

INTERLOCAL AGREEMENT FOR CONSOLIDATION OF FIRE DISTRICTS

This Agreement is entered into between SNOHOMISH COUNTY FIRE PROTECTION DISTRICT NO. 26, a municipal corporation, hereafter referred to as "District 26", and SNOHOMISH COUNTY FIRE PROTECTION DISTRICT NO. 28, a municipal corporation, hereafter referred to as "District 28".

RECITALS

1. This Agreement is entered into by the Districts under the authority of RCW 52.12.031 and in conformity with chapter 39.34 RCW, the Interlocal Cooperation Act.
2. The Districts currently each maintain and operate their own fire departments to provide fire protection, fire suppression and emergency medical services in their respective areas.
3. The Boards of Commissioners of the Districts have determined that it is in the best interests of each of the Districts to consolidate operations for the delivery of services to be conducted under the control and direction of a Consolidated Fire District Board. The Districts intend to phase in the consolidation of the operations over a reasonable period of time to insure that there is no interruption of or adverse affect on the delivery of services within the Districts and the areas served by the Districts.

AGREEMENT

To carry out the purposes of this Agreement and in consideration of the benefits to be received by each District, it is agreed as follows:

1. Definitions. The following terms, when used in this agreement, shall be defined as

follows:

- 1.1. "Consolidated Board" shall mean the joint board composed of five Commissioners from District 26 and five Commissioners from District 28 as further described in paragraph 2 below.
- 1.2. "Chief" and "Designated Fire Chief" shall mean the Chief of Snohomish County Fire District 26. In the event the employment relationship between the Chief is terminated, the Consolidated Board shall appoint a new chief.
- 1.3. "Consolidated District" and "Joint Operations" shall mean the operations performed under the direction of the Consolidated Board and shall include all operations of District 26 and District 28 permitted by law except the following operations which shall be the sole responsibility of each individual Board.
 - 1.3.1. Establishment of the individual District budget and tax levy.

- 1.3.2. Processing and payment of individual District expenses as established in the District budget.
 - 1.3.3. Conduct and operation of District Board of Commissioner Meetings.
 - 1.3.4. Compliance with the Volunteer Fire Fighters Relief and Pension statutes.
 - 1.3.5. Filling of vacancies on the Board of Commissioners
2. **Consolidated Board.** The Joint Operations necessary to carry out the purpose of this Agreement shall be administered by a Consolidated Board consisting of the Commissioners of each District. The Board shall have the authority to set policy and service levels and administer and manage all jointly owned and operated properties and the joint operations. The Board shall have the authority and powers granted by this Agreement and such additional authority and powers as may from time to time be conferred on it by the Boards of Commissioners of both Districts. The Board shall consist of all five District 26 Commissioners and all five District 28 Commissioners. A quorum will be at least three Commissioners from District 26 and three from District 28. In the event of a tie vote the Districts agree to follow the dispute resolution procedures specified in paragraph 19.
 - 2.1. All meetings of the Consolidated Board shall be held in compliance with the Open Public Meetings Act, Chapter 42.30 RCW. The date, time and place of the regular meetings of the Board shall be established by resolution of the Consolidated Board. The Board shall prepare minutes of its meetings, which shall be distributed regularly to the legislative bodies of the Parties.
3. **Employees..**
 - 3.1. **Fire Chief.** The Fire Chief shall report to and be held accountable by the Consolidated Board. The Consolidated Board shall conduct annually an evaluation of the performance of the Fire Chief, or more frequently if requested by the Consolidated Board or the Fire Chief. The Fire Chief shall be responsible for hiring, disciplining, discharging and supervising all other employees and all volunteers of the Consolidated Districts.
 - 3.2. **Personnel.** During the terms of this Agreement, all personnel shall be employed by District 26. The job status and compensation of all personnel will be established by the Consolidated Board with funds provided by this Agreement. This Agreement provides District 28 with a full time paid employee for purposes of District 28's tax levy under RCW 52.16.160.
4. **Administration.** The administration of the facilities and personnel necessary to carry out the Joint Operations of the Consolidated District shall be conducted by the Chief.

For the purposes of this Agreement the Chief shall report solely to the Consolidated

Board. The Chief, together with the administration staff, shall from time to time prepare rules, regulations and operating procedures to govern the administration of the Fire Department operations of the Districts and shall develop plans for the implementation of the rules and procedures. The rules, regulations, operating procedures and implementation plans shall be drafted in accordance with the policies established by the Consolidated Board.

5. **Finances.**

5.1. **District Budgets.** Each District shall remain responsible for the financial operation of its own Fire Department, the preparation of its budget and the levying of its tax levy. During the term of this Agreement.

5.2. **Consolidated Budget.** The Districts agree to jointly establish an annual operating budget for the Joint Operations of the Consolidated Districts. The Consolidated Budget shall identify each District's revenue contribution for the Joint Operations "District Contributions." The 2017 consolidated budget shall be

developed as soon as possible following mutual execution of this Agreement. Future Consolidated Budgets shall be prepared no later than October 1 enable each District to comply with statutory requirements for its individual budget.

5.3. **Lead Agency.** District 26 shall act as the lead agency for administering the consolidated budget.

5.4. **Responsibility.** The Chief shall be responsible for preparing the draft budgets of each District and the consolidated budget. Each District agrees to provide the other District with a copy of its budget when completed. The District Contribution from District 28 shall be transferred to District 26 on a quarterly basis

5.5. **Tax Levy by Districts.** Each District agrees to levy a reasonable tax rate as permitted by statute on the real property located within the District and to attempt, over a period of time, to equalize the rates of the two Districts.

5.6. **Major Capital Expenditures -- Bond Issues.** If the Consolidated Board determines that major capital expenditures for real or personal property are necessary for the proper operation of the Consolidated District, and should be financed through a bond issue (voter approved unlimited tax general obligation or legislative body approved) or levy of excess taxes, the Consolidated Board shall adopt a report and recommendation and submit it to the legislative bodies of each District Board. If one District fails to adopt the recommendation, the ~~proposal~~ shall be rejected. If both Districts adopt the recommendation, each

6. **Liability.** Each of the Districts shall, at all times, be solely responsible for the acts or the failure to act of its personnel that occur or arise in any way out of the performance of this Agreement by its personnel only and to save and hold the other District and its personnel and officials harmless from all costs, expenses, losses and damages, including cost of defense, incurred as a result of any acts or omissions of the District's personnel relating to the performance of this Agreement.
7. **Insurance.** Each of the Districts shall provide coordinated insurance coverage for all operations, facilities, equipment and personnel of its Fire Department. The insurance shall include all risk property insurance, insuring equipment and buildings at replacement cost; comprehensive general liability insurance with a policy limit of not less than \$2,000,000.00; employment practices liability insurance; errors and omissions insurance including civil rights coverage, covering the actions of the Consolidated Board and the Boards of Commissioners of the Districts; auto insurance, including comprehensive and collision coverage at agreed replacement cost and liability coverage with a policy limit of not less than \$2,000,000.00; boiler and machinery insurance and a fidelity bond covering the actions of department personnel. Each District shall furnish to the other District appropriate documentation showing that such coverage is in effect and that both Districts are named insurers on the policies.
8. **Equipment Location.** All equipment presently owned or that may be purchased in the future by each District shall normally be assigned to and stationed in the owning District's stations; provided however, that the equipment may be used for calls within the other District and may be temporarily stationed within the other District when deemed necessary by the Chief. The Chief shall advise the Consolidated Board of Commissioners of the assignment and location of all of the equipment of each District and shall further advise the Board of any changes in such assignments prior to the time that a change shall become effective.
9. **Property Ownership and Funding.** All real and personal property that is acquired by a District or the Districts for use by the Consolidated District shall be owned and funded as follows:

9.1. **Real Property Ownership.** All real property that is acquired by a District prior

to becoming a member of the Consolidated District shall remain the real property of that District. Fire District 28 shall file with the Consolidated Board an inventory of such before-acquired real property. All real property acquired jointly by the Consolidated District shall be the joint real property of the Districts, and all real property acquired separately by a District after becoming a member of the Consolidated District shall be the separate real property of that District. The Consolidated District shall have exclusive access to and control over all real property.

9.2. **Personal Property Ownership.** Upon becoming a member of the Consolidated District, Fire District 28 shall file with the Consolidated Board an inventory of

personal property, The Consolidated District shall have access to and control over all personal property.

9.3. **Personal Property Replacement.** The Consolidated Board shall fund, replace, value and depreciate all personal property which may be incorporated into this Agreement by attachment. Such attachment shall include the establishment and funding of a special account for replacement of personal property.

9.4. **Real Property Maintenance and Repair.** The Consolidated Board shall fund the maintenance and repair of all real property as provided in the Consolidated Budget.

9.5. **Improvements to Real Property.** The Consolidated Board shall determine and carry out all improvements to real property. Upon request by a District, the Board may carry out improvements to separate real property that is paid for entirely by a District or by the Consolidated District.

10. **Existing Agreements.** This Agreement shall in no way affect existing Agreements held by either District with any other contractor, vendor, municipality or jurisdiction.

11. **Term.** The effective date of this Agreement shall be upon its execution by both Parties and shall remain in effect until December 31, 2020 unless terminated by either District pursuant to Paragraph 12. If the Districts have not merged prior to December 31, 2019, the Districts agree to meet and confer and to reach a mutual agreement regarding termination or extensions of the Agreement no later than April 1, 2020.

12. **Termination.** In the event either District shall desire to terminate this agreement, such District shall give to the other District twenty-four (24) months advance written notice of termination. The twenty-four (24) month period is established to provide adequate time for the Consolidated Board to discontinue the joint operations and for each District to reestablish its own fire department. Upon termination of this Agreement, or any extension thereof, the Parties shall be governed by the following provisions:

12.1. **Preference in Hiring.** If District 26 is required to lay off any employees as a result of the termination, District 28 shall give hiring preference to all such laid off employees if it hires employees as a result of the termination.

12.2. **Liability.** Each District shall remain liable and responsible for its pro rata share of all liabilities, payments and obligations incurred by or attributed to the Consolidated District during membership of the District in the Consolidated District. Each District's pro rata share shall be equivalent to its portion of its cumulative District Contribution as determined under the Consolidated Budgets.

12.3. **Return of Property.** The Consolidated Board shall return all separate real and personal property to each District. The Board shall determine the fair

market value of all joint real property and all personal property. Each District shall receive or pay, as applicable, in cash or property, for its pro rata share of the net fair market value of the joint real property and personal property. Each District's pro rata share shall be equivalent to its portion of its cumulative District Contribution as determined under the Consolidated Budgets. If a District disputes the Consolidated Board's determination of fair market value of the property, that District shall pay for an appraisal of the fair market value of the property by an appraiser selected by the District and the Consolidated Board, and such appraisal shall be binding on each District.

13. **Notices.** All notices, requests, demands and other communications required by this Agreement shall be in writing and, except as expressly provided elsewhere in this Agreement, shall be deemed to have been given at the time of delivery if personally delivered or at the time of mailing if mailed by first class, postage pre-paid and addressed to the District at its address as stated in this Agreement or at such address as either District may designate at any time in writing.
14. **Severability.** If any provision of this Agreement or its application is held invalid by a court of competent jurisdiction, the remainder of the Agreement or the application of the remainder of the Agreement shall not be affected.
15. **Modification.** This Agreement represents the entire Agreement between the Districts on the subject of joint operations. No change, termination or attempted waiver of any of the provisions of this Agreement shall be binding on either of the Districts unless executed in writing by authorized representatives of each of the Districts. The Agreement shall not be modified, supplemented or otherwise affected by the course of dealing between the Districts.
16. **Benefits.** This Agreement is entered into for the benefit of the Districts to this Agreement only and shall confer no benefits, direct or implied, on any third persons.
17. **Major Actions.** The Districts agree that neither District shall unilaterally take any major actions that would have a significant effect on the joint operations during the term of this Agreement without the consent of the other District. Major actions shall include alternative financing arrangements, the purchase of capital equipment, the purchase of real property, the hiring of personnel, or any other action that would have a long term effect on the joint operations of the Districts.
18. **Level of Services.** Fire prevention, fire suppression, emergency medical and hazardous materials incident response services shall be provided at the same level to

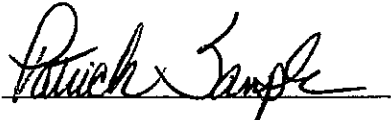
each of the parties under the terms of this Agreement. In the event of simultaneous emergencies within District 26 and District 28, whereby the resources of the Department are taxed beyond its ability to render equal protection, the officers, dispatch and dispatch protocol shall determine how to allocate the resources of the Department.

19. Dispute Resolution.

- 19.1. If the parties are unable to resolve a dispute regarding this Agreement through negotiation, either party may demand mediation through a process to be mutually agreed to in good faith between the parties within 30 days. The parties shall share equally the costs of mediation and each party shall be responsible for their own costs in preparation and participation in the mediation, including expert witness fees and reasonable attorney's fees.
- 19.2. If a mediation process cannot be agreed upon or if the mediation fails to resolve the dispute then, within 30 calendar days, either party may submit the dispute to arbitration according to the procedures of the Superior Court Rules for Mandatory Arbitration, including the Local Mandatory Arbitration Rules of the King County Superior Court, King County, Washington, as amended, unless the parties agree in writing to an alternative dispute resolution process. The arbitration shall be before a disinterested arbitrator selected pursuant to the Mandatory Arbitration Rules with both parties sharing equally in the cost of the arbitrator. The location of the arbitration shall be mutually agreed or established by the assigned Arbitrator, and the laws of Washington will govern its proceedings. Each party shall be responsible for its own costs in preparing for and participating in the arbitration, including expert witness fees and reasonable attorney's fees.
- 19.3. Following the arbitrator's issuance of a ruling/award, either party shall have 30 calendar days from the date of the ruling/award to file and serve a demand for a bench trial de novo in the King County Superior Court. The court shall determine all questions of law and fact without empanelling a jury for any purpose. If the party demanding the trial de novo does not improve its position from the arbitrator's ruling/award following a final judgment, that party shall pay all costs, expenses and attorney fees to the other party, including all costs, attorney fees and expenses associated with any appeals.
- 19.4. Unless otherwise agreed in writing, this dispute resolution process shall be the sole, exclusive and final remedy to or for either party for any dispute regarding this Agreement, and its interpretation, application or breach, regardless of whether the dispute is based in contract, tort, any violation of federal law, state statute or local ordinance or for any breach of administrative rule or regulation and regardless of the amount or type of relief demanded.

Dated: _____.

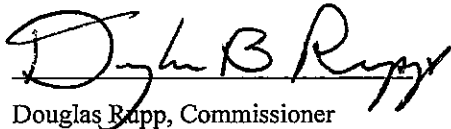
Snohomish County Fire District #28



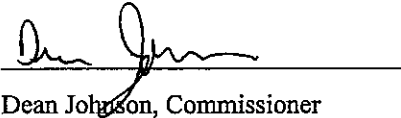
Pat Sample, Commissioner



Leigh Christianson, Commissioner

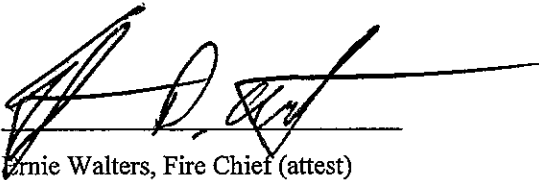


Douglas Rupp, Commissioner



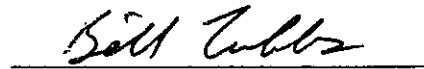
Dean Johnson, Commissioner

Tim Folsom, Commissioner



Ernie Walters, Fire Chief (attest)

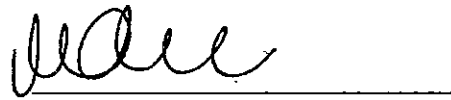
Snohomish County Fire District #26



Bill Tubbs, Commissioner



Kate Hayes, Commissioner



Michelle Adie, Commissioner



Molly Olson, Commissioner



Mike Moore, Commissioner



Eric Andrews, Fire Chief (attest)