

**FIRE AND EMERGENCY SERVICES OPERATING AGREEMENT  
BETWEEN  
THE CITY OF RENTON AND KING COUNTY FIRE PROTECTION DISTRICT #25**

**I. Parties**

The parties to this agreement are the City of Renton, a State of Washington Municipal Corporation, referred to herein as the City, and King County Fire Protection District #25, a State of Washington Municipal Corporation, referred to herein as the District.

**II. Purpose**

Both Parties are authorized under the provisions of RCW 39.34.080 and 52.08.035 to contract with each other to establish emergency medical and fire/rescue services for the citizens within their respective boundaries. The purpose of this agreement is to set out terms of such service. Both parties desire to maintain the service within their respective boundaries in the entire service area, and believe that this will be most effectively furnished by establishing services on a contractual basis in the manner provided herein.

**III. Services and Payment**

- A. **Level of Service.** The City shall provide emergency medical and fire/rescue fire and emergency services within the jurisdictional limits of both parties' boundaries pursuant to this agreement.
- B. The level of service shall be based on the Fire & Emergency Services Department's operational service plan approved by the Board of Commissioners prior to November of each year and as approved by the City Council. In preparing the budget for fire services, the City of Renton shall prepare or revise the operational services plan for the District's review, identifying incidents and responses in the service area, reporting on accomplishments, outlining the prospective work plan initiatives, summarizing departmental budget and staff resources, and identifying capital needs.
- C. **Services Provided.** The City agrees to provide to the residents of District 25 the same level of emergency medical and fire/rescue services, to include administrative oversight, logistical and training support as provided to residents of the City of Renton, consistent with the next section, Costs of Services. The District agrees to pay the costs of this level of service in two equal semi-annual payments made in May and November, with the payment amount to be adjusted annually based on the adoption of the City of Renton budget, the

operational services plan, and with agreement of the Board as outlined in this section. Costs of service for this contract are based on the City of Renton's costs to operate one fire station (Station 16) including staffing and vehicles.

- D. Description of Cost of Services. Service model costs are based on the fully loaded cost for on-duty full-time equivalent response operations staffing, backfill staffing and administrative costs based on the on-duty response operations staffing allocated to the district and calculating department and city overhead percentages.

Costs of service for this contract are based on the City of Renton's costs to operate one fire station (Station 16) with one engine in the service area of Fire District 25 shared with the City of Renton. In recognition of the mutual benefits that accrue to both jurisdictions by the location of Fire Station 16, and that responses into the City exceed the volume of responses into the District, the District will pay 50% of the total costs to operate Station 16.

Costs of service are derived by multiplying the number of staff needed to provide service by the City of Renton's salary and benefit costs for that year. Service model costs are based on the cost for an on-duty staff position, fully loaded with department and city overhead percentages. The resulting direct service cost is then multiplied by a departmental overhead and city-wide overhead factor. All three figures are then added together to reach a total cost of service. Costs will be adjusted annually at the time of adoption of the City of Renton budget and will be in effect for the following year, and subject to Board review and approval. The District agrees that the costs of service and resulting annual payment from the District to City will be based on a cost escalation factor based on the City of Renton's costs of service.

For 2010, the District's annualized cost of service under this agreement totals \$1,116,486.

The Fire & Emergency Services Administrator will produce an operational services plan by November of each year for the review and agreement of the Board that illustrates the City's costs for the upcoming year.

The primary unit of cost is the number of 24-hour on-duty positions employed to provide emergency medical and fire/rescue services. Once on-duty staffing is determined, a backfill factor is calculated based on Renton's leave/time-off averages and will be calculated annually as a part of the operational services plan.

"Departmental overhead" refers to the Fire & Emergency Services Department's non-response operations related costs, which is the proportion of all non-

uniformed support within the department to all uniformed support and includes supplies, other services and charges, costs of intergovernmental services, capital outlay, and interfund payments.

"City-wide overhead" consists of support for the Fire Department's share of city-wide Finance, Human Resources, and Legal Services costs. Overhead costs relating to the Mayor, City Council, or other internal service departments are not included in the overhead charges to the District.

- E. **Effect of Annexation.** The parties agree that upon annexation the City will adjust the annual costs of service as follows:
- 1) In consideration for a long-term contractual relationship, the City and Fire District agree that in the spirit of RCW 35A.14, the City of Renton will calculate and inform both parties as to the cumulative total of valuation of the District's area that has been annexed by the City and removed from the District beginning on January 1, 2010, and annually thereafter. Annual adjustments will be made to the base valuation as a result of re-evaluations by the King County Assessor's Office, new construction and reductions as a result of annexation.
  - 2) The percentage change in assessed valuation removed from the District due to annexation will be deducted from the total estimated cost of service for the following year, pro-rated by month and credited for the prior year. This adjusted base cost of service will be used for future calculations.
  - 3) In the spirit of RCW 35A.14.380, at any time after the total remaining valuation of the Fire District becomes less than 40% of the 2010 base (\$360,873,319), the District may choose to go to a vote of the people remaining in the District to determine if District residents desire to transfer the ongoing responsibility for the delivery of fire and emergency medical services to the City in exchange for the net value of remaining assets and continued annual payment to the City of a reasonable fee for services. If approved by the voters of the District, the responsibility would transfer to the City for the net value of remaining assets and the fee would be set by the District agreeing to levy the maximum regular tax rate permitted by statute subject to RCW 84.55.010. Alternatively, the district and the city may agree that the city will annex the remainder of the district into the city in accordance with state law provided that some of Fire District 25 will always remain outside of the urban growth boundary.

#### IV. Administration

The Fire and Emergency Services Administrator shall be an employee of the City under the direction of the City's Chief Administrative Officer. It is understood that the authority to hire, discipline, commend, or terminate the Fire and Emergency Services

Administrator rests with the Mayor. The Commissioners agree that the Fire and Emergency Services Administrator shall be the Fire Chief of the District.

The administration of this agreement is viewed as a partnership between the two governments, and regular dialogue between the parties is encouraged in keeping with section V.B, Meetings. The intent of this section is to create an open environment to discuss the operation of the agreement and any suggested modifications or improvements. Because the Fire and Emergency Services Administrator is the primary contact and administrator of services provided to the District, it is in the interest of both parties to allow input into decisions that will affect the administration of the agreement. Any input provided by the Commissioners may be used in making decisions.

Renton's Mayor and Chief Administrative Officer shall include the District Commissioners, to the extent possible, in the interview process for hiring a new Administrator. The Board shall be notified of significant decisions regarding the hiring or termination of the Fire and Emergency Services Administrator prior to the information becoming public.

**V. Contract Administration**

**A) General. The parties mutually agree:**

- 1) To execute all documents necessary to give effect to this agreement.
- 2) The City shall exercise discretion and determination over the quality and quantity of supplies, vehicles, equipment, materials, or character of work performed in the construction, alteration, or repair of any fire service facilities consistent with the operational plan.
- 3) Administration of this agreement shall be the responsibility of the City's Chief Administrative Officer, under the policies of the governing bodies of the parties to this contract as set forth in the operational plan. Under the direction of the Chief Administrative Officer, the Fire and Emergency Services Administrator shall implement this agreement to its fullest extent in order to provide the services identified herein.

**B) Meetings.** The Mayor and Fire and Emergency Services Administrator shall meet with the commissioners annually as part of the District's regular meetings to ensure that this agreement is being administered in the best interest of both parties and consistent with the operational plan, and the Fire and Emergency Services Administrator or his designee will regularly attend monthly meetings of the District's Board of Commissioners.

- C) Modifications.** No modification or amendment to this agreement shall be valid unless evidenced in writing, properly agreed to, and signed by both parties. During the term of this agreement, either party may request in writing to renegotiate specific provisions of the agreement or to settle other differences of the parties. In the event such a request is made, the parties agree to negotiate such provisions in good faith.

In this regard, the parties acknowledge that there may be actions by others that could impact the delivery of emergency services. Such actions may be annexations, incorporations, tax reform, and new government(s) being formed. It is therefore in the best interest of both parties to fully examine these types of actions and jointly take steps to mitigate or eliminate any negative effects of such actions. To that end it shall be a requirement of the parties to meet and discuss potential actions that could adversely affect either party and if such action(s) are taken by a third party, it shall be mandatory for the parties to meet and take steps to mitigate or eliminate the impacts for the benefit of both agencies.

A request made under the provisions of this paragraph shall not be considered a notice of intent to terminate the agreement.

**D) Dispute Resolution.**

- i. Participation.** In the event that any dispute arises between the parties as to the interpretation or application of any term of this agreement, or as to the validity of any claim made by either party against the other as a result of this agreement, and the parties are unable to resolve the dispute through negotiations, the parties agree to participate in a nonbinding, neutral evaluation and mediation of their dispute at a mutually agreeable location prior to commencing legal action. Either party may request that any dispute be submitted to neutral evaluation and mediation at any time upon the giving of written notice to the other party.
- ii. Selection of Mediator.** Upon the giving of notice by either party as provided above, the parties shall attempt to select a neutral person to evaluate and mediate the dispute. If, after thirty (30) days, the parties cannot agree on any of the persons named, or if acceptable persons are unable to serve, or if for any reason the appointment of a neutral person cannot be made, either party may terminate the dispute resolution process or the parties may, by agreement, seek other means of resolution.

- iii. **Conflicts of Interest.** Each party shall promptly disclose to the other any circumstances known by it that would cause justifiable doubt as to the independence or impartiality of any individual under consideration or appointed as a neutral mediator. Any such individual shall promptly disclose such circumstances to the parties. If any such circumstances are disclosed, the individual shall not serve as neutral mediator unless both parties agree in writing.
  - iv. **Compensation of Mediator.** The neutral mediator's charges shall be established at the time of appointment. Unless the parties otherwise agree, the fees and expenses of the neutral mediator shall be split equally and each party shall bear its own costs and expenses.
  - v. **Mediation Session.** The mediation session is intended to provide each party with an opportunity to present its best case and position to the other party and the neutral mediator and for the parties to receive opinions and recommendations from the neutral mediator. The neutral mediator shall facilitate communications between the parties, identify issues, and generate options for settlement. The neutral mediator shall also discuss with each party separately the neutral mediator's opinion and evaluation of the strengths and weaknesses of that party's position. The terms of any settlement made by the parties as the result of the mediation shall be set out in a written addendum to this agreement.
  - vi. **Confidentiality.** The dispute resolution process identified in this paragraph is a compromise negotiation. The parties agree to maintain in confidence all offers, promises, conduct, and statements, oral or written, made in the course of the mediation by either of the parties, their agents, employees, experts, representatives or attorneys, or by the neutral mediator and agree that the same shall be deemed negotiations in pursuit of settlement and compromise and not admissible or discoverable in subsequent legal proceedings pursuant to Washington Evidence Rule 408. The neutral mediator shall be disqualified as a trial or deposition witness, consultant, or expert of either party. This paragraph, however, shall be subject to the Public Records Act, RCW 42.56.
  - vii. **Reservation of Rights.** In the event that the parties are unable to resolve the dispute through the dispute resolution process established in this paragraph, the parties reserve any and all other rights and remedies available to each of them regarding such dispute.
- E. **Term of Agreement.** The term of this agreement shall commence January 1, 2010 and shall end on December 31, 2020. The terms and conditions of this agreement shall be fully renegotiated, and endeavor to reach agreement

regarding renewal or replacement of the agreement, at least two (2) years prior to the expiration date, unless this agreement is previously terminated as provided in Section F, below.

- F. **Early Termination.** This agreement may be terminated prior to December 31, 2020 by either party, effective as of the end of the budget period, upon giving written notice thereof to the other party not less than 2 months prior to the end of the annual budget period.

## **VI. Assets and Capital Improvements**

- A. **Assets include all real property and improvements thereto, apparatus, equipment, computer software and rights to technology applications, and leases that are normally maintained or utilized in the facilities located in each jurisdiction.**
- B. **All Fire District assets used throughout the service area shall be titled in the District, subject to future asset transfer agreements that may be made between the City and the District. All City Fire & Emergency Services Department assets used throughout the service area shall be titled in the City of Renton. Use of equipment and/or property shall not affect ownership.**
- C. **It is the intent of this agreement that all such facilities, properties, and equipment of the District shall be used for the purpose of this agreement by the City and shall be maintained and insured by the City on substantially the same basis as other property owned and maintained by the City.**
- D. **The City shall furnish all required fuel, lubricants, normal service, minor and moderate repair and parts necessary for the proper operation of District equipment used to perform the services to be provided by the City under this agreement. It is recognized that the vehicles will be utilized periodically in the City, which is the basis for the City handling moderate repairs.**
- E. **Decisions regarding capital improvements shall remain under the authority of each jurisdiction. Where a capital improvement is anticipated that will affect the other party to the agreement, the City or District will provide adequate notice to the other be made to allow the continued effective operation of fire and emergency services within the service area.**
- F. **The District shall be responsible to fund a share of all major capital repairs as a result of normal wear to its station facilities, such as a roof or heating systems replacement equivalent to their ownership percentage of the asset. A major capital repair shall be any single repair that results from normal wear to facilities and costs at least \$5,000.**

Major capital repair costs will be adjusted annually based on changes in the Seattle Area CPI-U and will be in effect for the following year. It does not include major repairs as a result of accidents and damages typically covered by insurance. However, the proceeds of insurance shall be used to repair said asset. In the event of an emergent non-insurable capital repair, the parties will negotiate to determine the responsibility for payment for repair.

- G. The District shall be responsible to annually contribute toward the replacement of all assets proportionate to its share of ownership, to be deposited in a facilities replacement revolving fund at the City for the station's eventual replacement.
- H. The District shall be responsible to fund a share of all major capital repair and replacement of vehicles and equipment equivalent to their ownership percentage of vehicles and equipment. A major vehicle or equipment repair shall be any single repair that results from normal wear to capital related vehicles or equipment and costs at least \$2,500. Major capital repair costs will be adjusted annually based on changes in the Seattle Area CPI-U and will be in effect for the following year. It does not include major repairs as a result of accidents and damages typically covered by insurance. However, the proceeds of insurance shall be used to repair said asset. In the event of an emergent non-insurable capital repair, the parties will negotiate to determine the responsibility for payment for repair.
- I. All proceeds from sale, lease or rental of surplus real property and improvements thereon shall be paid to the jurisdiction equivalent to their ownership percentage of the vehicles and equipment which owns the real property.

#### VII. District Budget

In a separate budget, the District shall provide for payment of salaries and expenses of the commissioners, the cost of state audits, elections, insurance premiums, capital expenses not covered per the agreement with the City, pension and medical benefits and expenses for former District employees, and other expenses peculiar to the District as a separate legal entity. These expenses shall be paid for out of District revenues and shall not be considered part of this Agreement. Said expenses may include, but are not limited to legal expenses specifically incurred by the district and the administration and appeals of benefit charge collections.

General Obligation Bonds. Each party shall be responsible for payment of any general obligation bonds it issues or has issued for acquisition of equipment, real property, and improvements for the benefit of fire and emergency services.

#### VIII. Insurance



The District shall maintain comprehensive general liability, errors and omissions, and automobile insurance and shall name the City as an additional insured party. The City shall maintain liability, property, automobile and casualty insurance on all personnel, facilities, apparatus, vehicles, and other assets. The City shall provide proof of insurance to the District when requested. Both parties will coordinate insurance coverage to the extent possible to save costs and reduce coverage disputes.

The City of Renton shall provide property coverage to insure the replacement costs of all Fire District 25 buildings and equipment used by the City of Renton or by the City or Renton on behalf of Fire District 25. Fire District 25 shall be named a loss payee on all City Insurance policies for claims involving Fire District 25 buildings and equipment.

**IX. Severability**

If any provisions of this agreement or its application are held invalid, the remainder shall not be affected.

**X.**

**Assignability.** The rights, duties and obligations of either party to this Agreement may not be assigned to any third party without the prior written consent of the other party, which consent shall not be unreasonably withheld.

**XI. No Third-Party Rights.** Except as expressly provided herein, nothing in this Agreement shall be construed to permit anyone other than the parties hereto and their successors and assigns to rely upon the covenants and agreements herein contained nor to give any such third party a cause of action (as a third-party beneficiary or otherwise) on account of any nonperformance hereunder.

**XII. Entire Proposal.** This proposal constitutes the entire proposal between the parties hereto and no other proposals, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or bind any of the parties hereto. Either party may request changes in this Agreement. Proposed changes, modifications or amendments that are mutually agreed upon shall be incorporated by written amendment hereto and become part of this Agreement when signed and executed by the parties hereto.

**XIII. Duplicate Originals.** This Agreement shall be executed with duplicate originals, with each duplicate original having the same force and effect as the other.

**XIV. Filing With Auditor.** This Agreement shall be filed with the King County Auditor pursuant to RCW 39.34.040.

**XV. Notices**

All notices provided for in this agreement shall be in writing, signed by an authorized official, and sent either by registered or certified mail, return receipt requested.

**A. Notice to the City of Renton shall be sent as follows:**

City of Renton  
Attn: Mayor  
1055 South Grady Way  
Renton, WA 98057

**B. Notice to Fire District 25 shall be sent as follows:**

King County Fire District 25  
Attn: Chairperson  
PO Box 2925  
12923 - 156th Avenue  
Renton, WA 98056

**XVI. Enforcement**

Should either party bring suit against the other to enforce any provision of this Agreement or to redress any breach thereof, the prevailing party in such litigation shall be entitled to recover its costs and reasonable attorney's fees. No action shall be commenced prior to completion of the dispute resolution process set forth in section VI above. Any such action shall be brought in the Kent Division of King County Superior Court.

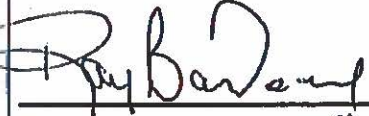
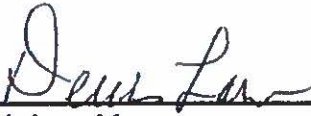



**XVII. Equal Opportunity to Draft**

Each party has had opportunity to consult with counsel in connection with the negotiation, execution and delivery of this Agreement. Each of the provisions of this Agreement has been reviewed and negotiated, and represents the combined work product of both parties hereto. No presumption or other rules of construction which would interpret the provisions of this Agreement in favor of or against the party preparing the same will apply in connection with the construction or interpretation of any of the provisions of this Agreement.

**XVIII. Indemnification**

- A. The District shall indemnify and hold harmless the City and its officers, agents and employees, or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by reason or arising out of any negligent action or omission of the District, its officers, agents, and employees, or any of them, in performing obligations pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damage is brought against the City, the District shall defend the same at its sole cost and expense, provided that the City retains the right to participate in said suit if any principal of governmental authority is involved, and if final judgment be rendered against the City and its officers, agents, and employees, or any of them, or jointly against the City and District and their respective officers, agents, and employees, or any of them, the District shall satisfy the same.
- B. The City shall indemnify and hold harmless the District and its officers, agents and employees or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by reason or arising out of any negligent action or omission of the City, its officers, agents, and employees, or any of them, in performing obligations pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damage is brought against the District, the City shall defend the same at its sole cost and expense, provided that the District retains the right to participate in said suit if any principal of governmental authority is involved; and if final judgment be rendered against the District and its officers, agents, employees, or any of them, or jointly against the City and District and their respective officers, agents, and employees or any of them, the City shall satisfy the same.
- C. The City and the District acknowledge and agree that if such claims, actions, suits, liability, loss, costs, expenses and damages are caused by or result from the concurrent negligence of the City, its agents, employees, and/or officers and the District, its agents, employees, and/or officers, this section shall be valid and enforceable only to the extent of the negligence of each party, its agents, employees and/or officers. The parties hereto have expressly bargained for and do waive for purposes of this Indemnification section, only, the Immunities of Title 51 RCW, as it relates to any claim, suit or cause of action by one party's employee(s) against the other party.
- D. The provisions of this Indemnification Section shall survive the expiration or termination of this Agreement with respect to any event occurring prior to such expiration or termination.

Dated this 19<sup>th</sup> day of February, 2010.

King County Fire Protection District 25	City of Renton, Washington
 , Chair	 Denis Law, Mayor 2-19-2010
 District Secretary	 Bonnie I. Walton, City Clerk
Approved By:  , District Attorney	Approved By:   Larry Warren, City Attorney

