



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

June 23, 2015

Ordinance 18066

Proposed No. 2015-0046.2

Sponsors McDermott

1 AN ORDINANCE authorizing the King County executive
2 to enter into an interlocal agreement, under chapter 39.34
3 RCW, with the King County fire districts to protect the
4 districts from the effects of prorationing under RCW
5 52.16.160 resulting from approval of a levy measure to
6 fund the construction of the Puget Sound emergency radio
7 network.

8 STATEMENT OF FACTS:

- 9 1. King County's current emergency public safety radio network was
10 substantially completed in 1997. The network is aging and is requiring
11 increasing repairs.
- 12 2. The vendor for the current network has stated that it will stop supplying
13 all replacement parts and repairing all used parts by December 31, 2018.
14 King County must replace its emergency public safety radio network or
15 risk performance degradation.
- 16 3. The King County council established a capital improvement project for
17 this purpose.
- 18 4. King County executive staff has been working with our regional
19 partners to plan the replacement of the current network with a new

20 network that is known as the Puget Sound Emergency Radio Network
21 ("PSERN").

22 5. The PSERN project would cost approximately \$246 million, not
23 including the cost of financing. King County will need additional tax
24 revenues if it is to go ahead with the PSERN project.

25 6. The King County executive has informed the council that the executive
26 is likely to recommend a levy lid lift under RCW 84.55.050 to pay for the
27 PSERN project. If the council puts such a measure on the ballot and the
28 voters approve the measure, fire districts may lose revenue due to the
29 limitations on property taxation by junior taxing districts imposed by
30 RCW 52.16.160 and the Washington State Constitution.

31 7. The King County council finds that any reduction in fire district staff or
32 services resulting from the PSERN levy would be contrary to the public
33 interest.

34 8. According to RCW 39.67.020, "Any taxing district other than the state
35 may transfer funds to another taxing district other than the state where the
36 regular property tax levy rate of the second district may affect the regular
37 property tax levy rate of the first district and where such transfer is part of
38 an agreement whereby proration or reduction of property taxes is lessened
39 or avoided."

40 9. King County wants to protect fire districts from the results of
41 prorationing solely due to the imposition of the PSERN levy. The

42 executive has negotiated an agreement with the fire districts for this
43 purpose.

44 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

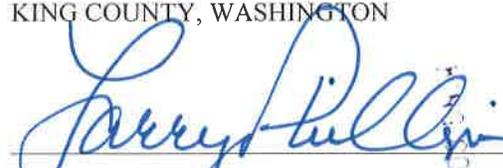
45 SECTION 1. The King County executive is hereby authorized to enter into an
46 interlocal agreement, in substantially the same form as Attachment A to this ordinance,
47 with the fire districts in King County preventing fire district prorationing resulting from

48 the Puget Sound emergency radio network levy, decreases in assessed values and certain
49 annexations.
50

Ordinance 18066 was introduced on 1/26/2015 and passed by the Metropolitan King County Council on 6/22/2015, by the following vote:

Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Ms. Hague,
Ms. Lambert, Mr. Dunn, Mr. McDermott, Mr. Dembowski and Mr.
Upthegrove
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON


Larry Phillips, Chair

RECEIVED
2015 JUN 26 PM 4:01
CLERK
COUNTY COUNCIL

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 25th day of June, 2015.



Dow Constantine, County Executive

Attachments: A. Interlocal Agreement Concerning Fire District Prorationing Resulting from the PSERN Levy, Dated June 10, 2015

**INTERLOCAL AGREEMENT
CONCERNING FIRE DISTRICT PRORATIONING
RESULTING FROM THE PSERN LEVY**

THIS AGREEMENT is made and entered into as of _____ day of _____, 2015, by and among King County (the "County"), a political subdivision of the State of Washington, and the undersigned fire districts and regional fire protection service authorities, each a municipal corporation (individually referred to as a "Fire District" and collectively, the "Fire Districts"):

In consideration of the mutual promises, benefits, and recitals contained in this Agreement, the sufficiency of which is hereby acknowledged, the County and the Fire Districts (collectively, the "Parties") agree as follows:

PART 1. RECITALS

- 1.1 The County is planning to replace its aging public safety emergency radio network and to build the Puget Sound Emergency Radio Network ("PSERN") ("PSERN Project").
- 1.2 RCW 84.55.050 authorizes a county to submit a ballot proposition to the voters to increase its regular property tax levy in excess of the limitations in chapter RCW 84.52 with the option to limit the specific purpose.
- 1.3 The County is planning to submit to the voters in April 2015 a ballot proposition that would authorize a temporary property tax increase pursuant to RCW 84.55.050 for nine years to fund the PSERN Project ("PSERN levy"). If the proposition is approved by the voters, the County would begin collecting additional property taxes in 2016.
- 1.4 Fire Districts will benefit from and support the PSERN Project.
- 1.5 RCW 52.02.020 authorizes the establishment of fire protection districts to provide "fire prevention services, fire suppression services, emergency medical services, and [services] for the protection of life and property."
- 1.6 RCW 52.16.160 authorizes fire protection districts "within such county, which fire protection district has at least one full-time, paid employee, or contracts with another municipal corporation for the services of at least one full-time, paid employee, ... to levy each year an ad valorem tax on all taxable property within such district of not to exceed fifty cents per thousand dollars of assessed value, which levy may be made only if it will not affect dollar rates which other taxing districts may lawfully claim nor cause the combined levies to exceed the constitutional and/or statutory limitations." RCW 52.12.021 grants fire protection districts "full authority to carry out their purposes."
- 1.7 Chapter 52.26 RCW authorizes the "creation of a regional fire protection service authority," and empowers such authorities to impose property taxes and benefit charges upon the approval of the voters. RCW 52.26.140(c) authorizes regional fire protection authorities to levy "An ad valorem tax on all taxable property located within the authority not to exceed fifty cents per thousand dollars of assessed value if the authority has at least one full-time, paid employee, or contracts with another municipal

corporation for the services of at least one full-time, paid employee. This levy may be made only if it will not affect dollar rates which other taxing districts may lawfully claim nor cause the combined levies to exceed the constitutional or statutory limitations or both." RCW 52.26.090(1) (b) grants regional fire protection service authorities the power to "[e]nter into agreements with federal, state, local, and regional entities and departments as necessary to accomplish authority purposes...."

- 1.8 RCW 36.32.470 authorizes the legislative authority of a county to "...furnish, upon such terms as the board may deem proper, with or without consideration, financial or other assistance to any municipal corporation, or political subdivision within such county for the purpose of implementing the first protection, ambulance, medical or other emergency services provided by such municipal corporation or political subdivision, PROVIDED, That no such municipal corporation or political subdivision shall be authorized to expend any funds or property received as part of such assistance for any purpose, or in any manner, for which it could not otherwise legally expend its own funds."
- 1.9 It is possible, but not certain, that the PSERN levy may result in the pro-rationing of the property tax levy of one or more Fire Districts in one or more years during the term of the PSERN levy. A loss of district revenues is likely to result in a reduction in Fire Districts' staff or services.
- 1.10 The Parties find that such a reduction in Fire Districts' staff or services would be contrary to the public interest.
- 1.11 The purpose of this Agreement is to insure that Fire Districts do not need to reduce staff or services as a result of the PSERN levy.
- 1.12 In any year when this Agreement is in effect, if a Fire District's levy is subject to pro-rationing and King County makes a payment to that prorated Fire District consistent with this Agreement that offsets some or all of the proration impact, that prorated Fire District agrees that it will not reduce staff or cut their service in the year the payment is received unless such reduction in staffing or services is due to some factor other than impact of the prorationing that was offset by a County payment.

PART 2. AGREEMENT

2.1 Contingent Obligation of the County

2.1.1 Triggering Conditions. During the term of the PSERN levy the County's obligation to make a payment to one or more of the Fire Districts shall be required in any single year, if and only if:

- (a) Upon voter approval the County levies a regular property tax with a limited purpose to fund the Puget Sound Emergency Radio Network project; and
- (b) In the same year a Fire District's levy is subject to pro-rationing as required by RCW 84.52.010, and

- (c) The Fire District has indicated in its levy resolution that it intends to protect twenty-five cents per thousand dollars of assessed value of the tax levy for the year from pro-rationing as authorized by RCW 84.52.125.

2.1.2 Amount Due. If in any single year during the Term of this Agreement the conditions set forth in Section 2.1.1 are satisfied for one or more Fire Districts, the County agrees in that in that specific year:

2.1.2.1 To pay to each such Fire District from the PSERN levy proceeds an amount that is the lesser of the PSERN levy rate multiplied by the assessed value of the District or the amount of the District's pro-rationing, except as limited in Section 2.1.3 and subsections (a) – (f) below.

- (a) No payment will be made if the Fire District's pro-rationing is caused because the levy rate of the Fire District is higher than that Fire Districts' 2014 tax rate, unless:
 - (i) such rate increase is due to a decrease in assessed value below the 2014 assessed value for the Fire District ,or
 - (ii) such rate increase is the result of the implementation of RCW 84.55.092 (banked levy capacity) or
 - (iii) such increase is the result of an annexation of a portion of the Fire District by a city, provided the dollar amount of the Fire District levy has increased no more than one percent over the previous year levy, exclusive of new construction;
- (b) No payment will be made if the Fire District's pro-rationing is caused because the levy rate of any taxing district that is subject to prorating under RCW 84.52.010 and pursuant to that statute would be pro-rationed after the Fire District is higher than those taxing districts' 2014 tax rate, unless such increase is due to a decrease in assessed value below the 2014 assessed value for those taxing districts;
- (c) No payment will be made if the pro-rationing of the Fire District levy is mandated under RCW 84.52.050;
- (d) No payment will be made if the Fire District's pro-rationing is caused because King County's levy rate is higher than the 2014 levy rate, excluding the levy rate amount attributable to the PSERN levy;
- (e) The maximum total amount of payments to Fire Districts under this Agreement in any calendar year shall not exceed \$1 million. In that case, the payments owed to pro-rationed Fire Districts will be distributed on a pro-rata basis; and
- (f) If in any year the PSERN levy proceeds are insufficient to pay
 - (i) the annual debt service payments for any PSERN bonds or bond anticipation notes,
 - (ii) PSERN Project costs; and
 - (iii) any payment due under the terms of this Agreement, then

King County shall pay the levy proceeds first to debt service payment, second to PSERN Project costs, and third to any Fire District payments due under the terms of this Agreement to the extent of any available levy proceeds.

2.1.3 In any given year in which the obligation is triggered, the County will not be obligated to pay if the Fire District has received a payment from another taxing district pursuant to an agreement or contract executed in accordance with RCW 39.67.010.

2.1.4 If King County is obligated to make any payment under this Agreement, half of the amount due shall be transferred to the Fire District(s) in a payment on June 30 and half on December 1 of the year in which the levy proceeds are collected.

2.2 Fire District Obligations

2.2.1 If the Fire District receives a payment from the County under the terms of this Agreement, the Fire District agrees to the following:

- (a) The Fire District shall use any payment for fire protection purposes and shall not expend the funds for any purpose, or in any manner, for which it could not otherwise legally expend its own funds;
- (b) To the maximum extent permitted by law and except to the extent caused by the sole negligence of the County, the Fire Districts shall indemnify and hold harmless the County, its officers, agents and employees, from and against any and all suits, claims, actions, losses, costs, penalties and damages of whatsoever kind or nature arising out of, in connection with, or incident to any services funded by any payment made under the terms of this Agreement. This indemnification obligation shall include, but is not limited to, all claims against the County by an employee or former employee of the Fire District, and the Fire Districts, by mutual negotiation, expressly waives all immunity and limitation on liability, as respects the County only, under any industrial insurance act, including Title 51 RCW, other Worker's Compensation act, disability benefit act, or other employee benefit act of any jurisdiction which would otherwise be applicable in the case of such claim. In addition, the Fire District shall protect and assume the defense of the County and its officers, agents and employees in all legal or claim proceedings arising out of, in connection with, or incidental to any such services funded by any payment made under the terms of this Agreement; and shall pay all defense expenses, including reasonable attorney's fees, expert fees and costs incurred by the County on account of such litigation or claims. In the event that the County incurs any judgment, award and/or expense or cost, including attorney fees, arising from the provisions of this Section 2.2.1, or to enforce the provisions of this Section 2.2.1 any such judgment, award, fees, expenses and costs shall be recoverable from the Fire District; and

- (c) The indemnification, hold harmless, protection and defense obligations contained herein shall survive the expiration, abandonment or termination of this Agreement.

PART 3. TERM

- 3.1 This Interlocal Agreement shall become effective between each signatory Fire District and the County upon the authorized signature of the County and the signatory Fire District. Any Fire District executing this Agreement must do so by December 31, 2015.
- 3.2 Unless terminated earlier by agreement of the Parties, this Interlocal Agreement shall terminate on either December 31, 2024, if the PSERN levy is a nine-year levy or on December 31, 2021, if the PSERN levy is a six-year levy.

PART 4. GENERAL

4.1 Filing of Agreement

Pursuant to RCW 39.34.040, prior to its entry into force, this Agreement shall be filed with the King County Recorder's Office or, alternatively, listed by subject on a Party's web site or other electronically retrievable public source.

4.2 Specific Performance

In the event a Party fails to perform an obligation under this Agreement, the other Parties or any one of them shall have the right to bring an action for specific performance, damages and any other remedies available under this Agreement, at law or in equity.

4.3 Entire Agreement

The Parties agree that this Agreement constitutes a single, integrated, written contract expressing the entire understanding and agreement between the Parties. No other agreement, written or oral, expressed or implied, exists between the Parties with respect to the subject matter of this Agreement, and the Parties declare and represent that no promise, inducement, or other agreement not expressly contained in this Agreement has been made conferring any benefit upon them.

4.4 Notices

4.4.1 All communications regarding this Agreement shall be sent to the Parties at the addresses listed on the signature page of the Agreement, unless notified to the contrary. Unless otherwise provided herein, any notice or other communication given hereunder shall be deemed sufficient, if in writing and delivered personally to the addressee, or sent by certified or registered mail, return receipt requested.

4.4.2 The names and contact information set forth in this Agreement shall apply until amended in writing by a Party providing a new name and his/her contact information together with the date the amendment is effective to each other Party.

4.5 Legal Relations

This Agreement is solely for the benefit of the Parties and gives no right to any other person or entity. No joint venture or partnership is formed between the Parties as a result of this Agreement. The Parties are independent of each other and the employees of one Party are not employees of any other Party.

4.6 Authority to Enter into this Agreement

The undersigned, by their signatures below, represent and warrant that they are duly authorized to execute this legally binding Agreement pursuant to an appropriate motion, resolution, or ordinance of such Party.

4.7 Assignment

No Party may assign its rights or delegate its duties hereunder.

4.8 Administration

Pursuant to RCW 39.34.030(4) (a), King County is designated as the administrator of this Agreement.

4.9 Counterparts

This Agreement may be signed in several counterparts, each of which shall be an original, but all of which together shall constitute the same instrument.

4.10 Waiver

No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent shall be in writing. The writing shall be signed by the Party or Parties that waived any term or consented to any breach. Waiver of any default of this Agreement shall not be deemed a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach. Waiver of such default and waiver of such breach shall not be construed to be a modification of the terms of this Agreement unless stated to be such through written approval of all Parties.

4.11 Choice of Law; Venue

This Agreement and rights, remedies, and/or obligations provided for in this Agreement shall be governed, construed and enforced in accordance with the substantive and procedural laws of the State of Washington. The Parties agree that the Superior Court

of King County, Washington shall have exclusive jurisdiction and venue over any legal action arising under this Agreement.

4.12 Survival Provisions

The following provisions shall survive and remain applicable to each of the Parties notwithstanding any termination or expiration of this Agreement.

Sections: 2.2, 4.2 and 4.11.

IN WITNESS WHEREOF, the authorized representatives of the Parties have executed this Agreement by signing their names and indicating the date of signing in the spaces provided below.

KING COUNTY

Approved as to form:

By: _____

By: _____

Print Name: _____

Print Name: _____

Title _____

Title _____

DATE: _____

DATE: _____

NOTICES TO BE SENT TO:

King County Chief Information Officer
Department of Technology
401 Fifth Avenue, Suite 600
Seattle, WA 98104

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 2**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #2
15100 8th Ave SW
Burien, WA 98166

SHORELINE FIRE DEPARTMENT

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

Shoreline Fire Department
17525 Aurora Ave N
Shoreline, WA 98133

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 10**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #10
175 Newport Way NW
Issaquah, WA 98027

**NORTH HIGHLINE
FIRE DISTRICT**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

North Highline Fire District
1243 SW 112th
Seattle, WA 98146

**VASHON ISLAND
FIRE & RESCUE**

NORTHSHORE FIRE DEPARTMENT

By: _____

By: _____

Print Name: _____

Print Name: _____

Title _____

Title _____

DATE: _____

DATE: _____

NOTICES TO BE SENT TO:

NOTICES TO BE SENT TO:

Vashon Island Fire & Rescue
10020 SW Bank Rd
P.O. Box 1150
Vashon, WA 98070

Northshore Fire Department
7220 NE 181st St
Kenmore, WA 98028

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 20**

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 24**

By: _____

By: _____

Print Name: _____

Print Name: _____

Title _____

Title _____

DATE: _____

DATE: _____

NOTICES TO BE SENT TO:

NOTICES TO BE SENT TO:

King County Fire District #20
12424 76th Ave S
Seattle, WA 98178

King County Fire District #24
c/o 19805 Orilla Rd S
Kent, WA 98032

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 25**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #25
P.O. Box 556
Renton, WA 98057

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 27**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #27
4301 334th Pl SE
P.O. Box 609
Fall City, WA 98024

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 28**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #28
1330 Wells St
Enumclaw, WA 98022

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 31**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

Valley Regional Fire Authority
1101 "D" St NE
Auburn, WA 98002

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 34**

By: _____

Print Name: _____
Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #34
8450 161st Ave NE
Redmond, WA 98052

**WOODINVILLE
FIRE & RESCUE**

By: _____

Print Name: _____
Title _____

DATE: _____

NOTICES TO BE SENT TO:

Woodinville Fire & Rescue
17718 Woodinville-Snohomish Rd NE
P.O. Box 2200
Woodinville, WA 98072

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 38**

By: _____

Print Name: _____
Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #38
P.O. Box 44
North Bend, WA 98045

**SOUTH KING
FIRE & RESCUE**

By: _____

Print Name: _____
Title _____

DATE: _____

NOTICES TO BE SENT TO:

South King Fire & Rescue
31617 1st Av S
Federal Way, WA 98003

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 40**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #40
18002 108th Ave SE
Renton, WA 98055

MAPLE VALLEY FIRE & LIFE SAFETY

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

Maple Valley Fire & Life Safety
23775 SE 264th St.
Maple Valley, WA 98038

**MOUNTAIN VIEW
FIRE AND RESCUE**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

Mountain View Fire and Rescue
32316 148th Ave SE
Auburn, WA 98092

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 45**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #45
15600 First Ave NE
P.O. Box 338
Duvall, WA 98019

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 47**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #47
34803 SE 268th St
P.O. Box 206
Ravensdale, WA 98051

**KING COUNTY FIRE PROTECTION
DISTRICT NO. 50**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

King County Fire District #50
107 West Cascade Hwy
P.O. Box 311
Skykomish, WA 98288

**SNOQUALMIE PASS
FIRE & RESCUE**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

Snoqualmie Pass Fire & Rescue
P.O. Box 99
Snoqualmie Pass, WA 98068

**KENT FIRE DEPARTMENT REGIONAL FIRE
AUTHORITY**

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

Kent Fire Department RFA
24611 116th Ave SE
Kent, WA 98030

VALLEY REGIONAL FIRE AUTHORITY

By: _____

Print Name: _____

Title _____

DATE: _____

NOTICES TO BE SENT TO:

Valley Regional Fire Authority
1101 "D" St NE
Auburn, WA 98002