



**Eastside Fire & Rescue  
Interlocal Agreement**

January 1, 2015 - December 31, 2021



- 47  
48 1.3. "Fire Department" or "Joint Fire Department" means the combined  
49 operating fire departments of Issaquah, North Bend and Sammamish  
50 (collectively, the "Cities") and District 10 and District 38 (collectively, the  
51 "Districts"). The Joint Fire Department shall be known as "Eastside Fire &  
52 Rescue."  
53  
54 1.4. "Personal property" means all property that is owned or used by the Joint  
55 Fire Department and that is not land or buildings, including but not limited  
56 to vehicles, equipment, durable goods, furniture, fixtures, small tools and  
57 supplies.  
58  
59 1.5. "Real property" means all land and buildings that are used by the Joint  
60 Fire Department.  
61

62 2. **Term.** This Agreement shall be effective on January 1, 2015, and shall terminate  
63 on December 31, 2021. It shall be renewed automatically thereafter for  
64 successive seven-year terms.  
65

66 3. **Board of Directors.**  
67

68 3.1. **Authority.** A Board of Directors shall administer, operate, and manage  
69 the Joint Fire Department and all jointly owned or separately owned real  
70 and personal property of the Parties. The Board's authority shall include  
71 execution of contracts on behalf of the Joint Fire Department for the  
72 provision of goods and services, including the authority to enter into or  
73 amend existing or future employment contracts with the Fire Chief and  
74 such other employees as shall be authorized by the Board. The Board  
75 further shall have such additional authority as may from time to time be  
76 conferred on it by the legislative bodies of all of the Parties. Except as  
77 provided in paragraphs 7, 12.3 and 12.4, the Board shall have no authority  
78 to modify or revise the terms of this Agreement.  
79

80 3.2. **Appointment.** The Board of Directors shall consist of eight elected  
81 officials, each of whom shall be currently serving as elected officials of the  
82 governing body of one of the Parties. An "elected official" shall be a  
83 person elected by the voters to the governing body of one of the Parties,  
84 or duly appointed to such an elected position to fill a vacancy on such  
85 governing body. The Issaquah City Council shall appoint two Board  
86 members, the North Bend City Council shall appoint one Board member,  
87 the Sammamish City Council shall appoint two Board members, the  
88 District 10 Board of Fire Commissioners shall appoint two Board  
89 members, and the District 38 Board of Fire Commissioners shall appoint  
90 one Board member. Each Party also shall appoint one of its respective  
91 elected officials as an alternate Board member. If a Party must appoint  
92 two alternate Board members, the Party may appoint the same elected

93 official to both of the alternate Board member positions. The Board  
94 members and the alternates shall serve at the pleasure of each respective  
95 Party.  
96

97 **3.3. Meetings.** A quorum of the Board of Directors shall consist of five  
98 members or their alternates. Unless actions of the Board are required by  
99 law to be in the form of a resolution, the actions of the Board may be by  
100 motion or resolution. Except as provided otherwise in this Agreement, at  
101 least five Board members or alternates shall approve a motion or  
102 resolution. The Board shall approve motions or resolutions regarding  
103 changes to the revenue formula of paragraph 7 by unanimous vote of the  
104 entire membership of the Board. All meetings of the Board shall be held in  
105 compliance with the Open Public Meetings Act, Chapter 42.30 RCW. The  
106 date, time, and place of the regular meetings of the Board shall be  
107 established by resolution of the Board. The Board shall prepare minutes of  
108 its meetings, which shall be distributed regularly to the legislative bodies of  
109 the Parties.  
110

111 **3.4. Committees and Task Forces.** The Board of Directors shall have  
112 authority to form and appoint committees and task forces to assist the  
113 Board in the performance of its duties and responsibilities.  
114

115 **4. Services.** The Board of Directors shall identify and provide services in  
116 accordance with applicable laws and regulations. Services within the boundaries  
117 of the Parties include, but are not limited to: fire prevention; fire suppression;  
118 emergency medical; rescue; and hazardous materials incident response. Within  
119 the boundaries of the Parties, the Board shall provide the following additional  
120 services in conformance with City and County ordinances: fire code inspection  
121 and enforcement; fire code pre-construction building plan review. The Parties  
122 recognize that King County has statutory jurisdiction to enforce the Fire Marshal  
123 provisions of the County Code within the unincorporated areas served by the  
124 Parties.  
125

126 **5. Budget.** The Fire Chief or designee shall prepare a proposed budget for a  
127 succeeding calendar year and a multi-year projection pursuant to a process  
128 established by the Board of Directors. The process shall meet the service needs  
129 and requirements of this Agreement and shall comply with applicable laws and  
130 regulations. The legislative bodies of the Parties shall adopt a budget before the  
131 end of the calendar year in accordance with applicable laws and regulations. The  
132 Board may submit a recommended budget amendment to the legislative bodies  
133 of the Parties, which may adopt a budget amendment in accordance with  
134 applicable laws and regulations. The Board of Directors shall establish a  
135 benchmark to evaluate cost effectiveness.  
136

137 **6. Finances – Special Fund.** The Board of Directors shall create a special  
138 operating fund at the King County Financial Management Office for the payment  
139 of the operating costs and expenses of the Joint Fire Department. The Board

140 shall be responsible for the proper management and accounting of all funds of  
141 the Joint Fire Department. The financial affairs of the Board shall be conducted in  
142 accordance with applicable laws and regulations.  
143

144 **7. Revenues -- Financial Contributions.** Each Party shall contribute funds to  
145 support the maintenance and operation of the Joint Fire Department in  
146 accordance with the annual revenue formula of this paragraph. The Parties shall  
147 pay the financial contributions in equal monthly installments or as otherwise  
148 approved by the Board. The revenue formula for the 2015 annual financial  
149 contributions of the Parties is set forth in **Exhibit A**, which is attached and  
150 incorporated into this Agreement. Pursuant to paragraph 3.3, the Board of  
151 Directors may approve a change in the revenue formula on or before May 30 of  
152 the year preceding the calendar year in which the amended revenue formula will  
153 become effective. Any amendment to the revenue formula shall take into account  
154 the Parties as a whole and individually, considering any criteria deemed  
155 appropriate by the Board. The amended revenue formula shall be filed with the  
156 Secretary of the Board and shall be attached to this Agreement. A Party that has  
157 filed a notice of withdrawal from the Joint Fire Department pursuant to paragraph  
158 16.1 shall not participate in any vote regarding the consideration and approval of  
159 an amendment to the revenue formula that is effective after the withdrawal. The  
160 Parties also shall contribute all emergency medical service taxes.  
161

162 **8. Major Capital Expenditures -- Bond Issues.** If the Board of Directors  
163 determines that major capital expenditures for real or personal property are  
164 necessary for the proper operation of the Joint Fire Department, and should be  
165 financed through a bond issue (voter approved or legislative body approved) or  
166 levy of excess taxes, the Board shall adopt a report and recommendation and  
167 submit it to the legislative bodies of the Parties. If one Party fails to adopt the  
168 recommendation, the proposal shall be rejected. If all Parties adopt the  
169 recommendation, each Party shall adopt appropriate legislative enactments to  
170 authorize a legislative body approved bond issue, or they shall submit  
171 appropriate ballot propositions to the voters at an election selected by all Parties.  
172 If the ballot proposition is not approved in one jurisdiction, the proposal shall fail.  
173

174 **9. Employer.** District 10 shall serve as the employer of all employees and  
175 volunteers of the Joint Fire Department, pursuant to applicable laws and  
176 regulations. The Parties acknowledge that District 10 serves as the employer of  
177 the Joint Fire Department solely for the convenience of the Parties. The adopted  
178 budget for the Joint Fire Department shall contain sufficient funds to pay all  
179 wages, salaries, employment benefits, payroll taxes, and other expenses of  
180 employees and volunteers. The Joint Fire Department shall pay the LEOFF 1  
181 benefits that the employer is obligated to pay to the LEOFF 1 firefighters who  
182 retired as employees of the fire departments of the Parties prior to  
183 commencement of the Joint Fire Department and who retired as employees of  
184 District 10 after commencement of the Joint Fire Department ("LEOFF 1  
185 Payments"). The LEOFF 1 payments shall be deemed a liability of the Joint Fire  
186 Department, for which each Party shall remain liable and responsible after

187 withdrawal from the Joint Fire Department or after expiration of this Agreement,  
188 in accordance with the revenue formula provided for in paragraph 7 in effect at  
189 the time of notice of withdrawal or the expiration of this Agreement. In addition to  
190 the LEOFF 1 payments, District 10 may request the Parties to share other costs,  
191 expenses and liabilities for any claims, judgments, damages or expenses arising  
192 from District 10's Employer status by filing a written request with the Board of  
193 Directors. The Board of Directors shall approve or deny the request within 30  
194 days of receipt of the request using procedures and guidelines to be adopted by  
195 the Board and subject to the provisions set forth in paragraphs 3.3 and 7.  
196

197 **10. Employees.** The Fire Chief shall be hired, disciplined and discharged by a  
198 majority vote of all members of the Board of Directors. The Fire Chief shall report  
199 to and be supervised by the Board. The Board shall conduct annually an  
200 evaluation of the performance of the Fire Chief, or more frequently if requested  
201 by the Board or the Fire Chief. The Fire Chief shall hire, discipline, discharge and  
202 supervise all other employees and all volunteers of the Joint Fire Department.

203 **11. Fire Marshal Appointment.** Each City, in accordance with its respective fire  
204 code, shall appoint the Fire Marshal of the Joint Fire Department as the fire  
205 marshal and fire prevention officer of the City. The Fire Marshal, while acting as  
206 the fire marshal and fire prevention engineer of the City, shall report to and be  
207 supervised by the city manager or city administrator, as applicable, of the City.  
208 The Fire Marshal shall cooperate with city building officials and the city  
209 administrator or city manager, as applicable, to administer, enforce and carry out  
210 the City's fire code. All court costs and other legal costs incurred in the  
211 enforcement of the City's fire code shall be paid by the City and shall not be  
212 considered an operating expense of the Joint Fire Department. Any award of  
213 costs, attorneys' fees, penalties or fines in an enforcement action shall be the  
214 property of the City.

215 **12. Property Ownership and Funding.** All real and personal property that is  
216 acquired by a Party or the Parties for use by the Joint Fire Department shall be  
217 owned and funded as follows:

218 **12.1. Real Property Ownership.** All real property that is acquired by a Party  
219 prior to becoming a member of the Joint Fire Department shall remain the  
220 real property of that Party. Upon becoming a member of the Joint Fire  
221 Department, the Party shall file with the Board of Directors an inventory of  
222 such before-acquired real property. All real property acquired jointly by two  
223 or more Parties after becoming members of the Joint Fire Department  
224 shall be the joint real property of those Parties, and all real property  
225 acquired separately by a Party after becoming a member of the Joint Fire  
226 Department shall be the separate real property of that Party. The Joint  
227 Fire Department shall have exclusive access to and control over all real  
228 property.

- 229           **12.2. Personal Property Ownership.** Upon becoming a member of the Joint  
230           Fire Department, a Party shall file with the Board of Directors an inventory,  
231           a statement of fair market value and a depreciation schedule of all  
232           personal property acquired by the Party prior to becoming a member of  
233           the Joint Fire Department. Exhibit B, which is attached and incorporated  
234           into this Agreement, lists and describes personal property of the Parties  
235           over which the Joint Fire Department has exclusive access to and control  
236           over, and indicates whether the personal property of a Party is considered  
237           separate personal property of the Party or joint personal property of the  
238           Joint Fire Department.
- 239           **12.3. Personal Property Replacement.** The Board of Directors shall fund,  
240           replace, value, and depreciate all personal property as listed and  
241           described in **Exhibit B**. **Exhibit B** shall include the establishment and  
242           funding of a special account for replacement of personal property. In  
243           conjunction with the annual budget process of paragraph 5, the Board  
244           may, by motion, amend **Exhibit B**. The motion shall be reduced to writing,  
245           shall be filed with the Secretary of the Board, and shall be attached to this  
246           Agreement.
- 247           **12.4. Real Property Maintenance and Repair.** The Board of Directors shall  
248           fund the maintenance and repair of all real property in accordance with  
249           **Exhibit C**, which is attached and incorporated into this Agreement.  
250           **Exhibit C** shall include the establishment and funding of a special account  
251           for maintenance and repair of real property. In conjunction with the annual  
252           budget process of paragraph 5, the Board may, by motion, amend **Exhibit**  
253           **C**. The motion shall be reduced to writing, shall be filed with the Secretary  
254           of the Board, and shall be attached to this Agreement.
- 255           **12.5. Improvements to Real Property.** The Board of Directors shall determine  
256           and carry out all improvements to real property. Upon request by a Party  
257           or Parties, the Board may carry out improvements to separate real  
258           property that are paid for entirely by a Party or Parties.
- 259           **13. Indemnification and Hold Harmless.** Each Party shall protect, defend,  
260           indemnify, and hold harmless all other Parties to this Agreement, and their  
261           officers, employees and agents, from any and all costs, claims, judgments or  
262           awards of damages, arising out of or in any way resulting from the negligent acts  
263           or omissions of such Party, and its officers, employees and agents, in performing  
264           or administrating this Agreement. This indemnification and hold harmless shall  
265           not apply to the acts and omissions of the Party that serves as the employer  
266           pursuant to paragraph 9 of this Agreement.
- 267           **14. Insurance.** The Board of Directors shall provide insurance coverage for all  
268           operations, facilities, equipment, and personnel of the Joint Fire Department.

269 **15. Operational Rules and Regulations.** The Board of Directors shall, from time to  
270 time, adopt and implement necessary rules and regulations consistent with this  
271 Agreement to govern operations of the Joint Fire Department.

272 **16. Withdrawal by Party.**

273 **16.1. Right to Withdraw.** Any Party may withdraw from the Joint Fire  
274 Department at the end of the initial seven-year term, or at the end of any  
275 successive seven-year term, by filing with the other Parties a notice of  
276 withdrawal in January of the seventh year of the initial term or any  
277 succeeding term, as applicable.

278 **16.2. Responsibility and Liability Upon Withdrawal.** If the employer of the  
279 Joint Fire Department lays off employees as a result of the withdrawal, the  
280 withdrawing Party shall be responsible for payment of accrued employee  
281 benefits, continuation of employee benefits required by law and  
282 unemployment compensation for a period not to exceed two years. For  
283 purposes of this paragraph, "employee" means an individual whose  
284 employment with the Joint Fire Department has been terminated as a  
285 direct result of the party withdrawing from the Joint Fire Department. If the  
286 withdrawing Party establishes its own fire department upon withdrawal, it  
287 shall give preference in hiring to all laid off employees, if authorized by  
288 law. After withdrawal, the withdrawing Party shall remain liable and  
289 responsible for its pro rata share of all liabilities, payments and obligations  
290 incurred by or attributed to the Joint Fire Department during the  
291 membership of the withdrawing Party in the Joint Fire Department, in  
292 accordance with the revenue formula provided for in paragraph 7 in effect  
293 at the time of notice of withdrawal. Within 30 days after the date of  
294 withdrawal, the Joint Fire Department shall settle with the withdrawing  
295 Party all liabilities, payments and obligations that became fixed on or  
296 before the date of withdrawal. Within 30 days after any liabilities,  
297 payments or obligations become fixed after the date of withdrawal, the  
298 Joint Fire Department shall settle such liabilities, payments and obligations  
299 with the withdrawing Party.

300 **16.3. Return of Property.** The Board shall return all separate real property and  
301 separate personal property to the withdrawing Party on or before the  
302 effective date of withdrawal. The Board shall determine the fair market  
303 value of all joint real property and joint personal property. The withdrawing  
304 Party on or before the effective date of withdrawal shall receive or pay, as  
305 applicable, in cash or property, its percentage or ratio of the net fair  
306 market value of the joint real property and the joint personal property, in  
307 accordance with the withdrawing Party's equity in the Joint Fire  
308 Department as determined by the financial statements of the Joint Fire  
309 Department for the year of withdrawal. If the withdrawing Party disputes  
310 the Board's determination of fair market value of the joint real property or  
311 joint personal property, the withdrawing Party shall pay for and accept an

312 appraisal of the fair market value of the property by an appraiser selected  
313 by the Party and the Board.

314 **17. Termination by All Parties.** Upon expiration of this Agreement, including  
315 automatic renewals thereof, the Parties shall be governed by the following  
316 provisions:

317 **17.1. Preference in Hiring.** Any Party that establishes a new fire department  
318 upon expiration of this Agreement shall give preference in hiring to all laid-  
319 off employees of the Joint Fire Department, if authorized by law.

320 **17.2. Liability.** A Party shall remain liable and responsible for its pro rata share  
321 of all liabilities, payments and obligations incurred by or attributed to the  
322 Joint Fire Department during the membership of the Party in the Joint Fire  
323 Department, in accordance with the revenue formula of paragraph 7 for  
324 the last year of the Joint Fire Department.

325 **17.3. Return of Property.** The Board shall return all separate real and  
326 personal property to each Party. The Board shall determine the fair market  
327 value of all joint real property and all joint personal property. Each Party  
328 shall receive or pay, as applicable, in cash or property, its percentage or  
329 ratio of the net fair market value of the joint real property and personal  
330 property, in accordance the Party's equity in the Joint Fire Department as  
331 determined by the financial statements of the Joint Fire Department for the  
332 last year of the Joint Fire Department. If a Party disputes the Board's  
333 determination of fair market value of the property, the Party shall pay for  
334 and accept an appraisal of the fair market value of the property by an  
335 appraiser selected by the Party and the Board.

336 **18. Annexations.** The Parties acknowledge that upon annexation by a City of the  
337 territory of a District, the provisions of RCW 35.02.190, 35.02.200, 35.02.205,  
338 35A.14.380, 35A.14.801 and 35A.14.400 require, in some cases, the transfer of  
339 assets and/or payment of cash, properties or contracts for services between the  
340 City and the District. The Parties agree that the asset transfer and payment  
341 required by such statutes shall be accounted for on the financial statements and  
342 audit reports of the Joint Fire Department, and that the final accounting for the  
343 asset transfer and payment shall occur on withdrawal of a City or a District from  
344 the Joint Fire Department or on expiration of this Agreement, as applicable. The  
345 Parties further agree that the annual financial contributions of the City and the  
346 District involved in the annexation, pursuant to the revenue formula, shall be  
347 changed for the annexed territory on the date that the City is entitled to receive  
348 property taxes from the annexed territory.

349 **19. Incorporations.** If a city formed subsequent to execution of this Agreement  
350 incorporates within all or a portion of a District, all powers, duties and decisions  
351 to be made by the District pursuant to Chapters 35.02, 35A.14 and 52.04 RCW,

352 as presently existing or as amended, shall be exercised by the Board of Fire  
353 Commissioners rather than the Board of Directors.

354 **20. Volunteers.** The Joint Fire Department acknowledges the role and need for  
355 volunteer responders, and shall make available opportunities for citizens of the  
356 Parties to volunteer in their communities by taking active efforts to recruit, train  
357 and maintain volunteers.

358 **21. Addition of Parties.** The legislative body of a governmental agency or entity  
359 that either abuts or is in close proximity to a Party may adopt and file with the  
360 Board of Directors a resolution to join the Joint Fire Department. Upon receipt of  
361 the request, the Board of Directors, by affirmative vote of a majority of the entire  
362 membership of the Board, may by motion or resolution authorize consideration of  
363 the request through a plan and process adopted by such motion or resolution.  
364 The plan and process shall include necessary amendments to this Agreement  
365 and a schedule for and components of such consideration, which schedule and  
366 components shall include, but not be limited to a written report of the operational  
367 and financial impact on and philosophical compatibility with the Joint Fire  
368 Department. The Board, by affirmative vote of a majority of the entire  
369 membership of the Board, shall submit its recommendation regarding the request  
370 to the governing bodies of all Parties. To be effective, a request to join the Joint  
371 Fire Department, and any necessary amendments to this Agreement, shall be  
372 approved by resolution of all of the governing bodies of the Parties. If a Party has  
373 filed a notice of withdrawal from the Joint Fire Department pursuant to paragraph  
374 16.1, that withdrawing Party shall not participate in any vote regarding the  
375 consideration and approval of a new Party of the Joint Fire Department. The  
376 membership of the Parties, for voting purposes on the request to join the Joint  
377 Fire Department, shall be determined without the participation of the withdrawing  
378 Party.

379 **22. Liaison/Administrator.** The Fire Chief shall assign one employee to serve as a  
380 Fire Liaison/Administrator to each party. The fire liaison/administrator shall  
381 perform duties as requested by the Fire Chief, which may include attendance at  
382 Party governing body or staff meetings; provided, that these duties shall not, in  
383 the opinion of the Fire Chief, interfere with or be disruptive to the overall  
384 operation and management of the Joint Fire Department.

385 **23. Notices.** All notices, requests, demands and other communications required by  
386 this Agreement shall be in writing and, except as expressly provided elsewhere in  
387 this Agreement, shall be deemed to have been given at the time of delivery if  
388 personally delivered or three calendar days after the time of mailing if mailed by  
389 first class mail, postage prepaid.

390 **24. Severability.** If any provision of this Agreement or its application is held invalid,  
391 the remainder of this Agreement or the application of the remainder of this  
392 Agreement shall not be affected.

393 **25. Survivorship.** The rights and duties of paragraphs 9, 13, 16.2 and 17.2 shall  
394 survive expiration of this Agreement.

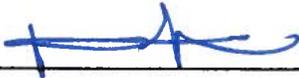
395 **26. Entire Agreement -- Modification.** This Agreement represents the entire  
396 agreement between the Parties. No change, termination or attempted waiver of  
397 any of the provisions of this Agreement shall be binding on any of the Parties  
398 unless executed in writing by authorized representatives of all of the Parties. This  
399 Agreement shall not be modified, supplemented or otherwise affected by the  
400 course of dealing between the Parties.

401 **27. Benefits.** This Agreement is entered into for the benefit of the Parties to this  
402 Agreement only and shall confer no benefits, direct or implied, on any third  
403 persons.

404 **28. Amendment of Original Agreement and 2008 Agreement.** The 2008  
405 Agreement is amended and replaced in its entirety by this Agreement; provided,  
406 that the property inventories filed by the Parties pursuant to the Original  
407 Agreement or the 2008 Agreement shall remain valid, unless modified by Section  
408 12.2 of this Agreement, and the indemnification and hold harmless provisions of  
409 the Original Agreement and the 2008 Agreement shall survive.

410  
411 **CITY OF ISSAQUAH**

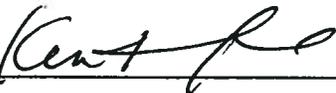
**KING COUNTY FIRE DISTRICT NO. 10**

412  
413  
414  
415 By   
416  
417 Date 1/29/14

By   
Date 1/24/2014

418  
419  
420 **CITY OF NORTH BEND**

**FIRE DISTRICT 38**

421  
422  
423  
424 By   
425  
426 Date January 21, 2014

By   
Date January 22, 2014

427  
428  
429 **CITY OF SAMMAMISH**

430  
431  
432  
433 By   
434  
435 Date 1/27/2014

1 **EXHIBIT A**

2

3 Eastside Fire & Rescue

4 Funding Model & Member/Party's Equity

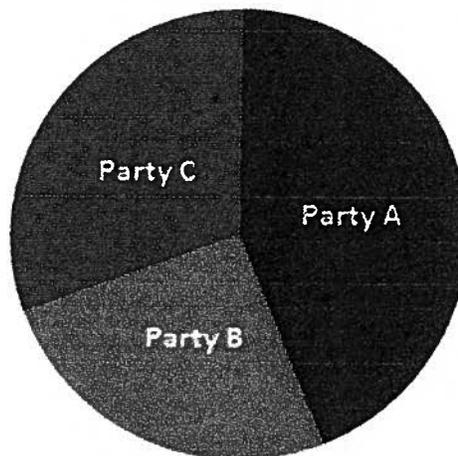
5

6 **The Funding Model (Revenue Formula)**

7 Eastside Fire & Rescue (EF&R) prepares an annual budget for operations,  
8 equipment replacement, and capital facilities maintenance. A funding model,  
9 which is referred to in Section 7 of the Interlocal Agreement as the "revenue  
10 formula," is then used to decide the monthly contribution of each Party in support  
11 of the maintenance and operation of EF&R. The funding model is as follows:  
12

13 **1 – Establish Party/Station Areas:** Through the use of GIS software, the areas  
14 within the EF&R boundaries that each career station (a station staffed by full-time  
15 employees) responds to first ("first due area") will be determined and merged  
16 with jurisdictional boundary data to establish Party/Station areas within EF&R.  
17

**Station X First Due Area by Party**



18

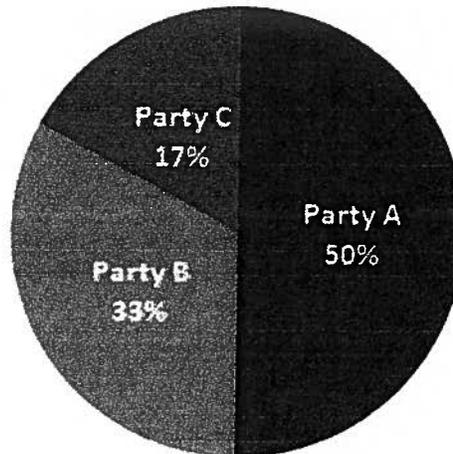
19

20 **2 – Establish Value, Coverage, and Responsibility of Parcels:** Through the  
21 use of GIS software, Member/Station Areas derived in Step 1 will be merged with  
22 King County parcel data and King County Assessor data to establish Station  
23 Coverage, Party Responsibility and Assessed Value (AV) for each parcel.  
24

25 **3 – Establish Each Party's Station Assessed Value Coverage Percentage:**  
26 Using the data derived in Step 2, calculate the total AV of each Party within each  
27 station "first due area," and divide that by the total AV of all parcels covered by  
28 that station. This establishes each Party's percentage of the Assessed Value  
29 Coverage for each station.  
30

31 **Ex:** Station X covers \$3b in AV. Of the \$3b in AV, Party A has \$1.5b,  
32 Party B has \$1b, and Party C has \$0.5b. Party A's Assessed Value  
33 Coverage Percentage is 50% ( $\$1.5b/\$3b$ ), Party B's is 33%, and Party C's  
34 is 17%. These percentages will be used in Step 10 to calculate each  
35 Party's Assessed Value Coverage costs for each station.  
36

**Assessed Value Coverage Percentage**



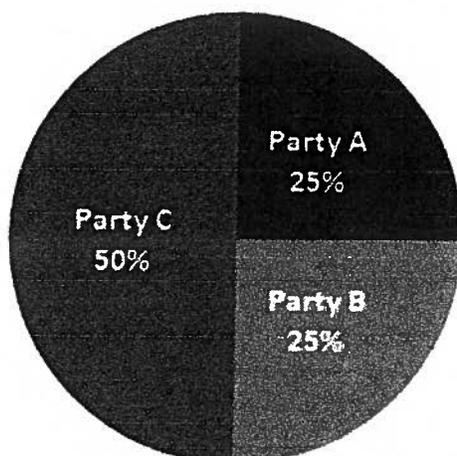
37  
38  
39 **4 – Establish Type, Coverage, and Ownership of Incidents:** Through the use  
40 of GIS software, NORCOM dispatch data will be merged with Party/Station Areas  
41 derived in Step 1 to establish Station Coverage, Party Responsibility, and  
42 Incident Type (Fire or EMS) for every incident.  
43

44 **5 – Assign Fire-to-EMS Incident Weighting (75%-25%):** Multiply the number of  
45 Fire incidents in each Party/Station area by 3, and add the number of EMS  
46 incidents in each Party/Station Area. This will establish the Total Weighted  
47 Incident values within each Party/Station Area derived in Step 1.  
48

49 **6 – Establish Each Party's Weighted Incident Coverage Percentage:** Using  
50 the data derived in Steps 4 and 5, calculate the total Weighted Incidents for each  
51 Party within each station "first due area," and divide that by the total Weighted  
52 Incidents covered by that station. This establishes each Party's percentage of the  
53 Weighted Incident Coverage for each station.  
54

55 **Ex:** Station X covers a total of 800 weighted incidents. Of the 800  
56 weighted incidents, Party A has 200, Party B has 200, and Party C has  
57 400. Party A's Weighted Incident Coverage Percentage is 25% ( $200/800$ ),  
58 Party B's is 25%, and Party C's is 50%. These percentages will be used in  
59 Step 11 to calculate each Party's Weighted Incident Coverage costs for  
60 each station.

### Weighted Incident Coverage Percentage



61  
62  
63  
64  
65  
66  
67  
68  
69  
70  
71  
72  
73  
74  
75  
76  
77  
78  
79  
80  
81  
82  
83  
84  
85  
86  
87  
88  
89  
90  
91

**7 – Calculate Base Station Cost:** Divide the Party's total operating contribution to the EF&R budget by the number of career stations. This determines the Base Station Cost for each station.

**8 – Calculate Total Station Costs:** For Stations 72 and 81, multiply the Base Station Cost by .75. This establishes the Total Station Cost for those two Regional Stations. For all other career stations, their Total Station Cost is determined using the formula **Base Station Cost + (.5\*Base Station Cost/n)**, (where "n" is the total number of career stations minus 2 (72 and 81)).

**9 – Calculate Assessed Value and Weighted Incident Coverage Costs:** Multiply each station's Total Station Cost by .85 to establish the station's Assessed Value Coverage Cost. Multiply each station's Total Station Cost by .15 to establish the station's Weighted Incident Coverage Cost.

**Ex:** Station X has a \$2m Total Station Cost. It therefore has an Assessed Value Coverage Cost of \$1.7m (.85\*\$2m) and an Incident Coverage Cost of \$0.3m (.15\*\$2m).

**10 – Calculate Party Assessed Value Coverage Cost Obligation:** For each station, multiply the Party Assessed Value Coverage Percentage derived in Step 3 by the Assessed Value Coverage Cost derived in Step 9 to determine each Party's Assessed Value Coverage Cost Obligation for each station.

**Ex:** In Step 3, Party A's Assessed Value Coverage Percentage for Station X was 50%, and in Step 9 the Assessed Value Coverage Cost of Station X was \$1.7m. Therefore, Party A's Assessed Value Coverage Cost Obligation for Station X is \$850k (.5\*\$1.7m).

92 **11 – Calculate Party Weighted Incident Coverage Cost Obligation:** For each  
93 station, multiply the Party Weighted Incident Coverage Percentage derived in  
94 Step 6 by the Weighted Incident Coverage Cost derived in Step 9 to determine  
95 each Party's Weighted Incident Coverage Cost Obligation for each station.  
96

97 **Ex:** In Step 6, Party A's Weighted Incident Coverage Percentage for  
98 Station X was 25%, and in Step 9 the Weighted Incident Coverage Cost of  
99 Station X was \$0.3m. Therefore, Party A's Weighted Incident Coverage  
100 Cost Obligation for Station X is \$75k (.25\*\$0.3m).  
101

102 **12 – Calculate Total Individual Party Costs for Each Station:** Add the  
103 Coverage Costs determined in Steps 10 and 11 to calculate the Total Party Cost  
104 for each station.  
105

106 **Ex:** In Step 10, Party A's cost was \$850k, and in Step 11 it was \$75k.  
107 Therefore, Party A's Total cost for Station X is \$925k (\$850k+\$75k).  
108

109 **13 – Calculate Total Party Costs:** Add each Party's individual cost for each  
110 station to determine its Total Costs for all stations.  
111

112 **14 – Phase In/Calculation Years:** Incident weighting is phased in over two  
113 periods, 7 1/2% in 2015 and 15% in 2016 through 2021, using the ratios  
114 determined by the 2013 AV and 2012 NORCOM dispatch incidents to apply to  
115 2015, 2016, 2017, and 2018 budgets to determine Party contributions. In 2018,  
116 before May 30<sup>th</sup>, the funding formula ratios shall be recalculated based on 2016  
117 NORCOM dispatch incidents and 2017 King County AV Data and used for the  
118 2019, 2020, and 2021 Party contribution calculations.  
119

120 **Adjustment to the Funding Model for Annexation:**

121 In the event a Party annexes another Party's area after July 1, 2007, the  
122 funding model will reallocate the costs as of the effective date that the property  
123 tax collections accrue to the annexing party. The following is an example:

124 Party A is a fire district with AV of \$1.2 billion. Party B is a city with AV of  
125 \$0.8 billion. The two Parties share the use of one station. Party B annexes \$0.2  
126 billion of AV from Party A on March 1<sup>st</sup> and gives notice that the annexation is  
127 effective on April 1<sup>st</sup>. The cost center cost is \$2 million of which Party A pays \$1.2  
128 million (60%) and Party B pays \$800 thousand (40%).

129 EF&R would adjust the funding model to reflect the annexation  
130 administratively. Responsibility for payment of the costs associated with the  
131 annexed area shall transfer to the annexing Party upon the effective date of the  
132 shift of payment of property tax collections from one Party to the other. In the  
133 example above, when Party B begins receiving the real property taxes on the  
134 newly annexed \$200 million in AV, Party B shall pay an increased percentage of  
135 the station cost.  
136

137 In the event of an annexation by a non-Party city of an area of a Party, or  
138 in the event of an annexation by a Party of an area outside of the total area of all  
139 Parties, the AV shall be recalculated in and for the year that the annexation  
140 becomes effective, consistent with this section, and shall continue for all  
141 succeeding years.  
142

143 **Comment regarding EF&R's Financial Statement - Party's Equity of**  
144 **Operating Fund and all assets not addressed in Exhibit B or C:**

145 According to the Washington State Auditor, EF&R is a joint venture  
146 partnership operating under the equity accounting section of the Budget,  
147 Accounting and Reporting Systems (BARS). This means that as a "Partner," all  
148 value contributed by each Party, including cash, equipment, or facilities, is  
149 treated as that Party's equity in the Partnership. This begins with the first dollar  
150 and continues forward cumulatively each year.

151 The footnotes in EF&R's annual financial statement identify each Party's  
152 percentage of the EF&R total equity at the end of each year. The percentage,  
153 when applied to the net worth of the EF&R total equity, expresses each Party's  
154 ownership in dollars.

155 It does not matter that some of the equity is in equipment (not including  
156 equipment listed in Exhibit B), or the Reserve Fund (not including reserves listed  
157 in Exhibit B or C).  
158  
159  
160

Equipment Funding Amendment to Agreement for Joint Operation of Fire and Emergency Medical Services

EXHIBIT B

Goals & Objectives

Provide management a tool for timely, coordinated equipment replacement. Each Member will maintain ownership and title of titled personal property and non-titled personal property listed in this Exhibit. Titled and non-titled property owned by EF&R will be the joint property of all of the parties to this Agreement. This Exhibit provides a management tool for efficient equipment rotation maximizing coverage, maintenance and future needs planning.

In General

This fund provides a pooling of equipment replacement dollars into a separate fund for equipment replacement. Scheduled replacements of existing equipment would be provided by annual scheduled funding from member plus accrued interest earned on the carry over fund balance. Management of scheduled replacements and funding is accomplished through the equipment replacement schedule.

Schedule Mechanics

Each piece of equipment is listed on its like kind schedule which identifies and tracks its useful life. An equipment cost replacement schedule tracks the cost of each like kind replacement piece over time accounting for estimated average cost increases, placing the appropriate cost into the replacement schedule (Urban Engine Replacement Schedule, etc.). The funding schedule denotes the annual need contribution each year to completely fund the replacements as scheduled by balancing the cash accumulated with current year purchases. The funding schedule (and the entire model) provides an annual "snapshot" of equipment replacement and funding, that rolls forward into a 15 year estimate, year by year. The schedule is a rolling model, in that adjustments in a current or future year roll forward into subsequent years, and a "snapshot" is available for each scheduled year.

Member Agency Fund Withdrawal Calculation

At the time of withdrawal from the Agency, the member will take all vehicles that are titled to them, along with the cash that has been collected to replace the vehicle at the end of its useful life.

**Example:**

Vehicle	Type	Year purchased	Member titled to	Cash accumulated to date for replacement 2014
App 9810	Elevated Stream	2009	Issaquah	\$ 293,148
App 3807	Tender	2002	District 10	\$ 160,863
App 7832	Aid Car	2000	Sammamish	\$ 172,447

In this example: Issaquah would withdraw with apparatus 9810, plus \$293,148 in cash.  
District 10 would withdraw with apparatus 3807, plus \$160,863 in cash.  
Sammamish would withdraw with apparatus 7832, plus \$172,447 in cash.

For vehicles titled to the Agency (EF&R), each member will have an equity interest in them, equivalent to the cash contributions paid into the fund since its inception. See ERF Funding Summary for percentages.

**Example:**

Vehicle	Type	Year purchased	Member	Member percentage
5818	Small Pickup	2012	District 10	37.89%
			District 38	6.76%
			Issaquah	22.75%
			North Bend	4.11%
			Sammamish	28.48%
				<u>100.00%</u>

In this example: The member would own a percentage of the vehicle based on the percentages noted above.

For equipment that was brought into the Agency when the member joined or was purchased by the member for the Agency to use, the ownership of the equipment will be maintained and be returned to the member upon time of withdrawal, along with the cash that has been collected to replace the equipment at the end of its useful life.

**Example:**

Equipment	Year purchased	Member titled to	Cash accumulated to date for replacement
SCBA Air Compressor	2002	Issaquah	\$ 16,729

In this example: Issaquah would withdraw with the SCBA Air compressor at 73, plus \$16,729 in cash.

For equipment that was purchased by the Agency, each member would have an equity interest percentage based on the cash contribution paid in to the fund since its inception. See ERF Funding Summary for percentages.

**Example:**

<b>Equipment</b>	<b>Year purchased</b>	<b>Member</b>	<b>Partner percentage</b>
Radios	2008	District 10	37.89%
		District 38	6.76%
		Issaquah	22.75%
		North Bend	4.11%
		Sammamish	28.48%
		<u>100.00%</u>	

In this example: The member would own a percentage of the Radios based on the percentages noted above.

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32

**Exhibit C**

**Real Property Maintenance and Repair Fund**

**Goals & Objectives**

Provide management a tool for timely, coordinated repairs and maintenance. Provide management a tool for efficient repairs and maintenance maximizing party contributions, and maintaining safe and efficient work place. Provide management and the Board annual and long term budgeting tools. Provide the parties budgeting and planning tools. Provide the parties retention of titled ownership of real property.

**In General**

The fund provides a pooling of maintenance and repair dollars into a separate fund for repairs and maintenance. Scheduled replacements of items listed in the Exhibit would be provided by annual scheduled funding from the parties plus accrued interest earned on the carry over fund balance. Management of scheduled replacements and funding is accomplished through the maintenance and repair schedule. Administration of the schedule is managed by the Administration at the behest and directive of the Board.

Funding will be by real property according to funding model use. For example if real property is used by two parties and the funding model split of that property is 40% to one and 60% to the other, then the maintenance cost of that property would be divided 40/60 and billed to those two parties accordingly.

**Schedule Mechanics**

Each piece of real property is listed on a schedule which identifies the useful life of items that need to be maintained. A maintenance cost schedule tracks the cost of maintenance over time accounting for estimated average cost increases, placing the appropriate cost into the maintenance schedule (Station 71, roof, HVAC, paint, etc.). The funding schedule denotes the annual need contribution each year to completely fund the maintenance as scheduled by balancing the cash accumulated with current year purchases. The funding schedule (and the entire model) provides an annual "snapshot" of maintenance and funding, that rolls forward into a 15 year estimate, year by year. The schedule is a rolling model, in that adjustments in a current or future year roll forward into subsequent years, and a "snapshot" is available for each scheduled year.

Each year during the budget process the Administration will recommend projects to be funded in the succeeding years budget. After the budget is approved, the Administration will notify the owner of the real property of the projects funded over \$10,000 and will give the owner 30 days to identify those projects that the owner would like to manage and an estimated date that the work will be performed. Unless EF&R is notified otherwise, if the project is not started by the owner by the projected date, EF&R will begin work on the project within 30 days. Emergency repairs will be managed by EF&R.