift in cost allocation: 80% usage / 20 % population

2013 Estimated Total Allocable Costs are \$796K (13%) less than in 2011.

April 6, 2012

Revenue Issues

Revenue Issues

Draft 2013-2015 ILA

- Stable long-term financing structure and sustainable operating model needed.
- Additional effort is needed to bring new revenues to the system from other means.
- Licensing revenues need to be increased: they have generally been lower than forecast in 2010.
- Increased focus on revenue generation: "bridge to sustainability to reduce city/county costs."
- Aggressively pursue numerous revenue generating ideas (enhanced marketing, donations, new regional revenue streams)
- Increase support for licensing – Better tools for marketing and ongoing canvassing support

April 6, 2012

Service Issues

Service Issues

Draft 2013-2015 ILA

- Cities want services to be efficient and effective
- Cities want input into response protocols – best use of scarce resources
- With potential for 3 cities departure, the control district boundaries need to be adjusted to re-balance cost, service demand
- Service levels retained, costs reduced.
- Joint City-County Committee collaborate on Issues—including response protocols, efficiency ideas, revenue ideas
- New district boundaries – combine four districts into two and reduce one ACO.

April 6, 2012

Summary

	2012 - Current ILA	2013 - Draft 2013-2015 ILA
Allocated System cost	\$5.84M	\$5.14M
Cost allocation	50% use / 50% pop.	80% use / 20% pop.
Term	2.5 years, 2 yr extension	3 years, re-opener for possible 2 yr. ext.
County support and mitigation payments – license support costs may be additional	\$1.37M	\$1.76M
Number of Control Districts	4	2
- Weekend coverage – starts in 2012 - ACOs hosted in each district - Cities engaged in shaping response protocols - Bridge to Sustainability: focus on new system revenue generation - Current service levels maintained		

April 6, 2012

Timeline

- February 1, 2012 – Reach agreement in principle
- February 14, 2012 – Cities provide County an Initial non-binding statement of interest
- April 6, 2012 – finalize amendments to the Agreement and cost model based on initial statements of interest
- May 1, 2012 – Cities provide County 2nd nonbinding statement of interest
- May 16, 2012 – Final cost estimates circulated
- July 1, 2012 – last date for formal adoption *and execution* of Agreement by both parties
- If approved, the new ILA will take effect January 1, 2013 and run for 3 years through December 31, 2015, with option to extend an additional 2 years.

April 6, 2012

Thank you.

April 6, 2012

DRAFT

Animal Services Interlocal Agreement for 2013 Through 2015

This AGREEMENT is made and entered into effective as of this 1st day of July, 2012, by and between KING COUNTY, a Washington municipal corporation and legal subdivision of the State of Washington (the "County") and the City of _____, a Washington municipal corporation (the "City").

WHEREAS, the provision of animal control, sheltering and licensing services protects public health and safety and promotes animal welfare; and

WHEREAS, providing such services on a regional basis allows for enhanced coordination and tracking of regional public and animal health issues, consistency of regulatory approach across jurisdictional boundaries, economies of scale, and ease of access for the public; and

WHEREAS, the Contracting Cities are partners in making regional animal services work effectively, and are customers of the Animal Services Program provided by the County; and

WHEREAS, the City and the County are party to an Animal Services Interlocal Agreement dated July 1, 2010, which will terminate on December 31, 2012 (the "2010 Agreement"); and

WHEREAS, the City and County have negotiated a successor agreement to the 2010 Agreement in order to extend delivery of Animal Services to the City for an additional three years beginning January 1, 2013; and

WHEREAS, certain notification and other commitments under this successor Agreement arise before January 2013; but the delivery of Animal Services under this Agreement will not commence until January 1, 2013; and

WHEREAS, nothing in this Agreement is intended to alter the provision of service or manner and timing of compensation and reconciliation, specified in the 2010 Agreement for services provided in 2012; and

WHEREAS, the City pursuant to the Interlocal Cooperation Act (RCW Chapter 39.34), is authorized and desires to contract with the County for the performance of Animal Services; and

WHEREAS, the County is authorized by the Interlocal Cooperation Act, Section 120 of the King County Charter and King County Code 11.02.030 to render such services and is willing to render such services on the terms and conditions hereinafter set forth; and

WHEREAS, the County is offering a similar form of Animal Services Interlocal Agreement to cities in King County listed in Exhibit C-1 to this Agreement, and has received a non-binding statement of intent to sign such agreement from those cities;

NOW THEREFORE, in consideration of the promises, 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:
 - a. **"Agreement"** means this Animal Services Interlocal Agreement for 2013 Through 2015 between the Parties including any and all Exhibits hereto, unless the context clearly indicates an intention to reference all such Agreements by and between the County and other Contracting Cities.
 - b. **"Animal Services"** means Control Services, Shelter Services and Licensing Services combined, as these services are described in **Exhibit A**. Collectively, "Animal Services" are sometimes referred to herein as the **"Program."**
 - c. **"Enhanced Control Services"** are additional Control Services that the City may purchase under certain terms and conditions as described in **Exhibit E** (the "Enhance Control Services Contract").
 - d. **"Contracting Cities"** means all cities that are parties to an Agreement.
 - e. **"Parties"** means the City and the County.
 - f. **"Contracting Parties"** means all Contracting Cities and the County.
 - g. **"Estimated Payment"** means the amount the City is estimated to owe to the County for the provision of Animal Services over a six month period per the formulas set forth in **Exhibit C**. The Estimated Payment calculation may result in a credit to the City payable by the County.
 - h. **"Pre-Commitment Estimated 2013 Payment"** means the preliminary estimate of the amount that will be owed by (or payable to) each Contracting Party for payment June 15, 2013 and December 15, 2013 as shown on **Exhibit C-1**.
 - i. **"Preliminary Estimated 2013 Payment"** means the amount estimated by the County on or before August 1, 2012 per Section 5, to be owed by each Contracting Party on June 15, 2013 and December 15, 2013 based on the number of Contracting Cities with respect to which the Agreement goes into effect per Section 15. This estimate will also provide the basis for

determining whether the Agreement meets the “2013 Payment Test” in Section 15.

- j. The “**Final Estimated 2013 Payment**” means the amount owed by each Contracting Party on June 15, 2013 and December 15, 2013, notice of which shall be given to the City by the County no later than December 15, 2012.
 - k. “**Control District**” means one of the two geographic areas delineated in **Exhibit B** for the provision of Animal Control Services.
 - l. “**Reconciliation Adjustment Amount**” means the amount payable each August 15 by either the City or County as determined per the reconciliation process described in **Exhibit D** in order to reconcile the Estimated Payments made for the prior Service Year with actual cost, revenue, population and usage data for such Service Year, so that the amount Contracting Cities pay for Animal Services is based on actual (rather than estimated) data. “**Reconciliation**” is the process by which the Reconciliation Adjustment Amount is determined.
 - m. “**Service Year**” means the calendar year in which Animal Services are or were provided.
 - n. “**2010 Agreement**” means the Animal Services Agreement between the Parties effective July 1, 2010, and terminating at midnight on December 31, 2012.
 - o. “**New Regional Revenue**” means revenue received by the County specifically for support of Animal Services generated from regional marketing campaigns (excluding local licensing canvassing efforts by Contracting Cities or per Section 7), new revenue sources (taxes, fees or charges), or other regional sources; *provided that* New Regional Revenue does not include Licensing Revenue, Non-Licensing Revenue, Designated Donations or Targeted Levies, as defined in **Exhibit C**. The manner of estimating and allocating New Regional Revenue is prescribed in **Exhibit C-4** and **Exhibit D**.
2. **Services Provided.** The County will provide the City with Animal Services described in **Exhibit A**. The County will perform these services consistent with governing City ordinances adopted in accordance with Section 3. In providing such Animal Services consistent with **Exhibit A**, the County will engage with the Joint-City County Committee in good faith to develop potential adjustments to field protocols; provided that, the County shall have sole discretion as to the staffing assigned to receive and dispatch calls and the manner of handling and responding to calls for Animal Service. Except as set forth in Section 9 (Indemnification and Hold Harmless), services to be provided by the County pursuant to this Agreement

do not include services of legal counsel, which shall be provided by the City at its own expense.

- a. Enhanced Control Services. The City may request Enhanced Control Services by completing and submitting **Exhibit E** to the County. Enhanced Services will be provided subject to the terms and conditions described in **Exhibit E**, including but not limited to a determination by the County that it has the capacity to provide such services.

3. **City Obligations.**

- a. Animal Regulatory Codes Adopted. To the extent it has not already done so, the City shall promptly enact an ordinance or resolution that includes license, fee, penalty, enforcement, impound/ redemption and sheltering provisions that are substantially the same as those of Title 11 King County Code as now in effect or hereafter amended (hereinafter "the City Ordinance"). The City shall advise the County of any City animal care and control standards that differ from those of the County.
- b. Authorization to Act on Behalf of City. The City authorizes the County to act on its behalf in undertaking the following:
 - i. Determining eligibility for and issuing licenses under the terms of the City Ordinance, subject to the conditions set forth in such laws.
 - ii. Enforcing the terms of the City Ordinance, including the power to issue enforcement notices and orders and to deny, suspend or revoke licenses issued thereunder.
 - iii. Conducting administrative appeals of those County licensing determinations made and enforcement actions taken on behalf of the City. Such appeals shall be considered by the King County Board of Appeals unless either the City or the County determines that the particular matter should be heard by the City.
 - iv. Nothing in this Agreement is intended to divest the City of authority to independently undertake such enforcement actions as it deems appropriate to respond to alleged violations of any City ordinances.
- c. Cooperation and Licensing Support. The City will assist the County in its efforts to inform City residents regarding animal codes and regulations and licensing requirements and will promote the licensing of pets by City residents through various means as the City shall reasonably determine, including but not limited to offering the sale of pet licenses at City Hall, mailing information to residents (using existing City communication mechanisms such as bill inserts or community newsletters) and posting a weblink to the County's animal licensing program on the City's official website. The City will provide to the County accurate and timely records

regarding all pet license sales processed by the City; all proceeds of such sales shall be remitted to the County by the City on a quarterly basis (no later than each March 31, June 30, September 30, and December 31).

4. **Term.** Except as otherwise specified in Section 15, this Agreement will take effect as of July 1, 2012 and, unless extended pursuant to Subparagraph 4.a below, shall remain in effect through December 31, 2015. The Agreement may not be terminated for convenience.

- a. Latecomers. Additional cities may sign an agreement for provision of animal services with the County prior to the termination or expiration of this Agreement, but only if the later agreement will not cause an increase in the City's costs payable to the County under this Agreement.
- b. Extension of Term. The Parties may agree to extend the Agreement for an additional two year term, ending on December 31, 2017. For purposes of determining whether the Agreement shall be extended, the County will invite all Contracting Cities to meet in September 2014, to discuss both: (1) a possible extension of the Agreement under the same terms and conditions; and (2) a possible extension with amended terms.
 - i. Either Party may propose amendments to the Agreement as a condition of an extension.
 - ii. Nothing in this Agreement shall be construed to compel either Party to agree to an extension or amendment of the Agreement, either on the same or different terms.
 - iii. The County agrees to give serious consideration to maintaining the various credits provided to the Contracting City under this Agreement in any extension of the Agreement.
- c. Notice of Intent to Not Extend. No later than March 1, 2015, the Parties shall provide written notice to one another of whether they wish to extend this Agreement on the same or amended terms. The County will include a written reminder of this March 1 deadline when providing the City notice of its 2015 Estimated Payments (notice due December 15, 2014 per Section 5). By April 5, 2015, the County will provide all Contracting Cities with a list of all Contracting Parties submitting such notices indicating which Parties do not seek an extension, which Parties request an extension under the same terms, and which Parties request an extension under amended terms.
- d. Timeline for Extension. If the Contracting Parties wish to extend their respective Agreements (whether under the same or amended terms) through December 31, 2017, they shall do so in writing no later than July 1, 2015. Absent such an agreed extension, the Agreement shall terminate on December 31, 2015.

- e. The 2010 Agreement remains in effect through December 31, 2012. Nothing in this Agreement shall limit or amend the obligation of the County to provide Animal Services under the 2010 Agreement as provided therein and nothing in this Agreement shall amend the obligations therein with respect to the calculation, timing, and reconciliation of payment of such services.
5. **Compensation.** The County will develop an Estimated Payment calculation for each Service Year using the formulas described in **Exhibit C**, and shall transmit the payment information to the City according to the schedule described below. The County will also calculate and inform the City as to the Reconciliation Adjustment Amount on or before June 30 of each year, as described in Section 6 below and **Exhibit D**, in order to reconcile the Estimated Payments made by the City in the prior Service Year. The City (or County, if applicable) will pay the Estimated Payment, and any applicable Reconciliation Adjustment Amounts, as and when described as follows (a list of all payment-related notices and dates is included at **Exhibit C-7**):
- a. Service Year 2013: The County will provide the City with a calculation of the Preliminary Estimated Payment amounts for Service Year 2013 on or before August 1, 2012, which shall be derived from the Pre-Commitment Estimated 2013 Payment Amount set forth on **Exhibit C-1**, adjusted if necessary based on the final Contracting Cities and other updates to Calendar Year 2011 data in **Exhibit C-2**. The County will provide the City with the Final Estimated Payment calculation for Service Year 2013 by December 15, 2012. The City will pay the County the Preliminary Estimated Payment Amounts for Service Year 2013 on or before June 15, 2013 and December 15, 2013. If the calculation of the Preliminary Estimated Payment shows the City is entitled to receive a payment from the County, the County will pay the City such amount on or before June 15, 2013 and December 15, 2013. The Reconciliation Adjustment Amount for Service Year 2013 shall be paid on or before August 15, 2014, as described in Section 6.
 - b. Service Years after 2013.
 - i. Initial Estimate by September 1. To assist the City with its budgeting process, the County will provide the City with a non-binding, preliminary indication of the Estimated Payments for the upcoming Service Year on or before each September 1.
 - ii. Estimated Payment Determined by December 15. The Estimated Payment amounts for the upcoming Service Year will be determined by the County following adoption of the County's budget and applying the formulas in **Exhibit C**. The County will by December 15

provide written notice to all Contracting Parties of the schedule of Estimated Payments for the upcoming Service Year.

- iii. Estimated Payments Due Each June 15 and December 15. The City will pay the County the Estimated Payment Amount on or before each June 15 and December 15. If the calculation of the Estimated Payment shows the City is entitled to receive a payment from the County, the County will pay the City such amount on or before each June 15 and December 15.
- iv. The Reconciliation Adjustment Amount for the prior Service Year shall be paid on or before August 15 of the following calendar year, as described in Section 6.
- v. If a Party fails to pay an Estimated Payment or Reconciliation Adjustment Amount within 15 days of the date owed, the Party owed shall notify the owing Party that they have ten (10) days to cure non-payment. If the Party fails to cure its nonpayment within this time period following notice,, the amount owed shall accrue interest thereon at the rate of 1% per month from and after the original due date and, if the nonpaying Party is the City, the County at its sole discretion may withhold provision of Animal Services to the City until all outstanding amounts are paid. If the nonpaying Party is the County, the City may withhold future Estimated Payments until all outstanding amounts are paid. Each Party may examine the other's books and records to verify charges.
- vi. Unless the Parties otherwise direct, payments shall be submitted to the addresses noted at Section 14.g.
- c. Payment Obligation Survives Expiration or Termination of Agreement. The obligation of the City (or as applicable, the County), to pay an Estimated Payment Amount or Reconciliation Adjustment Amount for a Service Year included in the term of this Agreement shall survive the Expiration or Termination of this Agreement. For example, if this Agreement terminates on December 31, 2015, the Final Estimated 2015 Payment is nevertheless due on or before December 15, 2015, and the Reconciliation Adjustment Amount shall be payable on or before August 15, 2016.
- d. The Parties agree the payment and reconciliation formulas in this Agreement (including all Exhibits) are fair and reasonable.

6. **Reconciliation of Estimated Payments and Actual Costs and Revenues.** In order that the Contracting Parties share costs of the regional Animal Services Program based on their actual, rather than estimated, use of Animal Services, there will be an annual reconciliation of actual costs and usage. Specifically, on or before June 30 of

each year, the County will reconcile amounts owed under this Agreement for the prior Service Year by comparing each Contracting Party's Estimated Payments to the amount derived by recalculating the formulas in **Exhibit C** using actual cost, revenue, usage and population data for such Service Period as detailed in **Exhibit D**. The County will provide the results of the reconciliation to all Contracting Parties in writing on or before June 30. The Reconciliation Adjustment Amount will be paid on or before August 15 of the then current year, regardless of the prior termination of the Agreement as per Section 5.c.

7. Regional Revenue Generation and Licensing Revenue Support

- a. The Parties intend that the provision of Animal Services becomes significantly more financially sustainable over the initial three year term of this Agreement through the development of New Regional Revenue and the generation of additional Licensing Revenue. The County will develop proposals designed to support this goal. The County will consult with the Joint City-County Committee before proceeding with efforts to implement proposals to generate New Regional Revenue.
- b. The Parties do not intend for the provision of Animal Services or receipt of such Services under this Agreement to be a profit-making enterprise. Where a Contracting Party receives revenues in excess of its costs under this Agreement (including costs of PAWS shelter service, if applicable), they will be reinvested in the Program to reduce the costs of other Contracting Parties and to improve service delivery: the cost allocation formulas of this Agreement are intended to achieve this outcome.
- c. Licensing Revenue Support.
 - i. In 2013, the County will provide licensing revenue support to the thirteen Contracting Cities identified on **Exhibit C-5** (the "Licensing Revenue Support Cities").
 - ii. The City may request licensing revenue support from the County in 2014 and 2015 by executing **Attachment A** to **Exhibit F**. The terms and conditions under which such licensing revenue support will be provided are further described at **Exhibit C-5** and **Exhibit F**. Except as otherwise provided in **Exhibit C-5** with respect to Licensing Revenue Support Cities with a Licensing Revenue Target of over \$50,000 (per Table 1 of **Exhibit C-5**), provision of licensing revenue support in 2014 and 2015 is *subject to* the County determining it has capacity to provide such services, with priority allocation of any available services going first to Licensing Revenue Support Cities on a first-come, first-served basis and thereafter being allocated to other

Contracting Cities requesting service on a first-come, first-served basis. Provision of licensing revenue support is further subject to the Parties executing a Licensing Support Contract (**Exhibit F**).

- iii. In addition to other terms described in Exhibit F, receipt of licensing revenue support is subject to the recipient City providing in-kind services, including but not limited to: assisting in communication with City residents; publicizing any canvassing efforts the Parties have agreed should be implemented; assisting in the recruitment of canvassing staff, if applicable; and providing information to the County to assist in targeting its canvassing activities, if applicable.

8. Mutual Covenants/Independent Contractor. The Parties understand and agree that the County is acting hereunder as an independent contractor with the intended following results:

- a. Control of County personnel, standards of performance, discipline, and all other aspects of performance shall be governed entirely by the County;
- b. All County persons rendering service hereunder shall be for all purposes employees of the County, although they may from time to time act as commissioned officers of the City;
- c. The County contact person for the City staff regarding all issues arising under this Agreement, including but not limited to citizen complaints, service requests and general information on animal control services is the Manager of Regional Animal Services.

9. Indemnification and Hold Harmless.

- a. City Held Harmless. 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 any reason of or arising out of any negligent act or omission of the County, its officers, agents, and employees, or any of them relating to or arising out of performing services pursuant to this Agreement. In the event that any such suit based upon such a claim, action, loss, or damages is brought against the City, the County shall defend the same at its sole cost and expense; provided that the City reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment in said suit 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.
- b. County Held Harmless. 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 any reason of or arising out of any negligent act or omission of the City, its officers, agents, and employees, or any of them relating to or arising out of performing services pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damages is brought against the County, the City shall defend the same at its sole cost and expense; provided that the County reserves 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 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.

- c. Liability Related to City Ordinances, Policies, Rules and Regulations. 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 that arises in whole or in part as a result of the application of City ordinances, policies, rules or regulations that are either in place at the time this Agreement takes effect or differ from those of the County; or that arise in whole or in part based upon any failure of the City to comply with applicable adoption requirements or procedures. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, policy, 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 reasonable attorney's fees.
- d. Waiver Under Washington Industrial Insurance Act. The foregoing indemnity is specifically intended to constitute a waiver of each party's immunity under Washington's Industrial Insurance Act, Chapter 51 RCW, as respects the other party only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the indemnitor's employees. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

10. **Dispute Resolution.** Whenever any dispute arises between the Parties or between the Contracting Parties under this Agreement which is not resolved by routine meetings or communications, the disputing parties agree to seek resolution of such dispute in good faith by meeting, as soon as feasible. The meeting shall include the Chief Executive Officer (or his/her designee) of each party involved in the dispute

and the Manager of the Regional Animal Services Program. If the parties do not come to an agreement on the dispute, any party may pursue mediation through a process to be mutually agreed to in good faith between the parties within 30 days, which may include binding or nonbinding decisions or recommendations. The mediator(s) shall be individuals skilled in the legal and business aspects of the subject matter of this Agreement. The parties to the dispute shall share equally the costs of mediation and assume their own costs.

- 11. Joint City-County Committee and Collaborative Initiatives.** A committee composed of 3 county representatives (appointed by the County) and one representative from each Contracting City that chooses to appoint a representative shall meet upon reasonable request of a Contracting City or the County, but in no event shall the Committee meet less than twice each year. Committee members may not be elected officials. The Committee shall review service issues and make recommendations regarding efficiencies and improvements to services, and shall review and make recommendations regarding the conduct and findings of the collaborative initiatives identified below. 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. The collaborative initiatives to be explored shall include, but are not necessarily limited to:
- a. Proposals to update animal services codes, including fees and penalties, as a means to increase revenues and incentives for residents to license, retain, and care for pets.
 - b. Exploring the practicability of engaging a private for-profit licensing system operator.
 - c. Pursuing 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.
 - d. Promoting licensing through joint marketing activities of Contracting Cities and the County, including recommending where the County's marketing efforts will be deployed each year.
 - e. Exploring options for continuous service improvement, including increasing service delivery efficiencies across the board.
 - f. Studying options for repair and/or replacement of the Kent Shelter.
 - g. Reviewing the results of the County's calculation of the Reconciliation Adjustment Amounts.
 - h. Reviewing preliminary proposed budgets for Animal Services.

- i. Providing input into the formatting, content and details of periodic Program reports as per Section 12 of this Agreement.
 - j. Reviewing and providing input on proposed Animal Services operational initiatives.
 - k. Providing input on Animal Control Services response protocols with the goal of supporting the most appropriate use of scarce Control Services resources.
 - l. Establishing and maintaining a marketing subcommittee with members from within the Joint City-County committee membership and additional staff as may be agreed.
 - m. Collaborating on response and service improvements, including communication with 911 call centers.
 - n. Developing alternative dispute mechanisms that may be deployed to assist the public in resolving low-level issues such as barking dog complaints.
 - o. Working with Contracting Cities to plan disaster response for animal sheltering and care.
 - p. Ensuring there is at least one meeting each year within each Control District between the County animal control officer representatives and Contracting Cities' law enforcement representatives.
 - q. Identifying, discussing and where appropriate recommending actions to implement ideas to generate additional revenue to support operation and maintenance of the Animal Services Program, including but not limited to providing input and advice in shaping the terms of any proposed Targeted Levy.
12. **Reporting.** The County will provide the City with an electronic report not less than monthly summarizing call response and Program usage data for each of the Contracting Cities and the County and the Animal Services Program. The formatting, content and details of the report will be developed in consultation with the Joint City-County Committee.
13. **Amendments.** Any amendments to this Agreement must be in writing. This Agreement may be amended upon approval of the County and at least two thirds (66%) of the legislative bodies of all other Contracting Parties to this Agreement (in both number and in the percentage of the prior total Estimated Payments owing from such Contracting Parties in the then current Service Year), evidenced by the authorized signatures of such approving Parties as of the effective date of the amendment; *provided that* any amendment to this Agreement affecting the Party contribution responsibilities, hold harmless and indemnification requirements, provisions regarding duration, termination or withdrawal, or the conditions of this Section shall require consent of the legislative authorities of all Parties.

14. General Provisions.

- a. Other Facilities. The County reserves the right to contract with other shelter service providers for housing animals received from within the City or from City residents, whose levels of service meet or exceed those at the County shelter for purposes of addressing shelter overcrowding or developing other means to enhance the effectiveness, efficiency or capacity of animal care and sheltering within King County.
- b. Survivability. Notwithstanding any provision in this Agreement to the contrary, the provisions of Section 9 (Indemnification and Hold Harmless) shall remain operative and in full force and effect, regardless of the withdrawal or termination of this Agreement.
- c. Waiver and Remedies. No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the Party claimed to have waived or consented. 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.
- d. Grants. Both Parties shall cooperate and assist each other toward procuring grants or financial assistance from governmental agencies or private benefactors for reduction of costs of operating and maintaining the Animal Services Program and the care and treatment of animals in the Program.
- e. Force Majeure. In the event either Party's performance of any of the provisions of this Agreement becomes impossible due to war, civil unrest, and any natural event outside of the Party's reasonable control, including fire, storm, flood, earthquake or other act of nature, 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.
- f. Entire Agreement. This Agreement represents the entire understanding of the Parties and supersedes any oral representations that are inconsistent with or modify its terms and conditions.
- g. Notices. Except as otherwise provided in this Agreement, any notice required to be provided under the terms of this Agreement shall be delivered by E-mail (deemed delivered upon E-mail confirmation of receipt by the intended recipient), certified U.S. mail, return receipt requested or by personal service to the following person (or to any other person that the Party designates in writing to receive notice under this Agreement):

For the City:

For the County: Caroline Whalen, Director
King County Dept. of Executive Services
401 Fifth Avenue, Suite 135
Seattle WA. 98104

- h. Assignment. No Party may sell, transfer or assign any of its rights or benefits under this Agreement without the approval of the other Party.
- i. Venue. The Venue for any action related to this Agreement shall be in Superior Court in and for King County, Washington.
- j. Records. The records and documents with respect to all matters covered by this Agreement shall be subject to inspection and review by the County or City for such period as is required by state law (Records Retention Act, Ch. 40.14 RCW) but in any event for not less than 1 year following the expiration or termination of this Agreement.
- k. No Third Party Beneficiaries. This Agreement is for the benefit of the Parties only, and no third party shall have any rights hereunder.
- l. Counterparts. This Agreement 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 Agreement may be executed in any number of counterparts, each of which shall be an original, but those counterparts will constitute one and the same instrument.

15. Terms to Implement Agreement. Because it is unknown how many parties will ultimately approve the Agreement, and participation of each Contracting Party impacts the costs of all other Contracting Parties, the Agreement will go into effect as of July 1, 2012, only if certain "Minimum Contracting Requirements" are met or waived as described in this section. These Minimum Contracting Requirements will not be finally determined until August 15, 2012. In the event it is determined on or about August 15 that this Agreement between the City and County does not go into effect, then the Agreement will be deemed by the Parties to have never gone into effect, regardless of the July 1, 2012 stated effective date. If the Minimum Contracting Requirements are Met or waived, the Agreement shall be deemed effective as of July 1, 2012.

The Minimum Contracting Requirements include:

a. **For both the City and the County:**

1. **2013 Payment Test:** The Preliminary Estimated 2013 Payment, calculated on or before August 1, 2012, to include the County and all cities that have executed the Agreement on or prior to July 1, 2012, does not exceed the Pre-Commitment Estimated 2013 Payment as set forth in **Exhibit C-1** by more than five percent (5%) or \$3,500, whichever is greater. Either Party may waive its failure to meet this test in order to allow the Agreement to go into effect. **If the 2013 Payment Test is not met**, either Party may exercise its right to waive this condition and allow the Agreement to go into effect, provided that such waiver must be exercised by giving notice to the other party (which notice shall meet the requirements of Section 14.g) no later than August 15, 2012.

- b. **For the County:** The **Minimum Contiguity of Service Condition** must be met, such that the County is only obligated to enter into the Agreement if the County will be providing Animal Services in areas contiguous to the City, whether by reason of having an Agreement with another City or due to the fact that the City is contiguous to unincorporated areas (excluding unincorporated islands within the City limits). The Minimum Contiguity of Service Condition may be waived by the County in its sole discretion. The County shall provide the City notice meeting the requirements of Section 14.g no later than July 21, 2012 if the Minimum Contiguity of Service Condition has not been met. On or before August 21, 2012, the County shall send all Contracting Cities an informational email notice confirming the final list of all Contracting Cities with which Agreements have gone into effect.

16. **Administration.** This Agreement shall be administered by the County Administrative Officer or his/her designee, and by the City Manager, or his/her designee.

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed effective as of July 1, 2012.

King County

City of _____

Dow Constantine
King County Executive

City Manager/Mayor

Date

Date

Approved as to Form:

Approved as to Form:

King County
Deputy Prosecuting Attorney

City Attorney

Date

Date

List of Exhibits

Exhibit A: Animal Services Description

Exhibit B: Control Service District Map Description

Exhibit B-1: Map of Control Service District

Exhibit C: Calculation of Estimated Payments

Exhibit C-1: Pre-Commitment Estimated 2013 Payment (*showing participation only by those jurisdictions that have expressed interest as of May 1, 2012 in contracting for an additional 3 year term*)

Exhibit C-2: Estimated Population, Calls for Service, Shelter Use and Licensing Data for Jurisdictions, Used to Derive the Pre-Commitment Estimated 2013 Payment

Exhibit C-3: Calculation of Budgeted Total Allocable Animal Services Costs, Budgeted Total Non-Licensing Revenue and Budget Net Allocable Animal Services Costs for 2013 [PENDING]

Exhibit C-4: Calculation and Allocation of Transition Credit, Shelter Credit,, and Estimated New Regional Revenue

Exhibit C-5: Licensing Revenue Support

Exhibit C-6: Summary of Calculation Periods for Use and Population Components

Exhibit C-7: Payment and Calculation Schedule

Exhibit D: Reconciliation

Exhibit D-1: Calculation of Support Cost Adjustment Factor Associated with Enhanced Control Service ("O")

Exhibit E: Enhanced Control Services Contract (Optional)

Exhibit F: Licensing Support Contract (Optional)

Exhibit A
Animal Service Description

Part I: Control Services

Control Services include the operation of a public call center, the dispatch of animal control officers in response to calls, and the handling of calls in the field by animal control officers, including the collection and delivery of animals to the Kent Shelter (or such other shelters as the County may utilize in accordance with this Agreement).

1. Call Center

- a. The County will operate an animal control call center five days every week (excluding holidays and County-designated furlough days, if applicable) for a minimum of eight hours per day (normal business hours). The County will negotiate with applicable unions with the purpose of obtaining a commitment for the five day call center operation to include at least one weekend day. The County may adjust the days of the week the call center operates to match the final choice of Control District service days.
- b. The animal control call center will provide callers with guidance, education, options and alternative resources as possible/appropriate.
- c. When the call center is not in operation, callers will hear a recorded message referring them to 911 in case of emergency, or if the event is not an emergency, to either leave a message or call back during regular business hours.

2. Animal Control Officers

- a. The County will divide the area receiving Control Services into two Control Districts as shown on **Exhibit B**. Subject to the limitations provided in this Section 2, each Control District will be staffed with two Animal Control Officers (ACOs) during Regular ACO Service Hours. Regular ACO Service Hours is defined to include not less than 40 hours per week. The County will negotiate with applicable unions with the intention of obtaining a commitment for Regular ACO Service Hours to include service on at least one weekend day. Regular ACO Service Hours may change from time to time.
 - i. Except as the County may in its sole discretion determine is necessary to protect officer safety, ACOs shall be available for responding to calls within their assigned Control District and will not be generally available to respond to calls in other Control Districts. **Exhibit B-1** shows the map of Control Districts.

- ii. Countywide, the County will have a total of not less than 5 ACOs (Full-Time Equivalent employees) on staff to maximize the ability of the County to staff all Control Districts notwithstanding vacation, sick-leave, and other absences, and to respond to high workload areas on a day-to-day basis. While the Parties recognize that the County may at times not be able to staff all Control Districts as proposed given unscheduled sick leave or vacancies, the County will make its best efforts to establish regular hourly schedules and vacations for ACOs in order to minimize any such gaps in coverage. In the event of extended absences among the 5ACOs, the County will re-allocate remaining ACOs as practicable in order to balance the hours of service available in each Control District. In the event of ACO absences (for any causes and whether or not such absences are extended as a result of vacancies or other issues), the first priority in allocating ACOs shall be to ensure there is an ACO assigned in each Control District during Regular ACO Service Hours.
- b. Control District boundaries have been designed to balance work load, correspond to jurisdictional boundaries and facilitate expedient transportation access across each district. The County will arrange a location for an Animal Control vehicle to be stationed overnight in Control Districts ("host sites") in order to facilitate service and travel time improvements or efficiencies.
- c. The County will use its best efforts to ensure that High Priority Calls are responded to by an ACO during Regular ACO Service Hours on the day such call is received. The County shall retain full discretion as to the order in which High Priority calls are responded. High Priority Calls include those calls that pose an emergent danger to the community, including:
 - 1. Emergent animal bite,
 - 2. Emergent vicious dog,
 - 3. Emergent injured animal,
 - 4. Police assist calls—(police officer on scene requesting assistance from an ACO),
 - 5. Emergent loose livestock or other loose or deceased animal that poses a potential danger to the community, and
 - 6. Emergent animal cruelty.
- d. Lower priority calls include all calls that are not High Priority Calls. These calls will be responded to by the call center staff over the telephone, referral to other resources, or by dispatching of an ACO as necessary or available, all as determined necessary and appropriate in the sole discretion of the County. Particularly in the busier seasons of the year (spring through fall),

lower priority calls may only receive a telephone response from the Call Center. Lower Priority calls are non-emergent requests for service, including but not limited to:

1. Non-emergent high priority events,
 2. Patrol request – (ACO requested to patrol a specific area due to possible code violations),
 3. Trespass,
 4. Stray Dog/Cat/other animal confined,
 5. Barking Dog,
 6. Leash Law Violation,
 7. Deceased Animal,
 8. Trap Request,
 9. Female animal in season, and
 10. Owner's Dog/Cat/other animal confined.
- e. The Joint-City County Committee is tasked with reviewing response protocols and recommending potential changes to further the goal of supporting the most appropriate use of scarce Control Service resources countywide. The County will in good faith consider such recommendations but reserves the right to make final decisions on response protocols. The County will make no changes to its procedures that are inconsistent with the terms of this **Exhibit A**, *except that* upon the recommendation of the Joint-City County Committee, the County may agree to modify response with respect to calls involving animals other than horses, livestock, dogs and cats.
- f. In addition to the ACOs serving specific districts, the following Control Service resources will be available on a shared basis for all Parties and shall be dispatched as deemed necessary and appropriate by the County.
1. An animal control sergeant will provide oversight of and back-up for ACOs five days per week at least 8 hours/day (subject to vacation/sick leave/training/etc.).
 2. Staff will be available to perform animal cruelty investigations, to respond to animal cruelty cases, and to prepare related reports (subject to vacation/sick leave/training/etc.).
 3. Not less than 1 ACO will be on call every day at times that are not Regular ACO Service Hours (including the days per week that are not included within Regular ACO Service Hours), to respond to High Priority Calls posing an extreme life and safety danger, as determined by the County.
- g. The Parties understand that rural areas of the County will generally receive a less rapid response time from ACOs than urban areas.

- h. Contracting Cities may contract with King County for “Enhanced Control Services” through separate agreement (as set forth in **Exhibit E**); *provided that* a City may not purchase Enhanced Control Services under Option 1 as described in **Exhibit E** if such City is receiving a Transition Funding Credit, Shelter Credit, or licensing revenue support the cost of which is not reimbursed to the County.

Part II: Shelter Services

Shelter services include the general care, cleaning and nourishment of owner-released, lost or stray dogs, cats and other animals. Such services shall be provided 7-days per week, 365 days per year at the County’s animal shelter in Kent (the “Shelter”) or other shelter locations utilized by the County, including related services described in this section. The County’s Eastside Pet Adoption Center in the Crossroads area of Bellevue will be closed to the public.

During 2013-2015, major maintenance of the Shelter will continue to be included in the Program costs allocated under this Agreement (as part of the central County overhead charges allocated to the Program), but no major renovation, upgrades or replacements of the Shelter established as a capital project within the County Budget are anticipated nor will any such capital project costs be allocated to the Contracting Cities in Service Years 2013-2015.

1. Shelter Services

- a. Services provided to animals will include enrichment, exercise, care and feeding, and reasonable medical attention.
- b. The Public Service Counter at the Shelter will be open to the public not less than 30 hours per week and not less than 5 days per week, excluding holidays and County designated furlough days, for purposes of pet redemption, adoption, license sales services and (as may be offered from time to time) pet surrenders. The Public Service Counter at the shelter may be open for additional hours if practicable within available resources.
- c. The County will maintain a volunteer/foster care function at the Shelter to encourage use of volunteers working at the shelter and use of foster families to provide fostering/transitional care between shelter and permanent homes for adoptable animals.
- d. The County will maintain an animal placement function at the Shelter to provide for and manage adoption events and other activities leading to the placement of animals in appropriate homes.
- e. Veterinary services will be provided and will include animal exams, treatment and minor procedures, spay/neuter and other surgeries. Limited

emergency veterinary services will be available in non-business hours, through third-party contracts, and engaged if and when the County determines necessary.

- f. The County will take steps through its operating policies, codes, public fee structures and partnerships to reduce the number of animals and their length of stay in the Shelter, and may at times limit owner-surrenders and field pick-ups, adjust fees and incentivize community-based solutions.

2. Other Shelter services

- a. Dangerous animals will be confined as appropriate/necessary.
- b. Disaster/emergency preparedness for animals will be coordinated regionally through efforts of King County staff.

3. **Shelter for Contracting Cities contracting with PAWS (Potentially including Woodinville, Lake Forest Park, Kenmore (“Northern Cities”)).** For so long as a Northern City has a contract in effect for sheltering dogs and cats with the Progressive Animal Welfare Society in Lynnwood (PAWS), the County will not shelter dogs and cats picked up within the boundaries of such City(s), except in emergent circumstances and when the PAWS Lynwood shelter is not available. Dogs and cats picked up by the County within such City(s) will be transferred by the County to the PAWS shelter in Lynnwood for shelter care, which will be provided and funded solely through separate contracts between each Northern City and PAWS, and the County will refer residents of that City to PAWS for sheltering services. The County will provide shelter services for animals other than dogs and cats that are picked up within the boundaries of Northern Cities contracting with PAWS on the same terms and conditions that such shelter services are provided to other Contracting Parties. Except as provided in this Section, the County is under no obligation to drop animals picked up in any Contracting City at any shelter other than the County shelter in Kent.
4. **County Contract with PAWS.** Nothing in this Agreement is intended to preclude the County from contracting with PAWS in Lynnwood to care for animals taken in by control officers in the Northern (#420) Control District of the County.
5. **Service to Persons who are not Residents of Contracting Cities.** The County will not provide routine shelter services for animals brought in by persons who are not residents of Contracting Cities, but may provide emergency medical care to such animals, and may seek to recover the cost of such services from the pet owner and/or the City in which the resident lives.

Part III: Licensing Services

Licensing services include the operation and maintenance of a unified system to license pets in Contracting Cities.

1. The public will be able to purchase pet licenses in person at the County Licensing Division public service counter in downtown Seattle (500 4th Avenue), King County Community Service Centers and the Kent Animal Shelter during regular business hours. The County will maintain on its website the capacity for residents to purchase pet licenses on-line.
2. The County may seek to engage and maintain a variety of private sector partners (e.g. veterinary clinics, pet stores, grocery stores, city halls, apartment complexes) as hosts for locations where licenses can be sold or promoted in addition to County facilities.
3. The County will furnish licenses and application forms and other materials to the City for its use in selling licenses to the public at City facilities and at public events.
4. The County will publicize reminders and information about pet licensing from time to time through inserts in County mailings to residents and on the County's public television channel.
5. The County will annually mail or E-mail at least one renewal form, reminder and late notice (as applicable) to the last known addresses of all City residents who purchased a pet license from the County within the previous year (using a rolling 12-month calendar).
6. The County may make telephone reminder calls in an effort to encourage pet license renewals.
7. The County shall mail pet license tags or renewal notices as appropriate to individuals who purchase new or renew their pet licenses.
8. The County will maintain a database of pets owned, owners, addresses and violations.
9. The County will provide limited sales and marketing support in an effort to maintain the existing licensing base and increase future license sales. The County reserves the right to determine the level of sales and marketing support provided from year to year in consultation with the Joint City-County Committee. The County will work with any City in which door-to-door canvassing takes place to reach agreement with the City as to the hours and locations of such canvassing.

Exhibit B: Control Service District Map

The attached map (**Exhibit B-1**) shows the boundaries of the 2 Control Service Districts as established at the commencement of this Amended and Restated Agreement. .

The cities and towns included in each Control District are as follows:

<u>District #420 (Northern District)</u> Lake Forest Park Kenmore Woodinville Redmond Duvall Carnation Sammamish Bellevue Mercer Island Yarrow Point Clyde Hill Town of Beaux Arts Issaquah Snoqualmie North Bend Newcastle
<u>District #500 (Southern District)</u> Tukwila SeaTac Kent Covington Maple Valley Black Diamond Enumclaw

The Districts shall each include portions of unincorporated King County as illustrated on **Exhibit B-1**.

1
2

Exhibit B-1
Control District Map

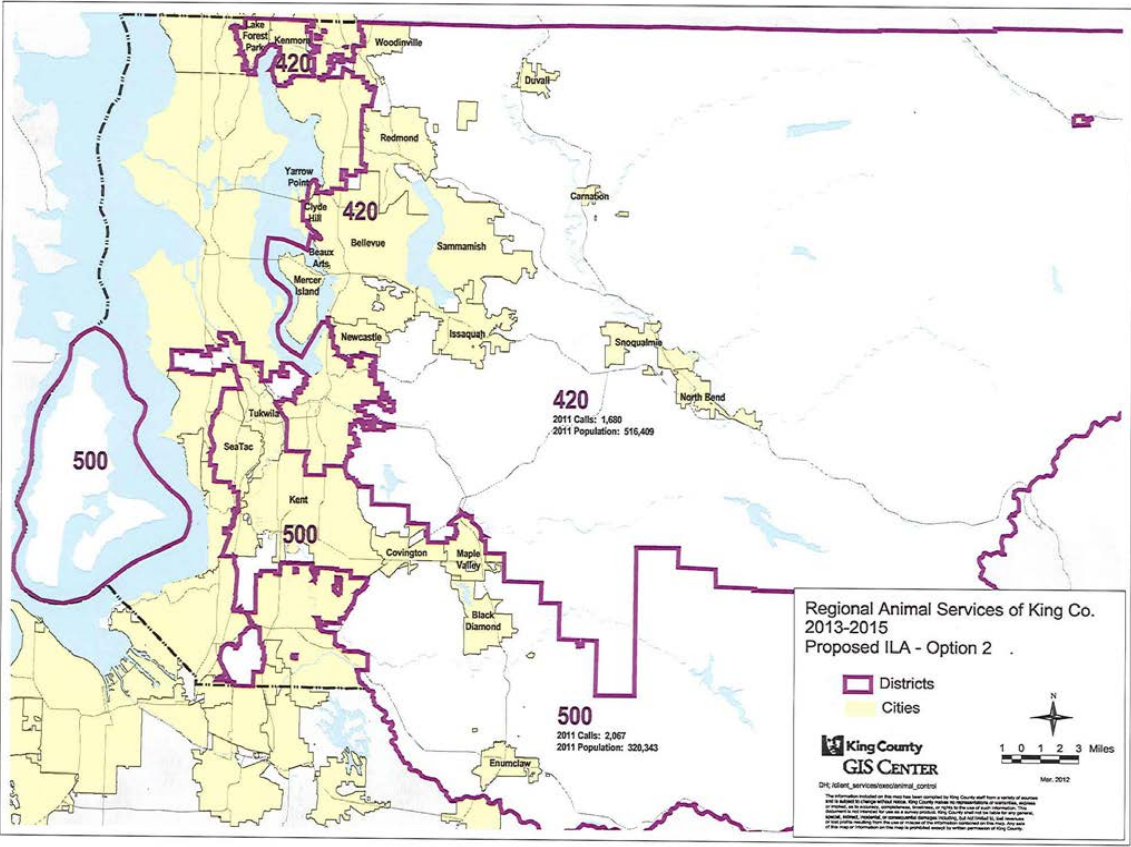


Exhibit C

Calculation of Estimated Payments

The Estimated Payment is the amount, before reconciliation, owed by the City to the County (or owed by the County to the City if the amount calculated is less than \$0) for the provision of six months of Animal Services, based on the formulas below.

In summary and subject to the more detailed descriptions herein:

- Control Services costs are to be equally shared among the 2 geographic Control Districts; one half of such costs are allocated to Control District 420, and one half are allocated to Control District 500. Each Contracting Party located within a Control District is to be allocated a share of Control District costs based 80% on the Party's relative share of total Calls for Service within the Control District and 20% on its relative share of total population within the Control District.
- Shelter Services costs are to be allocated among all Contracting Parties based 20% on their relative population and 80% on the total shelter intake of animals attributable to each Contracting Party, except that cities contracting for shelter services with PAWS will pay only a population-based charge.
- Licensing Services costs are to be allocated between all Contracting Parties, based 20% on their relative population and 80% on the number of licenses issued to residents of each Contracting Party.

Licensing revenue is to be attributed based on the residency of the individual purchasing the license; *provided that* if a jurisdiction's licensing revenues exceed its net costs payable under this Agreement (for those Contracting Cities contracting for shelter services with PAWS, this includes the actual costs paid by such Contracting Cities to PAWS for shelter services), then in the annual reconciliation process, the excess licensing revenue is reallocated amongst all Contracting Parties which will otherwise incur net costs, *pro rata*.

- Each Estimated Payment covers the cost of six months of Animal Services.
- Two credits are applicable to various Contracting Cities to reduce the amount of their Estimated Payments: a Transition Funding Credit (fixed at 2013 level, payable annually through 2015) for cities with high per-capita costs and a Shelter Credit (for Contracting Cities with the highest per capita intakes (usage)). Application of these Credits is limited such that the

Estimated Payment cannot fall below zero (before or after the annual reconciliation calculation).

- In addition to the Transition Funding and Shelter credits, in 2013 the County will provide licensing revenue support to 13 Contracting Cities identified in the Agreement (selected based on the general goal of keeping 2013 costs the same or below 2012 costs). In exchange for certain in-kind support, these “Licensing Revenue Support Cities” are assured in 2013 of receiving an identified amount of additional licensing revenue or credit equivalent (the “Licensing Revenue Target”). In 2014 and 2015, all Contracting Cities may request licensing revenue support by entering into a separate licensing support contract with the County (Exhibit F): this support is subject to availability of County staff, with priority going to the 13 Licensing Revenue Support Cities, *provided that*, Licensing Revenue Support Cities with a Licensing Revenue Target over \$50,000/year will be assured such service in 2013-2015 by entering into a licensing support contract by September 1, 2012.
- As New Regional Revenues are received by the County to support the Animal Services Program, those Revenues shall be allocated as follows:
 - o Half of New Regional Revenues shall be applied to reduce allocable Control Services Costs, Shelter Services Costs, and Licensing Services Costs (17%, 27% and 6%, respectively, of total New Regional Revenues).
 - o The remaining half of New Regional Revenues shall be applied in the following order of priority:
 - (a) to offset amounts expended by the County as Transition Funding Credits, Shelter Credits and unreimbursed licensing revenue support;
 - (b) to offset other County Animal Services Program costs that are not allocated in the cost model;
 - (c) to reduce on a *pro-rata* basis up to 100% of the costs allocated to each Contracting Party by the population factor of the cost allocation formulas (20% for each of the three services, calculated before application of any credits), with the intent of reducing or eliminating the population-based cost allocation; and
 - (d) if any funds remain thereafter, as an offset against each Contracting Party’s final reconciled payment obligation.Items(c) and (d) above are unlikely to arise during the 3 year

term of the Agreement and shall be calculated only at Reconciliation.

- o “Targeted Levy” revenues, if any, will not be allocated in the same manner as New Regional Revenues: revenue from Targeted Levies will be allocated in accordance with the levy authorization legislation.
- Estimated Payments are reconciled to reflect actual revenues and actual usage as well as changes in population. The Reconciliation occurs by June 30 of the following calendar year. The Reconciliation calculation and payment process is described in **Exhibit D**. The receipt of Transition Funding Credits or Shelter Credits can never result in the amount of the Estimated Reconciliation Adjustment Payment falling below \$0.

Estimated Payment Formula:

$$EP = [(EC + ES + EL) - (ER + T + V)] \div 2$$

Where:

“EP” is the Estimated Payment. For Contracting Cities receiving a Transition Creditor Shelter Credit, the value of EP may not be less \$0.

“EC” or “Estimated Control Services Cost” is the City’s estimated share of the Budgeted Net Allocable Control Services Cost for the Service Year. *See formula below for deriving “EC.”*

“ES” or “Estimated Shelter Services Cost” is the City’s estimated share of the Budgeted Net Allocable Shelter Services Cost for the Service Year. *See formula below for deriving “ES.”*

“EL” or “Estimated Licensing Services Cost” is the City’s estimated share of the Budgeted Net Allocable Licensing Services Cost for the Service Year. *See formula below for deriving “EL.”*

“ER” is Estimated Licensing Revenue attributable to the City. For purposes of determining the Estimated Payment in Year 2013 ER is based on the number of each type of active license issued to City residents in years 2011 (the “Calculation Period”). **Exhibit C-2** shows a preliminary estimate of 2011 Licensing Revenue; the numbers in this exhibit are subject to Reconciliation by June 30, 2012. For Licensing Revenue Support Cities identified in **Exhibit C-5**, or other Contracting Cities which have entered into a Licensing Support Contract per **Exhibit F**, ER is increased by adding the amount of revenue, if any, estimated

to be derived as a result of licensing revenue support provided to the City (the “Estimated Revenue from Licensing Support” is also shown in the column captioned “Estimated Revenue from Proposed Licensing Support” on **Exhibit C-1**). License Revenue that cannot be attributed to a specific Party (e.g., License Revenue associated with incomplete address information), which generally represents a very small fraction of overall revenue, is allocated amongst the Parties based on their respective percentages of ER as compared to Total Licensing Revenue. Notwithstanding the foregoing, “ER” may be based on a *estimated* amount of licensing for the Service Year for the City if, in the reasonable judgment of the County, an estimated Licensing Revenue amount can be proposed that is likely to more closely approximate the actual Licensing Revenue for the Service Year than the data from the Calculation Period; *provided that* the use of any estimates shall be subject to the conditions of this paragraph. The County shall work with the Joint City-County Committee to develop estimated Licensing Revenue amounts for all Contracting Cities for the upcoming Service Year. If the Joint City County Committee develops a consensus proposal (agreement shall be based on the consensus of those Contracting Cities present at the Joint City/County meeting in which Licensing Revenue estimates are presented in preparation for the September 1 Preliminary Estimated Payment Calculation notification), it shall be used in developing the September 1 Preliminary Estimated Payment Calculation. If a consensus is *not* reached, the County shall apply the actual Licensing Revenue from the Calculation Period for the Service Year to determine the Preliminary Estimated Payment. For the Final Estimated Payment Calculation (due December 15), the County may revisit the previous estimate with the Joint City-County Committee and seek to develop a final consensus revenue estimate. If a consensus is not reached, the County shall apply the Actual Licensing Revenue from the applicable Calculation Period in the calculation of the Final Estimated Payment.

“T” is the **Transition Funding Credit**, if any, allocable to the City for each Service Year calculated per **Exhibit C-4**.

“V” is the **Shelter Credit**, if any, allocable to the City for each Service Year calculated per **Exhibit C-4**.

And where:

“**Budgeted Net Allocable Costs**” are the estimated costs for the Service Year for the provision of Animal Services which are allocated among the Contracting Parties for the purposes of determining the Estimated Payment. The Budgeted Net Allocable Costs are calculated as the **Budgeted Total Allocable Costs** (subject to the **Annual Budget Inflation Cap**) *less* **Budgeted Total Non-Licensing Revenue** and *less* **50% of Estimated New Regional Revenues**. The Budgeted Total Allocable Costs exclude any amount expended

by the County as Transition Funding Credits, or Shelter Credits (described in **Exhibit C-4**), or to provide Licensing Revenue Support (described in **Section 7** and **Exhibit C-5**). A preliminary calculation of Budgeted Net Allocable Costs, Budgeted Total Allocable Costs and Budgeted Total Non-Licensing Revenue for purposes of calculating the Pre-Commitment Estimated 2013 Payments is set forth in **Exhibit C-3**.

“Total Licensing Revenue” means all revenue received by the County’s Animal Services Program attributable to the sale of pet licenses excluding late fees. With respect to each Contracting Party, the amount of **“Licensing Revenue”** is the revenue generated by the sale of pet licenses to residents of the jurisdiction. (With respect to the County, the jurisdiction is the unincorporated area of King County.) The value of Estimated Licensing Revenue for each Contracting Party for purposes of calculating the Estimated 2013 Payment includes amounts estimated to be generated from Licensing Revenue Support per **Section 7** and **Exhibit C-5** as shown on **Exhibit C-1** (column entitled “Estimated Revenue from Proposed Licensing Support”).

“Total Non-Licensing Revenue” means all revenue from fine, forfeitures, and all other fees and charges imposed by the County’s Animal Services Program in connection with the operation of the Program, *but excluding* **Total Licensing Revenue, Estimated New Regional Revenues, Designated Donations** and revenue from **Targeted Levies**.

“Estimated New Regional Revenues” (“ENR”) are **non-licensing revenues** projected to be received by the County specifically for support of Animal Services which result from regional marketing campaigns (thus excluding local licensing canvassing efforts pursuant to Section 7), new designated revenue sources (taxes, fees or charges not associated with Program operations), or other regional sources. Calculation and allocation of Estimated and Actual New Regional Revenues are further described in **Exhibit C-4**. For calendar year 2013, Estimated New Regional Revenues are assumed to be zero. If New Regional Revenues are received in 2013, they will be accounted for in the reconciliation of 2013 Payments. ENR excludes **Designated Donations** and revenue from **Targeted Levies**.

“Designated Donations” mean donations from individuals or other third parties to the County made for the purpose of supporting the Animal Services Program generally or specific operations, programs or facilities within the Program.

“Targeted Levies” means regional property tax levies allocated specifically to support of some or all of the Animal Services Program costs, whether capital or operating. Revenue from Targeted Levies will reduce costs otherwise allocable under this Agreement in accordance with the Target Levy authorizing legislation.

“Licensing Revenue Support” means activities or funding to be undertaken in specific cities to enhance licensing revenues, per **Section 7, Exhibit C-5** and **Exhibit F**.

“Annual Budget Inflator Cap” means the maximum amount by which the Budgeted Total Allocable Costs may be increased from one Service Year to the next Service Year, and year to year, which is calculated as the rate of inflation (based on the annual change in the September CPI-U for the Seattle-Tacoma-Bremerton area over the rate the preceding year) plus the rate of population growth for the preceding year for the County (including the unincorporated area and all Contracting Cities), as identified by comparing the two most recently published July OFM city and county population reports. The cost allocations to individual services (e.g. Control Services, Shelter Services or Licensing Services) or specific items within those services may be increased or decreased from year to year in so long as the Budgeted Total Annual Allocable Costs do not exceed the Annual Budget Inflator Cap. Similarly, the Estimated Payment for any Party will increase or decrease from Service Year to Service Year based on that Party’s population and usage of Animal Services from year to year.

“Service Year” is the calendar year in which Animal Services are/were provided. .

“Calculation Period” is the time period from which data is used to calculate the Estimated Payment. The Calculation Period differs by formula component and Service Year. Except with regard to Estimated New Regional Revenues, the Calculation Period is the year that is two calendar years prior to the Service Year (thus, for Service Year 2013, the Calculation Period is 2011). **Exhibit C-6** sets forth in table form the Calculation Periods for all formula factors for Service Years 2013, 2014 and 2015.

“Population” with respect to any Contracting Party for any Service Year means the population number derived from the State Office of Financial Management (OFM) most recent annually published report of population to be used for purposes of allocation of state shared revenues in the subsequent calendar year (typically published by OFM each July, reflecting final population estimates *as of April of the same calendar year*). The OFM reported population will be adjusted for annexations of 2,500 or more residents. *For example*, when the final Estimated Payment calculation for 2013 is provided on December 15, 2012, the population numbers used will be from the OFM report issued in July 2012 and will be adjusted for all annexations of 2,500 or more residents that occurred (or will occur) between April 1 and December 31, 2012. *By way of further example*, the reconciliation of the 2013 payment (calculated in June 2014) will incorporate adjusted population numbers based on the OFM population report issued in July 2013 adjusted for all annexations of 2,500 or more residents that occurred between April 1, 2013 and December 31, 2013. Where annexations occur, the City and County population values will

be adjusted *pro rata* to reflect the portion of the year in which the annexed area was in the City and the portion of the year in which the area was unincorporated. The population of an annexed area will be as determined by the Boundary Review Board, in consultation with the annexing city. The population of the unincorporated area within any District will be determined by the County's demographer.

Exhibit C-1 shows the calculation of Pre-Commitment **EP** for Service Year 2013, assuming that the County and all Cities that have expressed interest in signing this Agreement as of May 1, 2012, do in fact approve and sign the Agreement and as a result the Minimum Contract Requirements with respect to all such Cities and the County are met per **Section 15**.

Component Calculation Formulas:

EC is calculated as follows:

$$EC = \{[(C \times .5) \times .8] \times CFS\} + \{[(C \times .5) \times .2] \times D-Pop\}$$

Where:

"C" is the **Budgeted Net Allocable Control Services Cost** for the Service Year, which equals the County's Budgeted Total Allocable Costs for Control Services in the Service Year, *less* the Budgeted Total Non-Licensing Revenue attributable to Control Services in the Service Year (for example, fines issued in the field) *and less 17%* of Estimated New Regional Revenues (**"ENR"**). For purposes of determining the Pre-Commitment Estimated Payments for 2013, the Budgeted Net Allocable Control Services Cost is \$1,665,248 calculated as shown on **Exhibit C-3**, and shall be similarly derived to determine the Preliminary and Final Estimated Payment for 2013 and for Service Years after 2013.

"CFS" is the total annual number of Calls for Service for the Service Year for Control Services originating within the City *expressed as a percentage* of the CFS for all Contract Parties within the same Control District. A Call for Service is defined as a request from an individual, business or jurisdiction for a control service response to a location within the City, or a response initiated by an Animal Control Officer in the field, which is entered into the County's data system (at the Animal Services call center or the sheriff's dispatch center acting as back-up to the call center) as a request for service. Calls for information, hang-ups and veterinary transfers are not included in the calculation of Calls for Service. A response by an Animal Control Officer pursuant to an Enhanced Control Services Contract will not be counted as a Call for Service. For purposes of determining the Estimated Payment in 2013, the Calculation Period for CFS is calendar year 2011 actual

data. **Exhibit C-2** shows a preliminary estimate of 2011 **CFS** used to determine the Pre-Commitment Estimated 2013 Payment; the numbers in this Exhibit C-2 are subject to Reconciliation by June 30, 2012.

“D-Pop” is the **Population** of the City, *expressed as a percentage* of the Population of all jurisdictions within the applicable Control District.

ES is calculated as follows:

If, as of the effective date of this Agreement, the City has entered into a contract for shelter services with the Progressive Animal Welfare Society (PAWS) in Lynnwood, WA, then, for so long as such contract remains in effect, the City will not pay a share of shelter costs associated with shelter usage (**“A”** as defined below) and instead the Estimated Payment will include a **population-based charge only**, reflecting the regional shelter benefits nonetheless received by such City, calculated as follows (the components of this calculation are defined as described below).

ES = (S x .2 x Pop)

If the City **does not** qualify for the population-based shelter charge only, ES is determined as follows:

ES = (S x .2 x Pop) + (S x .8 x A)

Where:

“S” is the Budgeted Net Allocable Shelter Services Cost for the Service Year, which equals the County’s Budgeted Total Allocable Costs for Shelter Services *less* Budgeted Total Non-Licensing Revenue attributable to Shelter operations (i.e., adoption fees, microchip fees, impound fees, owner-surrender fees, from all Contracting Parties) *and less* 27% of Estimated New Regional Revenues (**ENR**) in the Service Year. For purposes of determining the Pre-Commitment Estimated Payments for 2013, the Budgeted Net Allocable Shelter Services Cost is \$2,881,885 as shown on **Exhibit C-3**, and shall be similarly derived to determine the Preliminary and Final Estimated Payments for 2013 and for Service Years after 2013.

“Pop” is the population of the City expressed as a percentage of the Population of all Contracting Parties.

"A" is the total number of animals that were: (1) picked up by County Animal Control Officers from within the City, (2) delivered by a City resident to the County shelter, or (3) delivered to the shelter that are owned by a resident of the City *expressed as a percentage* of the total number of animals in the County Shelter during the Calculation Period. For purposes of the 2013 Estimated Payment, the Calculation Period for **"A"** is calendar year 2011. **Exhibit C-2** shows a preliminary estimate of **"A"** for 2011 used to determine the Pre-Commitment Estimated 2013 Payments; the numbers in this exhibit are subject to Reconciliation by June 30, 2012.

EL is calculated as follows:

$$EL = (L \times .2 \times Pop) + (L \times .8 \times I)$$

Where:

"L" is the Budgeted Net Licensing Services Cost for the Service Year, which equals the County's Budgeted Total Allocable Costs for License Services in the Service Year *less* Budgeted Total Non-Licensing Revenue attributable to License Services (for example, pet license late fees) in the Service Year *and less 6%* of Estimated New Regional Revenues (ENR) in the Service Year. For purposes of determining the Pre-Commitment Estimated Payments for 2013, the Budgeted Net Licensing Cost is \$662,371, calculated as shown on **Exhibit C-3**, and shall be similarly derived to determine the Preliminary and final Estimated Payments for 2013 and for Service Years after 2013.

"Pop" is the Population of the City expressed as a percentage of the population of all Contracting Parties.

"I" is the number of active paid regular pet licenses (e.g., excluding 'buddy licenses' or temporary licenses) issued to City residents during the Calculation Period. For purposes of calculating the Estimated Payment in 2013, the Calculation Period for **"I"** is calendar year 2011. **Exhibit C-2** shows a preliminary estimate of **"I"** to be used for calculating the Pre-Commitment Estimated 2013 Payments; the numbers in this Exhibit are subject to reconciliation by June 30, 2012.

[S C-1, will be replaced with new exhibit; Exhibit C-1A will be deleted entirely]

Regional Animal Services of King County
Precommitment 2013 Estimated Payment Calculation - ILA EXHIBIT C-1

Allocation Method: Population = 20%, Usage = 80% Control Districts 200 and 220 combined into one (420), with 240 and 260 consolidated to District 500, costs to districts 50% and 50%.
Usage and Licensing Revenue based on 2011 Preliminary Year End. Credits allocated to jurisdictions with shelter intakes per capita above the system average.

OPTION #2 Kirkland, Shoreline and Auburn out

5 ACO's - 2 Districts	Control	Shelter	Licensing	Total Allocated Costs (1)	2011 Licensing Revenue (est)	Estimated Net Cost
Budgeted Total Allocable Costs	\$1,665,248	\$2,811,885	\$662,371	\$5,139,504		
Budgeted Non-Licensing Revenue	\$80,040	\$112,507	\$13,265	\$205,812		
Budgeted Net Allocable Costs	\$1,585,208	\$2,699,378	\$649,106	\$4,933,691	\$2,127,000	-\$2,806,691

DRAFT

Animal Control District Number	Jurisdiction	Estimated Animal Control Cost Allocation (2)	Estimated Sheltering Cost Allocation (3)	Estimated Licensing Cost Allocation (4)	Estimated Total Animal Services Cost Allocation	2011 Licensing Revenue (Estimated)	Estimated Net Cost Allocation	2013-2015 Transition Funding (Annual) (5)	2013 Shelter Credit (Annual) (6)	Estimated Net Costs with Transition Funding and Credits	Estimated Revenue from Proposed Licensing Support (7)	Estimated Net Final Cost (8)
420	Camden	\$5,453	\$3,710	\$1,431	\$10,594	\$4,752	-\$5,842	\$662	\$0	-\$5,290	\$2,706	-\$2,584
	Duall	\$14,894	\$16,114	\$6,181	\$37,189	\$21,343	-\$15,845	\$0	\$0	-\$15,845	\$12,970	-\$2,875
	Kennmore	\$50,161	\$13,407	\$17,811	\$81,379	\$38,002	-\$22,777	\$0	\$0	-\$22,777	\$16,453	-\$6,324
	Kirkland	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Lake Forest Park	\$30,291	\$8,136	\$13,881	\$52,408	\$48,504	-\$3,904	\$0	\$0	-\$3,904	\$10,381	\$6,477
	Redmond	\$40,765	\$20,657	\$37,283	\$146,706	\$116,407	-\$30,299	\$0	\$0	-\$30,299	\$8,613	\$21,686
	Sammamish	\$46,401	\$48,725	\$35,937	\$131,153	\$117,649	-\$13,504	\$0	\$0	-\$13,504	\$0	\$13,504
	Shoreline	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Woodinville	\$16,191	\$7,059	\$8,001	\$32,151	\$29,220	-\$2,930	\$0	\$0	-\$2,930	\$6,071	\$3,141
	Beau Arts	\$32	\$194	\$295	\$570	\$930	-\$360	\$0	\$0	-\$360	\$0	\$360
	Bellvue	\$157,525	\$174,378	\$86,847	\$418,751	\$273,931	-\$144,820	\$0	\$0	-\$144,820	\$74,144	\$70,676
	Clyde Hill	\$2,049	\$3,463	\$2,253	\$7,764	\$7,170	-\$594	\$0	\$0	-\$594	\$0	-\$594
	Estimated Unincorporated King County	\$295,381	(see total below)	(see total below)	(see total below)	(see total below)	(see total below)	NA	NA	NA	NA	NA
	Issaquah	\$20,242	\$40,510	\$18,778	\$127,530	\$65,947	-\$71,583	\$0	\$0	-\$71,583	\$11,554	\$60,029
	Mercer Island	\$14,187	\$20,267	\$15,968	\$51,173	\$49,962	-\$1,211	\$0	\$0	-\$1,211	\$0	-\$1,211
	Newcastle	\$18,293	\$13,375	\$5,368	\$37,036	\$15,271	-\$21,765	\$0	\$0	-\$21,765	\$6,176	-\$15,589
	North Bend	\$17,642	\$17,079	\$4,766	\$39,487	\$15,694	-\$23,793	\$1,376	\$486	-\$21,931	\$9,697	-\$12,134
	Snoqualmie	\$13,522	\$12,187	\$7,776	\$33,515	\$25,065	-\$8,450	\$0	\$0	-\$8,450	\$0	-\$8,450
	Yarrow Point	\$485	\$678	\$578	\$2,741	\$2,700	-\$41	\$0	\$0	-\$41	\$0	-\$41
SUBTOTAL FOR CITIES IN 420 (excludes unincorporated area)		\$497,223	\$447,929	\$264,464	\$1,209,616	\$843,147	-\$366,469	\$1,928	\$586	-\$363,955	\$158,765	-\$205,190
500	Kent	\$246,845	\$121,025	\$30,086	\$117,956	\$253,944	-\$135,912	\$110,495	\$495,870	-\$287,647	\$0	-\$287,647
	SeaTac	\$74,738	\$191,133	\$15,360	\$281,251	\$47,232	-\$234,019	\$7,442	\$116,611	-\$109,966	\$0	-\$109,966
	Tukwila	\$46,545	\$114,734	\$10,642	\$171,922	\$32,705	-\$139,217	\$6,256	\$61,967	-\$71,975	\$0	-\$71,975
	Auburn	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Black Diamond	\$7,580	\$14,977	\$3,009	\$25,567	\$10,185	-\$15,472	\$1,209	\$3,263	-\$11,000	\$2,560	-\$8,440
	Covington	\$40,222	\$85,633	\$14,588	\$140,463	\$48,982	-\$100,481	\$6,070	\$36,409	-\$59,002	\$0	-\$59,002
	Enumclaw	\$30,145	\$28,779	\$7,968	\$105,915	\$25,307	-\$80,608	\$11,188	\$26,407	-\$41,013	\$6,540	-\$34,464
	Estimated Unincorporated King County	\$289,045	(see total below)	(see total below)	(see total below)	(see total below)	(see total below)	NA	NA	NA	NA	NA
	Maple Valley	\$38,649	\$71,620	\$17,408	\$127,705	\$66,626	-\$71,079	\$6,027	\$6,867	-\$58,186	\$9,988	-\$48,198
	SUBTOTAL FOR CITIES IN 500 (excludes unincorporated area)	\$602,758	\$1,357,952	\$149,163	\$2,009,872	\$474,983	-\$1,534,889	\$146,686	\$749,414	-\$638,789	\$19,087	-\$619,702
TOTAL FOR CITIES		\$999,980	\$1,805,881	\$413,627	\$3,219,488	\$1,318,130	-\$1,901,358	\$148,614	\$750,000	-\$1,002,744	\$177,852	-\$824,892
Total King County Unincorporated Area Allocation		\$585,227	\$893,497	\$235,479	\$1,714,203	\$808,870	-\$905,333					-\$905,333
		\$1,585,208	\$2,699,378	\$649,106	\$4,933,691	\$2,127,000	-\$2,806,691					

Source: Regional Animal Services of King County

Date: March 5, 2012 (Draft)

Numbers are estimates only for the purpose of negotiation discussions. The numbers and allocation methodology are subject to change while negotiations are underway.

ISC Sponsored

ISC Admin/Info C-1

ISC: Unincorporated

Total

\$246,845

\$289,045

\$253,944

\$2,127,000

Exhibit C-1, cont’d.

- Notes:
1. Based on various efficiencies and changes to the RASKC operating budget, adjustments for reduced intakes overall, reduced usage with Auburn, Shoreline and Kirkland out, reducing from six (6) AC officers in the field to five (5) officers, and shifting two positions out of the model (county sponsored), the 2013 Estimated Budgeted Total Allocable Cost has been reduced to \$5,139,504.
 2. One half (50%) of Control services costs are allocated to Control District 420, and one half of Control costs are allocated to Control District 500, then costs are further allocated 80% by total call volume (2011 Calls - Preliminary year end) and 20% by 2011 population.
 3. This excludes the cost to northern cities of sheltering their animals at PAWS under separate contracts. Shelter costs are allocated 80% by King County shelter volume intake (2011 Preliminary year end) and 20% by 2011 population.
 4. Licensing costs are allocated 20% by population (2011) and 80% by total number of Pet Licenses issued (2011) less \$0.00 Sr. Lifetime Licenses.
 5. Transition funding is allocated per capita in a two tier formula to cities with certain per capita net cost allocations. For additional detail, see 2010 Interlocal Agreement Exhibit C-4 (2013 column) for more information. Transition Funding does not change for years 2013 - 2015 (except for minimum payments as specified in the ILA).
 6. Credits are allocated to those jurisdictions whose shelter intakes per capita exceeded the system average (.0043) and are intended to help minimize the impact of changing the cost allocation methodology from 50% population/50 usage to the new 20% population/80% usage model. See Interlocal Agreement Exhibit C-4 for more detail.
 7. New License Support Funding has been included for certain jurisdictions to help limit the Estimated Net Final Cost to the 2012 estimated level (or for PAWS cities, to the 2013 Option 1 Net Final Cost). If Licensing Support is needed in years 2014 and 2015, receipt of License Support will be contingent on the city providing in-kind services and county ability to provide resources and/or recover costs.
 8. Net Final Costs greater than \$0 will be reallocated to remaining jurisdictions with a negative net final cost, except for northern cities where the Net Final Cost shall be net of the cities PAWS sheltering costs for the year before determining if there is an amount greater than \$0.

Exhibit C-2

**Population, Calls for Service, Shelter Use and Licensing Data for Jurisdictions,
Used to Derive the Pre-Commitment 2013 Estimated Payment**

*Source: Wash. St. Office of Financial Management, KC Office of Management and Budget, Regional Animal Services of KC
Date: February 22, 2012*

Proposed District	Jurisdiction	2011 Population	Estimated 2013 Calls	Estimated 2013 Intakes	Estimated 2013 Licenses
420	Bothell				
	Carnation	1,780	13	5	160
	Duvall	6,715	34	23	712
	Kenmore	20,780	116	0	2,021
	Kirkland	0	0	0	0
	Lake Forest Park	12,610	70	0	1,666
	Redmond	55,150	87	47	3,980
	Sammamish	46,940	85	36	3,970
	Shoreline	0	0	0	0
	Woodinville	10,940	34	0	998
	Beaux Arts	300	0	0	33
	Bellevue	123,400	317	185	9,380
	Clyde Hill	2,985	3	3	248
	Estimated Unincorporated King County	153,214	658	(see total below)	(see total below)
	Issaquah	30,690	132	58	1,942
	Mercer Island	22,710	21	11	1,727
	Newcastle	10,410	40	13	520
	North Bend	5,830	42	26	535
	Snogualmie	10,950	27	10	842
	Yarrow Pt	1,005	1	0	100
500	Kent	118,200	614	1,454	8,555
	SeaTac	27,110	200	339	1,544
	Tukwila	19,050	121	200	1,065
	Auburn	0	0	0	0
	Black Diamond	4,160	18	24	340
	Covington	17,640	132	145	1,642
	Enumclaw	10,920	110	101	872
	Estimated Unincorporated King County	100,333	783	(see total below)	(see total below)
	Maple Valley	22,930	89	111	1,919
City Totals		583,205	2,306	2,791	44,771
King County Unincorporated Area Totals		253,547	1,441	1,425	27,175
TOTALS		836,752	3,747	4,216	71,946

Note: Usage data from 2011 activity. License count excludes Senior Lifetime Licenses

Used to Derive the Pre-Commitment 2013 Estimated Payments

Exhibit C-3
[RASKC to update all numbers, footnotes]

Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs

This Exhibit Shows the Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs to derive Pre-Commitment Estimated 2013 Payments. All values shown are based on annualized costs and revenues. The staffing levels incorporated in this calculation are for year 2013 only and except as otherwise expressly provided in the Agreement may change from year to year as the County determines may be appropriate to achieve efficiencies, etc.

Control Services: Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs

The calculation of Pre-Commitment Estimated 2013 Control Services Costs is shown below (all costs in 2012 dollars).

		Cost Methodology
1	Direct Service Management Staff Costs	\$109,400
2	Direct Service Field Staff Costs	\$683,300
3	Call Center Direct Service Staff Costs	\$209,300
4	Overtime, Duty, Shift Differential and Temp Costs	\$71,500
5	Facilities Costs	\$10,200
6	Office and Other Operational Supplies and Equipment	\$22,900
7	Printing, Publications, and Postage	\$45,000
8	Medical Costs	\$25,000
9	Other Services	\$80,000
10	Transportation	\$155,000
11	Communications Costs	\$35,600
12	IT Costs and Services	\$57,500
13	Misc Direct Costs	\$25,400
14	General Fund Overhead Costs	\$17,400
15	Division Overhead Costs	\$111,300
16	Other Overhead Costs	\$46,200
	2010 Budgeted Total Allocable Control Services Cost	\$1,705,000
17	Less 2010 Budgeted Total Non-Licensing Revenue Attributable to Control Services	\$6,500
18	Less 17% of Estimated New Regional Revenues for 2013	0
	2010 Budgeted Net Allocable Control Services Cost	\$1,698,500

NOTES:

- 1 These additional salary costs support complete response to calls at the end of the day, limited response to emergency calls after hours, and extra help during peak call times.
- 2 Facilities costs include maintenance and utilities for a portion (5%) of the Kent Shelter (which houses the call center staff operations and records retention as well as providing a base station for field officers). Excludes all costs associated with the Crossroads facility.
- 3 This item includes the office supplies required for both the call center as well as a wide variety of non-computer equipment and supplies related to animal control field operations (e.g., uniforms, tranquilizer guns, boots, etc.).
- 4 This cost element consists of printing and publication costs for various materials used in the field for animal control.
- 5 Medical costs include the cost for ambulance and hospital care for animals requiring emergency services.
- 6 Services for animal control operations vary by year but consist primarily of consulting vets and laboratory costs associated with cruelty cases.
- 7 Transportation costs include the cost of the maintenance, repair, and replacement of the animal care and control vehicles and cabs, fuel, and reimbursement for occasional job-related use of a personal vehicle.
- 8 Communication costs involve the direct service costs for telephone, cell phone, radio, and pager use.
- 9 Information technology direct costs include IT equipment replacement as well as direct services costs. Excludes approximately \$50,000 in service costs associated with mainframe systems.
- 10 Miscellaneous direct costs consist of all animal control costs not listed above including but not limited to contingency, training, certification, and bad checks.
- 11 General fund overhead costs included in this model include building occupancy charges and HR/personnel services. No other General Fund overhead costs are included in the model.
- 12 Division overhead includes a portion of the following personnel time as well as a portion of division administration non-labor costs, both based on FTEs: division director, assistant division director, administration, program manager, finance officer, payroll/accounts payable, and human resource officer.
- 13 Other overhead costs include IT, telecommunications, finance, and property services.
- 14 Non-licensing revenue attributable to field operations include animal control violation penalties, charges for field pickup of deceased/owner relinquished animals, and fines for failure to license.

Shelter Services: Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs

The calculation of Pre-Commitment Estimated 2013 Shelter Services Costs is shown below (all costs in 2012 dollars).

		Cost Methodology
1	Direct Service Management Staff Costs	\$154,900
2	Direct Service Shelter Staff Costs	\$1,280,200
3	Direct Service Clinic Staff Costs	\$399,100
4	Overtime, Duty, Shift Differential and Temp Costs	\$205,100
5	Facilities Costs	\$150,000
6	Office and Other Operational Supplies and Equipment	\$130,200
7	Printing, Publications, and Postage	\$5,000
8	Medical Costs	\$145,000
9	Other Services	\$200,000
10	Transportation	\$10,000
11	Communications Costs	\$13,200
12	IT Costs and Services	\$35,000
13	Misc Direct Costs	\$33,300
14	General Fund Overhead Costs	\$203,100
15	Division Overhead Costs	\$195,500
16	Other Overhead Costs	\$47,700
	2010 Budgeted Total Allocable Shelter Services Cost	3,207,400
17	Less 2010 Budgeted Total Non-Licensing Revenue Attributable to Shelter Services	\$202,500
18	Less 27% of Estimated New Regional Revenues for 2013	27
	2010 Budgeted Net Allocable Shelter Services Cost	\$3,004,900

NOTES:

- 1 Facilities costs include maintenance and utilities for the majority (95%) of the Kent Shelter (which also houses the call center staff operations and records retention as well as providing a base station for field officers). It excludes all costs associated with the Crossroads facility.
- 2 This item includes the office supplies as well as a wide variety of non-computer equipment and supplies related to animal care (e.g., uniforms, food, litter, etc.).
- 3 This cost element consists of printing and publication costs for various materials used at the shelter.
- 4 Medical costs include the cost for ambulance and hospital care for animals requiring emergency services as well as the cost for consulting vets, laboratory costs, medicine, and vaccines.

- 5 Services for animal control operations vary by year but include costs such as shipping of food provided free of charge and sheltering of large animals.
- 6 Transportation costs include the cost of the maintenance, repair, and replacement of and fuel for the animal care and control vehicles used by the shelter to facilitate adoptions, as well as reimbursement for occasional job-related use of a personal vehicle.
- 7 Communication costs involve the direct service costs for telephone, cell phone, radio, and pager use.
- 8 Information technology direct costs include IT equipment replacement as well as direct services costs.
- 9 Miscellaneous direct costs consist of all animal care costs not listed above including but not limited to contingency, training, certification, and bad checks.
- 10 General fund overhead costs included in this model include building occupancy charges and HR/personnel services. No other General Fund overhead costs are included in the model.
- 11 Division overhead includes a portion of the following personnel time as well as a portion of division administration non-labor costs, both based on FTEs: division director, assistant division director, administration, program manager, finance officer, payroll/accounts payable, and human resource officer.
- 12 Other overhead costs include IT, telecommunications, finance, and property services.
- 13 Non-licensing revenue attributable to sheltering operations include impound fees, microchip fees, adoption fees, and owner relinquished euthanasia costs.

[further review pending from RASKC]

Licensing Services: Calculation of Budgeted Total Allocable Costs, Budgeted Total Non-Licensing Revenue, and Budgeted Net Allocable Costs

The calculation of Pre-Commitment Estimated 2013 Licensing Services Costs is shown below (all costs in 2012 dollars).

		Cost Methodology
1	Direct Service Management Staff Costs	\$60,000
2	Direct Service Licensing Staff Costs	\$423,900
3	Overtime, Duty, Shift Differential and Temp Costs	\$30,000
4	Facilities Costs	\$13,100
5	Office and Other Operational Supplies and Equipment	\$3,300
6	Printing, Publications, and Postage	\$166,000
7	Other Services	\$15,000
8	Communications Costs	\$5,000
9	IT Costs and Services	\$85,000
10	Misc Direct Costs	\$2,000
11	General Fund Overhead Costs	\$25,300
12	Division Overhead Costs	\$54,800
13	Other Overhead Costs	\$60,000
	2010 Budgeted Total Allocable Licensing Services Cost	\$943,400
14	Less 2010 Budgeted Total Non-Licensing Revenue Attributable to Licensing Services	\$45,000
15	Less 6% of Estimated New Regional Revenue	-0-
	2010 Budgeted Net Allocable Licensing Services Cost	\$898,400

NOTES:

- 1 Facilities costs include maintenance and utilities for the portion of the King County Administration building occupied by the pet licensing staff and associated records.
- 2 This item includes the office supplies required for the licensing call center.
- 3 This cost element consists of printing, publication, and distribution costs for various materials used to promote licensing of pets, including services to prepare materials for mailing.
- 4 Services for animal licensing operations include the purchase of tags and monthly fees for online pet licensing hosting.
- 5 Communication costs involve the direct service costs for telephone, cell phone, radio, and pager use.
- 6 Information technology direct costs include IT equipment replacement as well as direct services costs. Excludes approximately \$120,000 in service costs associated with mainframe systems.
- 7 Miscellaneous direct costs consist of all pet licensing costs not listed above including but not limited to training, certification, transportation, and bad checks.

- 8 General fund overhead costs included in this model include building occupancy charges and HR/personnel services. No other General Fund overhead costs are included in the model.
- 9 Division overhead includes a portion of the following personnel time as well as a portion of division administration non-labor costs, both based on FTEs: division director, assistant division director, administration, program manager, finance officer, payroll/accounts payable, and human resource officer.
- 10 Other overhead costs include IT, telecommunications, finance, and property services.
- 11 Non-licensing revenue attributable to licensing operations consists of licensing late fees.

Exhibit C-4

Calculation and Allocation of Transition Funding Credit ("T"), Shelter Credit ("V"), , and Estimated New Regional Revenue ("ENR")

A. Transition Funding Credit

The Transition Funding Credit as originally calculated in the 2010 Agreement offset costs to certain Contracting Cities that would have otherwise paid the highest per capita costs for Animal Services in 2010. The credit was scheduled on a declining basis over four years (2010-2013). In this Agreement, the Contracting Cities qualifying for this credit are listed in Table 1 below; these cities will receive the credit at the level calculated for 2013 in the 2010 Agreement for Service Years 2013, 2014 and 2015.

Application of the credit can never result in the Estimated Payment Amount being less than zero (\$0) (i.e., cannot result in the County owing the City an Estimated Payment). The allocation of the Transition Funding Credit is shown in **Table 1** below.

Table 1: Transition Funding Credit – Annual Amount to be allocated each year in the period from 2013-2015

Jurisdiction	Transition Funding Credit
Carnation	\$552
North Bend	\$1,376
Kent	\$110,495
SeaTac	\$7,442
Tukwila	\$5,255
Black Diamond	\$1,209
Covington	\$5,070
Enumclaw	\$11,188
Maple Valley	\$6,027

Note: The transitional funding credit is the same regardless of which cities sign the Agreement.

B. Shelter Credit

The Shelter Credit is designed to offset costs for those Contracting Cities whose per capita shelter intakes ("A") exceed the average for all Contracting Parties. A total of \$750,000 will be applied as a credit in each of the years 2013-2015 to Contracting Cities whose per capita average shelter intakes ("A") exceeds the average for all Contracting Parties; *provided that* application of the Shelter Credit can never result in the Estimated Payment amount being less than zero (\$0) (i.e., cannot result in the County owing the City an Estimated

Payment.)The 2013 Shelter Credit was determined based on estimated animal intakes ("A") for Calendar Year 2011 as shown on **Exhibit C-2**. The \$750,000 was allocated between every Contracting City with animal intakes over the estimated 2011 Program average, based on each Contracting City's relative per capita animal intakes in excess of the average for all Contracting Parties.

Table 3: Annual Shelter Credit Allocation—2013

City	Shelter Credit
North Bend	\$586
Kent	\$495,870
SeaTac	\$116,611
Tukwila	\$61,987
Black Diamond	\$3,263
Covington	\$36,409
Enumclaw	\$28,407
Maple Valley	\$6,867

In Service Years 2014 and 2015, the Shelter Credit will be determined by identifying which Contracting Cities have a per-capita animal intake higher than the Program average and allocating \$750,000 to those Contracting Cities on a *pro rata* basis in the same manner as applied in 2013 (but using actual Calculation Period data from 2 years prior to the Service Year, rather than estimated data as above).

D. New Regional Revenue: Estimation and Allocation

Goal

New Regional Revenue for each Service Year shall be estimated as part of the development of the Estimated Payment calculations for such Service Year. The goal of the estimate shall be to reduce the amount of Estimated Payments where New Regional Revenue to be received in the Service Year can be calculated with reasonable certainty. The Estimated New Regional Revenue will be reconciled annually to account for actual New Regional Revenue received, per **Exhibit D**.

Calculation of Estimated New Regional Revenue (ENR)

1. The value of the Estimated New Regional Revenue for Service Year 2013 is zero.
2. For Service Years after 2013, the Estimated New Regional Revenue will be set at the amount the County includes for such revenue in its adopted budget for the Service Year. For purposes of the Preliminary Estimated Payment calculation, the County will include its best estimate for New Regional Revenue at the time the calculation

is issued, after first presenting such estimate to the Joint City County Committee for its input.

Application of ENR

1. For each Service Year, 50% of the Estimated New Regional Revenue is incorporated into the calculations of **EC** and **ES** and **EL** as described in **Exhibit C, specifically:**
 - a. 17% of total Estimated New Regional Revenue is applied to reduce the total Budgeted Net Allocable Control Services Cost.
 - b. 27% of total Estimated New Regional Revenue is applied to reduce the total Budgeted Net Allocable Shelter Services Cost.
 - c. 6% of total Estimated New Regional Revenue is applied to reduce the total Budgeted Net Allocable Licensing Services Cost.

These amounts are reconciled as against actual New Regional Revenue (**ENRA**) in the annual Reconciliation process.

2. For each Service Year, the remaining 50% of Estimated New Regional Revenue is first applied to offset County contributions to the Program, in the following order of priority.
 - a. Offset payments made by the County to fund Transition Funding Credits, Shelter Credits, Impact Mitigation Credits (if any), and un-reimbursed Licensing Revenue Support.
 - b. Offset County funding of Animal Services Program costs that are not included in the cost allocation model described in **Exhibit C**, specifically, costs of:
 - i. The medical director and volunteer coordinator staff at the Kent Shelter.
 - ii. Other County-sponsored costs for Animal Services that are not included in the cost models described in **Exhibit C**.
 - c. In the event any of the 50% of Estimated New Regional Revenue remains after applying it to items (a) and (b) above, the remainder ("**Residual New Regional Revenue**") shall be held in a reserve and applied to the benefit of all Contracting Parties as part of the annual Reconciliation process, in the following order of priority:
 - i. First, to reduce *pro-rata* up to 20% of each Contracting Party's Estimated Total Animal Services Cost Allocation (6th column in the spreadsheet at **Exhibit C-1**), thereby reducing up to all cost allocations based on population. This is the factor "**X**" in the Reconciliation formula.
 - ii. Second, to reduce *pro rata* the amount owing from each Contracting Party with net final costs > 0 after consideration of all other factors in the Reconciliation formula.

Offsets described in (a) and (b) above do not impact the calculation of Estimated Payments or the Reconciliation of Estimated Payments since they are outside the cost

model. The allocations described in (c) above, if any, will be considered in the annual Reconciliation as described in **Exhibit D**.

Exhibit C-5
Licensing Revenue Support

- A. The Contracting Cities that will receive licensing revenue support in 2013 are listed below (collectively, these 13 cities are referred to as the “Licensing Revenue Support Cities”). These Cities have been selected by comparing the estimated 2013 Net Final Costs shown in **Exhibit C-1** to the 2012 Estimated Net Final Cost.¹ Where the 2013 Net Final Cost estimate was higher than the 2012 estimate, the difference was identified as the 2013 Licensing Revenue Target.
- B. For any Licensing Revenue Support City in **Table 1** whose Preliminary 2013 Estimated Payment is lower than the Pre-Commitment Estimate shown in **Exhibit C-1**, the Licensing Revenue Target (“RT”) and the Revenue Goal (“RG”) will be the reduced by an amount equivalent to the reduction between the Pre-Commitment and Preliminary Estimated Payment amounts for 2013.

Table 1:
2013 Licensing Revenue Support Cities, Licensing Revenue Targets and Revenue Goals*

City	2013 Licensing Revenue Target “RT” (<i>increment</i>)	Base Year Revenue (2011 Estimate per Exhibit C-2)	Revenue Goal “RG” (<i>total</i>)
City of Carnation	\$2,706	\$4,752	\$7,458
City of Duvall	\$12,970	\$21,343	\$34,313
City of Kenmore	\$16,453	\$58,602	\$75,055
City of Lake Forest Park	\$10,381	\$48,504	\$58,885
City of Redmond	\$8,613	\$116,407	\$125,020
City of Woodinville	\$6,071	\$29,220	\$35,291
City of Bellevue	\$74,144	\$273,931	\$348,075
City of Issaquah	\$11,554	\$55,947	\$67,501
City of Newcastle	\$6,176	\$15,271	\$21,447
City of North Bend	\$9,697	\$15,694	\$25,391
City of Black Diamond	\$2,550	\$10,185	\$12,735
City of Enumclaw	\$6,549	\$25,307	\$31,856
City of Maple Valley	\$9,988	\$56,628	\$66,616

*Amounts in this table are subject to adjustment per Paragraph B above.

¹ For Contracting Cities that purchase shelter services from PAWS, the target was based on the Pre-Commitment 2013 Estimated Payment calculated in February 2012 during contract negotiations.

- C. The 2013 Licensing Revenue Target is the amount each City in **Table 1** will receive in 2013, either in the form of additional licensing revenues over the Base Year amount or as a **Licensing Revenue Credit ("LRC")** applied at Reconciliation.
- D. As further described in **Section 7** and **Exhibit C-5**, licensing support services include the provision of County staff and materials support (which may include use of volunteers or other in-kind support) as determined necessary by the County to generate the Licensing Revenue Target.
- E. In 2014 and 2015, any Licensing Revenue Support City or other Contracting City may request licensing revenue support services from the County under the terms of **Exhibit F**. Provision of such services is subject to the County determining it has capacity to perform such services. *Notwithstanding the foregoing*, a Licensing Revenue Support City with a licensing revenue target in excess of \$50,000 per year may receive service in all three years, but only if by September 1, 2012, it executes the contract in **Exhibit F** with respect to **all 3 Service Years** (2013, 2014 and 2015) which commits said city to providing certain additional in-kind support in all 3 years. Allocation of licensing revenue support services in 2014 and 2015 will be prioritized first to meet the County's contractual commitment, if any, to a Licensing Revenue Support City that has entered into a 3-year agreement for such service. Thereafter, service shall be allocated to Licensing Revenue Support Cities requesting such service on first-come, first-served basis; and thereafter to any other Contracting City requesting such service on a first-come, first-served basis.

Table 2:
Calculation of Estimated Payments and Licensing Revenue Credits
for Licensing Revenue Support Cities

For Service Year 2013: • The Estimated Payment calculation will include the 2013 Licensing Revenue Support Target ("RT"), if any, for the City per Table 1 above in the calculation of Estimated Licensing Revenues ("ER") (these amounts are shown in separate columns on Exhibit C-1). • At Reconciliation: - o if Actual Licensing Revenue for 2013 ("AR₂₀₁₃") $\geq$ Revenue Goal ("RG"), then no additional credit is payable to the City ("LRC" = \$0) - o If AR < RG, then the difference (RG-AR) is the Licensing Revenue Credit ("LRC") included in the Reconciliation Adjustment Amount <i>provided that</i> LRC cannot exceed the 2013 Licensing Revenue Target for the City. For Service Year 2014, if the City and County have executed a Licensing Support Contract
--

per **Exhibit F**, and the City is therefore providing additional in-kind services in order to generate licensing revenue support in 2014, then:

- The Estimated Payment for 2014 will include Estimated Licensing Revenues calculated at the amount of Actual Revenue (“**AR**”) for 2012 or the Revenue Goal (**RG**), whichever is greater. **RG** will be the amount in Table 1 for Licensing Revenue Support Cities, or such other amount as the Parties may agree in the Licensing Support Contract.
- At Reconciliation:
 - If Actual Licensing Revenue in 2014 is greater than the Revenue Goal (**AR**₂₀₁₄ ≥ **RG**), then
 - no Licensing Revenue Credit is payable to the City (**LRC** = \$0), and
 - The County shall charge the City for an amount which is *the lesser of*: (a) the cost of County’s licensing support services in 2014 to the City (as defined in the Licensing Support Contract for 2014), or (b) the amount by which **AR**₂₀₁₄ > **RG**.
 - If **AR**₂₀₁₄ < **RG**, then the difference (**RG**-**AR**₂₀₁₄) is **LRC**. The **LRC** amount is added to reduce the City’s costs when calculating the Reconciliation Adjustment Amount, *provided that* **LRC** cannot exceed the 2013 Licensing Revenue Target for the City.

For Service Year 2015, the process and calculation shall be the same as for 2014, e.g.: if the City and County have executed **Exhibit F**, and the City is therefore providing additional in-kind services in order to generate Licensing Revenue Support in 2015, then:

- The Estimated Payment for 2015 will include Estimated Licensing Revenues calculated at the amount of Actual Revenue (“**AR**”) for 2013 or **RG**, whichever is greater. **RG** will be the amount in **Table 1** for Licensing Revenue Support Cities, or such other amount as the Parties may agree in the Licensing Support Contract.
- At Reconciliation:
 - If Actual 2015 Licensing Revenue is greater than the Revenue Goal (**AR**₂₀₁₅ ≥ **RG**), then
 - no Licensing Revenue Credit is payable to the City (**LRC** = \$0), and
 - The County shall charge the City for an amount which is *the lesser of*: (a) the cost of County’s licensing support services in 2015 to the City (as defined in the Licensing Support Contract for 2015), or (b) the amount by which **AR**₂₀₁₅ > **RG**.
 - If **AR**₂₀₁₅ < **RG**, then the difference (**RG**-**AR**₂₀₁₅) is **LRC**. The **LRC** amount is added to reduce the City’s costs when calculating the Reconciliation

Adjustment Amount; *provided that* LRC cannot exceed the 2013 Licensing Revenue Target for the City.

Exhibit C-6:

Summary of Calculation Periods for Use and Population Components

This Exhibit restates in summary table form the Calculation Periods used for calculating the usage and population components in the formulas to derive Estimated Payments. See **Exhibit C** for complete formulas and definitions of the formula components.

ER is estimated Licensing Revenue attributable to the City

CFS is total annual number of Calls for Service originating in the City

A is the number of animals in the shelter attributable to the City

I is the number of active paid regular pet licenses issued to City residents

ENR is the New Regional Revenue estimated to be received during the Service Year

Pop is Population of the City expressed as a percentage of all Contracting Parties; **D-Pop** is

Population of the City expressed as a percentage of the population of all jurisdictions within a Control District

Calculation Periods -- Service Year 2013

Component	Preliminary Estimated 2013 Payment (published August 2012)	Estimated 2013 Payment (final) (published December 15 2012)	Reconciliation Payment Amount (determined June 2014)
ER (Estimated Revenue)	Actual 2011	Same	Actual 2013
CFS (Calls for Service)	Actual 2011	Same	Actual 2013
A (Animal intakes)	Actual 2011	Same	Actual 2013
I (Issued Pet Licenses)	Actual 2011	Same	Actual 2013
ENR (Estimated New Regional Revenue)	Estimated 2013 (\$0)	Estimated 2013 (\$0)	Actual 2013
Pop, D-Pop (Population)	July 2012 OFM report, adjusted for annexations known approved to occur in or prior to 2013.	Same (corrected if necessary for annexations approved after August 2012 and effective during or before 2013)	July 2013 OFM report, adjusted for annexations approved after April 2013 to take effect in 2013

Calculation Periods: Service Year 2014

Component	Preliminary Estimated 2014 Payment (published September, 2013)	Estimated 2014 Payment (published December 2013)	Reconciliation Payment Amount (determined June 2015)
ER	Actual 2012	Same	Actual 2014
CFS	Actual 2012	Same	Actual 2014
A	Actual 2012	Same	Actual 2014
I	Actual 2012	Same	Actual 2014
ENR	Estimated 2014	Estimated 2014	Actual 2014
Pop, D-Pop	July 2013 OFM report, adjusted for annexations known approved to occur in 2014.	Same (corrected if necessary for annexations approved after August 2013 and effective during or before 2014)	July 2014 OFM report, corrected if necessary for annexations approved after April 2014 to take effect in 2014

Calculation Periods: Service Year 2015

Component	Preliminary Estimated 2015 Payment (published September 1, 2014)	Estimated 2015 Payment (published December 2014)	Reconciliation Payment Amount (determined June 2016)
ER	Actual 2013	Same	Actual 2015
CFS	Actual 2013	Same	Actual 2015
A	Actual 2013	Same	Actual 2015
I	Actual 2013	Same	Actual 2015
ENR	Estimated 2015	Estimated 2015	Actual 2015
Pop, D-Pop	July 2014 OFM report, adjusted for annexations known approved to occur in 2015.	Same (corrected if necessary for annexations approved after August 2014 and effective during or before 2015)	July 2015 OFM report, corrected if necessary for annexations approved after April 2015 to take effect in 2015

If the Agreement is extended past 2015 for an additional 2 years, the calculation periods shall be developed in comparable manner for years 2016 and 2017.

Exhibit C-7
Payment and Calculation Schedule

Service Year 2013

Item	Date
Preliminary estimate of 2013 Estimated Payments provided to City by County	August 1, 2012
Final Estimated 2013 Payment calculation provided to City by County	December 15, 2012
First 2013 Estimated Payment due	June 15, 2013
Second 2013 Estimated Payment due	December 15, 2013
2013 Reconciliation Adjustment Amount calculated	On or before June 30, 2014
2013 Reconciliation Adjustment Amount payable	On or before August 15, 2014

Service Year 2014

Item	Date
Preliminary estimate of 2014 Estimated Payments provided to City by County	September 1, 2013
Final Estimated 2014 Payment calculation provided to City by County	December 15, 2013
First 2014 Estimated Payment due	June 15, 2014
Second 2014 Estimated Payment due	December 15, 2014
2014 Reconciliation Adjustment Amount calculated	On or before June 30, 2015
2014 Reconciliation Adjustment Amount Payable	August 15, 2015

Service Year 2015

Item	Date
Preliminary estimate of 2015 Estimated Payments provided to City by County	September 1, 2014
Final Estimated 2015 Payment calculation provided to City by County	December 15, 2014
First 2015 Estimated Payment due	June 15, 2015
Second 2015 Estimated Payment due	December 15, 2015
2015 Reconciliation Adjustment Amount calculated	On or before June 30, 2016

2015 Reconciliation Adjustment Amount Payable	August 15, 2016
---	-----------------

If the Agreement is extended past December 31, 2015, the schedule is developed in the same manner as described above for years 2016 and 2017.

Additional timelines are in place to commence and complete negotiations for an extension of the Agreement:

County convenes interested Contracting Cities to discuss (1) a possible extension on the same terms and (2) a possible extension on different terms.	September, 2014
Notice of Intent by either Party not to renew agreement on the same terms (Cities also indicate whether they wish to negotiate for an extension on different terms or to let Agreement expire at end of 2015)	March 15, 2015
Deadline for signing an extension (whether on the same or amended terms)	July 1, 2015

See Section 4 of Agreement for additional details on Extension of the Agreement Term for an additional two years.

Dates for remittal to County of pet license sales revenues processed by Contracting Cities (per section 3.c)	Quarterly, each March 31, June 30, September 30, December 31
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Except as otherwise provided for Licensing Revenue Support Cities with a Licensing Revenue Target greater than \$50,000/year, requests for **Licensing Revenue Support** in Service Years 2014 or 2015 may be made at any time between June 30 and October 31 of the prior Service Year. (See **Exhibit C-5** for additional detail).

Exhibit D Reconciliation

The purpose of the reconciliation calculation is to adjust payments made each Service Year by Contracting Parties to reflect actual use, population, licensing rates, licensing and non-licensing revenue, and New Regional Revenue data as compared to the Estimated Payments made. To accomplish this, an “**Adjusted Net Final Cost**” (“ANFC”) calculation is made each June for each Contracting City, *using the same formulas from Exhibit C but substituting actual values* as described below (with one additional component calculation related to Enhanced Service Contracts), and then adjusting for excess licensing revenue, PAWS shelter costs (if any) and New Regional Revenue not otherwise allocated.

As noted in **Section 7** of the Agreement, the Parties intend that receipt of Animal Services should not be a profit-making enterprise. When a City receives revenues in excess of its costs under this Agreement (including costs of PAWS shelter service, if applicable), such excess will be reinvested to reduce costs incurred by other Contracting Parties. The cost allocation formulas of this Agreement are intended to achieve this outcome.

As described in **Exhibit C**, the total of the Estimated Payments (**EP**) for each Service Year are derived from applying **Budgeted Net Allocable Costs** and *historical or estimated* (**Calculation Period**) use, population, licensing and revenue data to the formulas in **Exhibit C**. These formulas are restated below, substituting actual value components (denoted by an “A” in subscript) or purposes of calculating **ANFC**. Terms not otherwise defined here have the meanings set forth in **Exhibit C** or the body of the Agreement.

Calculation of ANFC and Reconciliation Adjustment Amount

The following formula will be used to calculate the Reconciliation Adjustment Amount, which shall be payable by August 15. The factors in the formula are defined below. As described in paragraphs A and B, the subscript “0” denotes the initial calculation; subscript “1” denotes the final calculation.

$$\text{ANFC}_0 = (\text{AR} + \text{T} + \text{V} + \text{X} + \text{LRC}) - (\text{AC} + \text{AS} + \text{AL})$$

- A. If $\text{ANFC}_0 \geq 0$, i.e., revenues and credits are greater than costs (adding the cost factor “W” in the formula for Contracting Cities purchasing shelter services from PAWS), then:

$\text{ANFC}_1 = 0$, i.e., it is *reset to zero* and the difference between ANFC_0 and ANFC_1 is set aside by the County (or, if the revenues are not in the possession of the County, then the gap amount is payable by the City to the County by August 15) and **all**

such excess amounts from all Contracting Parties where $ANFC_0 \geq 0$ are allocated *pro-rata* to parties for which $ANFC_1 < 0$, per paragraph B below.

- B. If $ANFC_0 < 0$, i.e., costs are greater than revenues (*without* considering “W” for those Contracting Cities purchasing shelter services from PAWS), then the amount is not “reset” and $ANFC_1$ is the same as $ANFC_0$. Contracting Parties in this situation will receive a *pro-rata* allocation from the sum of excess revenues from those Parties for which $ANFC_0 \geq 0$ per paragraph A. In this way, excess revenues are reallocated across Contracting Parties with net final costs.
- C. If, after crediting the City with its *pro rata* share of any excess revenues per paragraph B, $ANFC_1 < \text{Total Estimated Payments made in the Service Year}$, then the difference shall be paid by the County to the City no later than August 15; if $ANFC_1 > \text{Total Estimated Payments made in the Service Year}$, then the difference shall be paid by the City to the County no later than August 15.

Where:

$$AC = \{[C_A \times .5] \times .8\} \times CFS_A + \{[C_A \times .5] \times .2\} \times D\text{-}Pop_A + O$$

$$AS \text{ (for Contracting Cities with shelter service contracts with PAWS)} = (S_A \times .2 \times Pop_A)$$

$$AS \text{ (for all other cities)} = [S_A \times .2 \times Pop_A] + (S_A \times .8 \times A_A)$$

$$AL = [(L_A \times .2 \times Pop_A) + (L_A \times .8 \times I_A)]$$

And where:

“AC” is the City’s adjusted share of the Control Services Cost for the Service Year.

“AS” is the City’s adjusted share of the Shelter Services Cost for the Service Year.

“AL” is the City’s adjusted share of the Licensing Services Cost for the Service Year.

“T” is the Transition Funding Credit, if any, for the Service Year.

“V” is the Shelter Credit, if any for the Service Year.

“W” is the actual amount paid by a City receiving shelter services to PAWS for such services during the Service Year.

“X” is the amount of Residual New Regional Revenue, if any, allocable to the City from the 50% of New Regional Revenues which is first applied to offset County costs for funding Shelter Credits, Transition Funding Credits and any Program costs not allocated in the cost model. The residual is shared amongst the Contracting Parties to reduce *pro-rata* up to 20% of each Contracting Party’s Estimated Total Animal Services Cost Allocation (See column titled “Estimated Total Animal Services Cost Allocation” in the spreadsheet at **Exhibit C-1**).

“LRC” is the amount of any **Licensing Revenue Credit or Charge** to be applied based on receipt of licensing support services. For a Licensing Revenue Support City designated in **Exhibit C-5**, the amount shall be determined per **Table 2** of **Exhibit C-5** and the associated Licensing Support Contract, if any. Where a Licensing Revenue Support City is due a Licensing Revenue Credit, the amount applied for this factor is a positive dollar amount (e.g., increases City’s revenues in the amount of the credit); if a Licensing Revenue Support City is assessed a Licensing Revenue Charge, the amount applied for this factor is a negative amount (e.g., increases City’s costs). For any Contracting City other than a Licensing Revenue Support City receiving licensing support services per a Licensing Support Contract/ **Exhibit F**, LRC will be a negative amount (increasing the City’s costs) equal to the cost of the licensing support set forth in the Attachment A to the Licensing Support Contract.

“AR” is **Actual Licensing Revenue** attributable to the City, based on actual Licensing Revenues received from residents of the City in the Service Year. (License Revenue that cannot be attributed to a specific Party (e.g., License Revenue associated with incomplete address information), will be allocated amongst the Parties based on their respective percentages of total AR).

“CA” is **Adjusted Net Allocable Control Services Cost** for the Service Year, which equals the County’s Total Allocable Costs for Control Services in the Service Year, *less* the Actual Total Non-Licensing Revenue attributable to Control Services in the Service Year *and less* 17% of Actual New Regional Revenue (“ENRA”) received in the Service Year.

“CFS_A” is the actual total annual number of Calls for the Service Year for animal control services originating within the City *expressed as a percentage* of the CFS_A for all Contract Parties within the Control District. Calls responded to by an Animal Control Officer dedicated to the City per an Enhanced Service Contract are not included in the calculation of CFS_A.

“D-Pop_A” is the **Adjusted Population** of the City, *expressed as a percentage* of the Population of all jurisdictions within the applicable Control District (pro- rated if necessary to account for annexations over 2,500 people occurring during the Service Year)

"Pop_A" is the Adjusted Population of the City *expressed as a percentage* of the Population of all Contracting Parties (pro-rated if necessary to account for annexations over 2,500 people occurring during the Service Year).

"O" is the Support Cost Adjustment Factor amount associated with Enhanced Control Service, if any, as further described in **Exhibit D-1**.

"S_A" is the **Adjusted Net Allocable Shelter Services Cost** for the Service Year, which equals the County's Total Allocable Costs for Shelter Services *less* Actual Total Non-Licensing Revenue attributable to Shelter operations (i.e., adoption fees, microchip fees, impound fees, owner-surrender fees, from all Contracting Parties) *and less* 27 % of Actual New Regional Revenue ("**ENR_A**") received in the Service Year.

"A_A" is the sum of the actual number of animals that during the Service Year that were: (1) picked up by County Animal Control Officers from within the City, (2) delivered by a City resident to the County shelter, or (3) delivered to the shelter that are owned by a resident of the City, *expressed as a percentage* of the total number of animals in the County shelter during the Service Year.

"L_A" is the **Adjusted Net Licensing Services Cost** for the Service Year, which equals the County's Total Allocable Costs for License Services in the Service Year *less* Actual Total Non-Licensing Revenue attributable to License Services (for example, pet license late fees) in the Service Year *and less* 6% of Actual New Regional Revenue ("**ENR_A**") received in the Service Year.

"I_A" is the actual number of active paid regular pet licenses (e.g., excluding buddy licenses or temporary licenses) issued to City residents during the Service Year.

Additional Allocation of New Regional Revenues after calculation of all amounts above: If there is any residual New Regional Revenue remaining after allocating the full possible "**X**" amount to each Party (to fully eliminate the population based portion of costs), the remainder shall be allocated on a *pro rata* basis to all Contracting Parties for which $ANFC_1 < 0$. If there is any residual thereafter, it will be applied to improve Animal Services.

Exhibit D-1

Calculation of Support Cost Adjustment Factor Associated with Enhanced Control Service ("O")

The Support Cost Adjustment Factor is intended re-allocate certain indirect costs associated with Animal Control Officers (ACOs) when an **Option 1** Enhanced Control Service Contract is in place for any Contracting Party and the Enhanced Service is being *provided during Regular ACO Service Hours* as defined in Exhibit A, Part I, Section 2.a. If a Contracting Party purchases Enhanced Control Service per **Option 1** in **Exhibit E**, during any part of a Service Year, and that Enhanced Control Service is provided **during Regular ACO Service Hours**, then a Support Cost Adjustment Factor ("O") will be calculated for all Contracting Parties *in the same Control District*. This calculation will be applied as part of the reconciliation process.

If no Contracting Party within the Control District purchased Enhanced Control Service during any part of a Service Year, or if Enhanced Control Service was purchased but was **not provided during Regular ACO Service Hours**, then there is no Support Cost Adjustment Factor (that is, the value of "O" is zero).

If "O" is not zero, its value will be calculated as follows:

First, identify the *Non-Direct Service Support Costs for Control Services in a single Control District* (including the management, animal cruelty sergeant, call center and IT costs and general overhead costs; excluding salary, benefits, vehicle and equipment costs).

Second, multiply this Non-Direct Service Support Cost number by 20% (since 20% of these costs are funded through the population-based factor in calculation of "CA"), to derive the *Allocable Support Costs*.

Third, divide the *Allocable Support Costs* by 5 (the number of regular ACOs funded in the base service model) **plus** the number of Enhanced Animal Control Service Officers providing service in the Control District. *For example*, if a Contracting City (or) in the Control District has purchased .5 FTE equivalent of Enhanced Service, the divisor is 5.5. The resulting dollar amount is then multiplied by the FTE equivalent for the Enhanced Service officer (in this example, .5) to derive the *Support Cost Adjustment Factor*.

The *Support Cost Adjustment Factor* is then applied as follows to determine the value of "O" for each Contracting Party in the Control District:

1. One Half the Support Cost Adjustment Factor multiplied by the Contracting Party's percentage of Calls for Service (CFSA) is applied as a **reduction in costs for all Contracting Parties** in the Control District.
2. One-half the Support Cost Adjustment Factor (shared pro rata if Parties are sharing an Enhanced Control Service officer within the same Control District) is applied as an **addition in costs** for the Contracting Party purchasing Enhanced Service.

A hypothetical example follows, based on 2010 *Annualized Costs*, assuming .5 FTE, 2 District model, Enhanced Control Service purchased by 1 City in a Control District:

Total Allocable Control Service Costs in the base model (excluding costs of enhanced service officer):	\$1,698,500
Allocable Control Service Costs per District ($\$1,698,500 \div 2$)	\$849,250
<i>Non-Direct Service Support Costs for Control Services in a Single Control District</i>	\$392,900
<i>Allocable Support Costs (allocable based on Use)</i> ($\$196,450 \times .2$)	\$78,580
<i>Support Cost Adjustment Factor</i> ($\$78,580 \div 5.5$) $\times .5FTE$	\$7,144
Assume 4 Parties in Control District	
City A % of Calls for Service, actual (CFSA) = 20%	
City B CFSA = 30%	
City C CFSA = 10%	
County CFSA = 40%	
Assume City A purchases .5 FTE Enhanced Control Service for the full Service Year. Resulting 2010 annualized costs for "O" shown for each City and County in the rows below:	
City A value of "O" is an additional cost of ($\$7,144 \div 2$) - [20% $\times$ ($\$7,144 \div 2$)] = $\$3,572 - \$714 = \$$	\$2,858
City B value of "O" is a cost reduction of 30% $\times$ ($\$7,144 \div 2$)	- \$1,072
City C value of "O" is a cost reduction of 10% $\times$ ($\$7,144 \div 2$)	- \$357
County value of "O" is a cost reduction of 40% $\times$ ($\$7,144 \div 2$)	- \$1,429

Exhibit E

Enhanced Control Services Contract (Optional)

Between City of _____ (“City”) and King County (“County”)

The County will to offer Enhanced Control Services to the City during Service Years 2013, 2014 and 2105 of the **Animal Services Interlocal Agreement for 2013 Through 2015** between the City and the County dated and effective as of July 1, 2012 (the “Agreement”) subject to the terms and conditions as described herein. **The provisions of this Contract are optional to both Parties and shall not be effective unless executed by both Parties.**

A. The City may request services under two different options, summarized here and described in further detail below:

Option 1: for a period of *not less than one year*, the City may request service from an Animal Control Officer dedicated to the City (“Dedicated Officer”). Such service must be confirmed in writing through both Parties entering into this Enhanced Control Services Contract no later than August 15 of the year prior to the Service Year in which the service is requested.

Option 2: for a period of *less than one year*, the City may request a specified number of over-time service hours on specified days and time from the 5 Animal Control Officers staffing the two Control Districts. Unlike Option 1, the individual officers providing the service will be determined by the County and may vary from time to time; the term “Dedicated Officer” used in context of Option 2 is thus different than its meaning with respect to Option 1. Option 2 service must be requested no later than 60 days prior to the commencement of the period in which the service is requested, unless waived by the County.

The City shall initiate a request for enhanced service by completing and submitting **Attachment A** to the County. If the County determines it is able to provide the requested service, it will so confirm by completing and countersigning **Attachment A** and signing this Contract and returning both to the City for final execution.

B. The County shall provide enhanced Control Services to the City in the form of an Animal Control Officer dedicated to the City (“Dedicated Officer”) as described in **Attachment A** and this Contract.

1. Costs identified in **Attachment A** for **Option 1** are for one (1) year of service in 2010, in 2010 dollars, and include the cost of the employee (salary, benefits),

equipment and animal control vehicle for the employee's use). Costs are subject to adjustment each year, limited by the Annual Budget Inflation Cap (as defined in the Agreement).

2. Costs for **Option 2** will be determined by the County each year based on its actual hourly overtime pay for the individual Animal Control Officers providing the service, plus mileage at the federal reimbursement rate. The number of miles for which mileage is charged shall be miles which would not have been traveled but for the provision of the enhanced service.
- C. Services of the Dedicated Officer shall be in addition to the Animal Services otherwise provided to the City by the County through the Agreement. Accordingly, the calls responded to by the Dedicated Officer shall **not** be incorporated in the calculation of the City's Calls for Service (as further described in **Exhibit C and D** to the Agreement).

D. Overhead Costs:

Option 1: if the City is requesting that the Enhanced Service occur during Regular ACO Service Hours, the City will pay a Support Cost Adjustment Factor as part of the Reconciliation Adjustment Amount, calculated per **Exhibit D-1** of the Agreement, in addition to the costs described herein.

Option 2: No Support Cost Adjustment Factor is chargeable to the City purchasing service under this option.

- E. The scheduling of work by the Dedicated Officer shall be determined by mutual agreement of the contract administrators identified in the Agreement, and (in the case of a purchase of service under **Option 1**) the mutual agreement of officials of other Contracting Cities named as contract administrators that have committed to sharing in the expense of the Dedicated Officer. In the event the parties are unable to agree on scheduling, the County shall have the right to finally determine the schedule of the Dedicated Officer(s).
- F. Control Services to be provided to the City pursuant to this Enhanced Services Contract include Control Services of the type and nature as described under the Agreement with respect to Animal Control Officers serving in Control Districts, and include but are not limited to, issuing written warnings, citations and other enforcement notices and orders on behalf of the City, or such other services as the Parties may reasonably agree.

- G. The County shall provide the City with a general quarterly calendar of scheduled service in the City, and a monthly report of the types of services offered and performed.
- H. **For Services purchased under Option 1:** An FTE will be scheduled to serve 40 hour weeks, however, with loss of service hours potentially attributable to vacation, sick leave, training and furlough days, not less than 1600 hours per year will be provided. Similarly, a half-time FTE will provide not less than 800 hours per year. The County shall submit to the City an invoice and billing voucher at the end of each calendar quarter, excepting that during the 4th quarter of each year during the term of this Contract, an invoice shall be submitted to the City no later than December 15th. All invoiced amounts shall be payable by the City within 30 days of the invoice date.
- I. **For Services purchased under Option 2:** The County shall submit to the City an invoice and billing voucher at the end of each calendar quarter. All invoiced amounts shall be payable by the City within 30 days of the invoice date.
- J. The City or County may terminate this Enhanced Services Contract with or without cause upon providing not less than 3 months written notice to the other Party; provided that, if the City has purchased services under **Option 1** and is sharing the Enhanced Control Services with other Contracting Cities, this Contract may only be terminated by the City if: (1) all such other Contracting Cities similarly agree to terminate service on such date, or (2) if prior to such termination date another Contracting City or Cities enters into a contract with the County to purchase the Enhanced Control Service that the City wishes to terminate; *provided further:* except as provided in Paragraph A.1, a Contract may not be terminated if the term of service resulting is less than one year.
- K. All terms of the Agreement, except as expressly stated otherwise in this Exhibit, shall apply to this Enhanced Control Services Contract. Capitalized Terms not defined herein have those meanings as set forth in the Agreement.

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IN WITNESS WHEREOF, the Parties hereto have caused this Enhanced Services Contract to be executed effective as of this ____ day of _____, 201__.

King County

City of _____

Dow Constantine
King County Executive

By:
Mayor /City Manager

Date

Date

Approved as to Form:

Approved as to Form:

Deputy Prosecuting Attorney

City Attorney

Exhibit E: Attachment A

ENHANCED CONTROL SERVICES OPTION REQUEST

(to be completed by City requesting Enhanced Control Services; final service terms subject to adjustment by County and agreement by City and will be confirmed in writing executed and appended to Enhanced Control Service Contract/Exhibit E)

City _____

Requested Enhanced Control Services Start Date: _____

Requested Enhanced Control Services End Date: _____*

*term of service must be at least one year, except if purchasing services under Option 2. .

Please indicate whether City is requesting services under Option 1 or Option 2:

_____ Option 1:

% of Full Time Equivalent Officer (FTE) requested: _____ (minimum request: 20%; requests must be in multiples of either 20% or 25%)

_____ Option 2:

Overtime Hours purchase from existing ACO staff: _____ hours per (week /month)

General Description of desired services (days, hours, nature of service):

_____.

For Option 1:

Contracting Cities with whom the City proposes to share the Enhanced Control Services, and proposed percentages of an FTE those Cities are expected to request:

_____.

On behalf of the City, the undersigned understands and agrees that the County will attempt to honor requests but reserves the right to propose aggregated, adjusted and variously scheduled service, *including but not limited to adjusting allocations of service from increments of 20% to 25%*, in order to develop workable employment and scheduling for

the officers within then-existing workrules, and that the City will be allowed to rescind or amend its request for Enhanced Control Services as a result of such proposed changes.

Requests that cannot be combined to equal 50% of an FTE, 100% of an FTE, or some multiple thereof may not be honored. Service must be requested for a minimum term of one-year, except as permitted by Paragraph A.1. Service may not extend beyond the term of the Agreement.

City requests that alone or in combination with requests of other Contracting Cities equal at least 50% of an FTE will be charged at the rate in Column 1 below.

City requests that alone or in combination with other requests for Enhanced Control Services equal 100% of an FTE will be charged at the rate in Column 2 below.

Cities may propose a different allocation approach for County consideration.

An FTE will be scheduled to serve 40 hour weeks, however, with loss of hours potentially attributable to vacation, sick leave, training and furlough days, a minimum of 1600 hours per year will be provided. A half-time FTE will provide a minimum of 800 hours per year. *For example*, a commitment to purchase 20% of an FTE for enhanced service will result in provision of not less than 320 hours per year.

Hours of service lost for vacation, sick leave, training and furlough days will be allocated on *pro rata* basis between all Contracting Cities sharing the services of that FTE.

Column 1: Aggregate of 50% of an FTE Requested by all Participating Cities	Column 2: Aggregate of 1 FTE Requested by all Participating Cities
Cost to City: (% of Half-Time FTE requested) x \$75,000/year in 2010*	Cost to City: (% of FTE requested) x \$115,000/year in 2010 *
<i>Example:</i> if City A requests 25% of an FTE ** and City B requests 25% of an FTE**, then each city would pay \$18,750 for Enhanced Control Services from July 1, 2010 through December 31, 2011 (6 months).	<i>Example:</i> If City A requests 25% of an FTE and City B requests 25% of an FTE and City C requests 50% of an FTE, Cities A and B would pay \$14,375 and City C would pay \$28,750 for Enhanced Control Services from July 1, 2010 through December 31, 2011 (6 months)
** (50% of a Half-Time FTE)	

*201__ annual cost; subject to annual inflator adjustment as described in Paragraph A.

For Option 2:

On behalf of the City, the undersigned understands and agrees that the County will confirm what services, if any, it can provide ,and at what costs, by completing this Attachment A, and the City must signify whether it accepts the County's offer by signing the Enhanced Services Contract.

Request Signed as of this ____ day of _____, 201__.

City of _____

By: _____

Its _____

To be completed by King County:

____ Option 1: The County hereby confirms its ability to provide Enhanced Control services as requested by the City in this **Attachment A**, *with adjustments as noted below (if any)*:

____ **Option 2:** the County confirms its ability to provide control service overtime hours as follows (*insert description—days/hours*):

Such overtime hours shall be provided at a cost of \$_____, (may be a range) per service hour, with the actual cost depending on the individual(s) assigned to work the hours, plus mileage at the federal reimbursement rate.

King County

By: _____

Its _____

Date: _____

Exhibit F

Licensing Support Contract (Optional)

Between City of _____ (“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 \$50,000/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. To the extent that the City’s Actual Licensing Revenues are greater than the Revenue Goal for the Service Year, then the County shall charge the City at Reconciliation for an amount which is the lesser of: (a) the cost of the County’s licensing support services for the Service Year as identified in **Attachment A**; or (b) the amount by which Actual Revenue for the Service Year exceeds the Revenue Goal for the year (all as further described in **Exhibit C-5** of the Agreement). If the City accepts this arrangement for repayment of the County’s 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 agrees to 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 or 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
\$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 shall 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 shall provide the other with a 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 ____, 201__.

King County

City of _____

Dow Constantine
King County Executive

By:
Mayor /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 \$50,000/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 _____ Date of Request: _____
2. Licensing Revenue Target (the amount by which the City seeks to increase its revenues in the Service Year): \$ _____

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:
Title:
Phone:
Fax:

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 requested licensing support services 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 ____ day of _____, 201__.
City of _____

By: _____
Its: _____

To be completed by King County:

The County offers to provide the City licensing revenue support services in Service Year 201____ intended to generate \$_____ in additional Licensing Revenue for a total Service Year cost of \$_____, 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 and D** of the Agreement.

King County

By: _____
Its: _____
Date: _____

To be completed by the City:

The County offer is accepted as of this ____ day of _____, 201__.
City of _____

By: _____
Its: _____