

ATTACHMENT A

SNOHOMISH COUNTY 911 INTERLOCAL AGREEMENT

**VERSION DATED:
SEPTEMBER 29, 2017**

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SNOHOMISH COUNTY REGIONAL PUBLIC SAFETY COMMUNICATIONS
AGENCY INTERLOCAL AGREEMENT

VERSION DATED SEPTEMBER 29, 2017

THIS SNOHOMISH COUNTY REGIONAL PUBLIC SAFETY COMMUNICATIONS AGENCY INTERLOCAL AGREEMENT (this "Agreement"), incorporating all exhibits hereto, is entered into by and between the parties that execute this Agreement from time to time.

RECITALS

WHEREAS, the Southwest Snohomish County Public Safety Communication Agency ("SNOCOM") is a municipal instrumentality of its members, jointly organized by such members as a nonprofit corporation under chapter 24.03 of the Revised Code of Washington ("RCW") as expressly authorized by RCW 39.34.030(3)(b); and

WHEREAS, the Snohomish County Police Staff and Auxiliary Services Center ("SNOPAC") is a municipal instrumentality of its members, jointly organized by such members as a nonprofit corporation under chapter 24.06 RCW as expressly authorized by RCW 39.34.030(3)(b); and

WHEREAS, both SNOCOM and SNOPAC provide emergency communication services on behalf of their member agencies and their combined service territory covers the vast majority of Snohomish County; and

WHEREAS, the Boards of Directors of SNOCOM and SNOPAC have investigated the means by which consolidation of their two emergency communication services operations may be accomplished for the purpose and benefit of enhancing public safety and the safety of police, fire and emergency medical services staff responding to emergencies ("first responders"); and

WHEREAS, the Boards of Directors of SNOCOM and SNOPAC have determined that consolidation of the two agencies will ensure delivery of emergency communication services at or above current service levels; deliver such services to the public and first responders in a highly efficient manner; improve public safety by eliminating the need to transfer tens of thousands of 911 emergency calls between the two agencies each year; realize economies of scale through consolidation of activities; promote interagency collaboration, communication and interoperability; and support efforts to continually identify means to enhance service delivery over time; and

WHEREAS, the Boards of Directors of SNOCOM and SNOPAC have each taken formal action to approve the consolidation of their respective agencies in accordance with RCW 24.03.195 and RCW 24.06.220, respectively, into a single agency to be known as Snohomish County 911 (“Snohomish County 911”), in order to provide emergency communication services on a regional basis throughout Snohomish County for participating member agencies and other public and private agencies that may contract with Snohomish County 911 for such services; and

WHEREAS, substantial investigation of alternative approaches to the calculation of user fees has resulted in a fee formula which the parties agree is fair and equitable; and

WHEREAS, this Agreement is authorized by the Interlocal Cooperation Act (chapter 39.34 RCW);

NOW THEREFORE, in consideration of the promises and agreements contained in this Agreement and subject to the terms and conditions set forth herein, it is mutually understood and agreed by the parties as follows:

SECTION 1. CREATION OF SNOHOMISH COUNTY 911; STATUS OF MEMBERS AS OF THE CONSOLIDATION EFFECTIVE DATE.

a. Creation of Snohomish County 911. Pursuant to Resolution No. 2017-02 adopted by the SNOCOM Board of Directors on October 12, 2017 and Resolution No. 2017-02 adopted by the SNOPAC Board of Directors on October 12, 2017, at least two-thirds of each Board voted in favor of consolidating SNOCOM and SNOPAC as described herein and approved a plan of consolidation (“Plan of Consolidation”) as required by chapters 24.03 and 24.06 RCW. Subsequent to such approval, representatives of SNOCOM and SNOPAC have or will execute the Articles of Incorporation Due to Consolidation (the “Articles”) and have or will file such Articles with the Secretary of State. As permitted by RCW 23.95.210, the effective date for the consolidation shall be January 1, 2018 (the “Consolidation Effective Date”).

As of the Consolidation Effective Date:

i. SNOCOM and SNOPAC shall be a single corporation to be known as “Snohomish County 911” as provided in the Articles (“Snohomish County 911”).

ii. Snohomish County 911 shall be formed as a municipal instrumentality of its Principals pursuant to RCW 39.34.030 and shall be organized as a nonprofit corporation under chapter 24.06 RCW as authorized by chapter 39.34 RCW. This Agreement shall govern the Snohomish County 911.

iii. SNOCOM, SNOPAC and each party to this Agreement hereby delegates to Snohomish County 911 the authority to provide emergency communication services as provided herein.

iv. The separate existence of SNOCOM and SNOPAC, except as formed as Snohomish County 911, shall cease.

v. Snohomish County 911 shall have all the rights, privileges, immunities and powers and shall be subject to all the duties and liabilities of a nonprofit corporation organized under chapter 24.06 RCW.

vi. Snohomish County 911 shall thereupon and thereafter possess all the rights, privileges, immunities, and franchises, of both a public and private nature, of each of SNOCOM and SNOPAC; and all property, real, personal and mixed, and all debts due on whatever account, and all other choses in action, and all and every other interest, of or belonging to or due to each of SNOCOM and SNOPAC, shall be taken and deemed to be transferred to and vested in Snohomish County 911 without further act or deed; and the title to any real estate, or any interest therein, vested in Snohomish County 911 shall not revert or be in any way impaired by reason of such consolidation.

vii. Snohomish County 911 shall be responsible and liable for all the liabilities and obligations of each of SNOCOM and SNOPAC, and any claim existing or action or proceeding pending by or against any of such corporations may be prosecuted as if such consolidation had not taken place, or Snohomish County 911 may be substituted in its place. Neither the rights of creditors nor any liens upon the property of SNOCOM or SNOPAC shall be impaired by such consolidation.

viii. Snohomish County 911, as successor to SNOCOM AND SNOPAC, shall have all rights, privileges, interest, defenses and indemnity protections of all insurance providers for SNOCOM and SNOPAC, including past and current providers, that existed prior to consolidation.

ix. The statements set forth in the Articles shall be deemed to be the articles of incorporation of Snohomish County 911.

b. Status of SNOCOM and SNOPAC Members as of the Consolidation Effective Date. Each member agency of SNOCOM and SNOPAC which, by December 31, 2017, approves, by action of its legislative authority, the execution and delivery of this Agreement and is qualified to become and elects to be a Principal of Snohomish County 911 by making such designation on the services election form attached hereto as **Exhibit A**, shall be deemed a Principal of Snohomish County 911 as of the Consolidation Effective Date.

Alternatively, by December 31, 2017, a member agency of SNOCOM or SNOPAC may (i) elect to be a Subscriber of Snohomish County 911 by providing written notice of same to Snohomish County 911 together with notice of its service election, (ii) provide notice to Snohomish County 911 of its request to be an Associate Agency, or (iii) provide notice to Snohomish County 911 of its intent to provide its own emergency communication services and to not be a Principal, Subscriber or Associate Agency of Snohomish County 911.

The initial Principal, Subscriber, or Associate Agency status of each agency shall remain in place until such status is changed pursuant to the terms of this Agreement. Agencies that elect to become Subscribers shall promptly execute the applicable subscriber contract in a form approved and provided by the Governing Board.

Notwithstanding the foregoing, in the interest of public safety, in the event any member agency of SNOCOM or SNOPAC qualified to be a Principal or Subscriber under this Agreement has not, by December 31, 2017, taken official action to execute this Agreement or notified Snohomish County 911 of its intent prior to this subsection, then such member of SNOCOM or SNOPAC shall be deemed to be a Subscriber of Snohomish County 911 for the period between the Consolidation Effective Date and February 15, 2018 (the "Gap Period"). During the Gap Period Snohomish County 911 agrees to provide Emergency Communication Services to such agency in order to allow the agency to complete its formal notification process to Snohomish County 911, and such agency shall be permitted to execute this Agreement and/or elect to be a Principal, Associate Agency, or Subscriber during the Gap Period; provided, that agencies deemed to be Subscribers during the Gap Period pursuant to this paragraph shall be charged a fee for such services based on the 2018 Assessments as described in **Exhibit E** attached hereto plus a latecomer fee equal to 25% of the pro-rata share of Assessments incurred from the Consolidation Effective Date through the date the agency either executes this Agreement or executes a Subscriber contract with Snohomish County 911. Snohomish

County 911 shall seek to promptly resolve the status of any agency deemed to be a Subscriber under this paragraph.

SECTION 2. TERM OF AGREEMENT.

This Agreement shall have an initial term of six (6) years (the “Initial Term”), and shall thereafter be of infinite duration, subject to termination provisions contained herein. During the Initial Term no Principal may withdraw from this Agreement, provided that a Principal may convert or be converted to Subscriber status as provided in Sections 12, 13 and 14, may annex to or join with another Principal as described in Section 6.r, or may upon action of the Governing Board be terminated from participation in this Agreement as provided in Section 12.

SECTION 3. DEFINITIONS.

Capitalized terms used in this Agreement shall have the following meanings:

a. Additional Services. “Additional Services” are optional services provided by Snohomish County 911 that assist Participating Agencies in the performance of their emergency services duties but are outside the scope of Emergency Communications Services as defined in Section 4.a., for example and without limitation, managed mobile computer services. Additional Services may be offered to all Principals and Subscribers from time to time by separate contract. Terms of agreement for provision of Additional Services are to be negotiated between Snohomish County 911 and a Participating Agency and require Simple Majority Vote approval of the Governing Board. Fees for Additional Services are not part of the Assessment Formula and are not considered User Fees.

b. Agency Assembly. The “Agency Assembly” is the annual meeting of representatives from the Principals, Subscribers and Associate Agencies, as described in Section 8.

c. Agreement. “Agreement” means this Snohomish County Regional Public Safety Communications Agency Interlocal Agreement, as it may hereafter be amended or modified, together with all exhibits and appendices hereto, as they may hereafter be amended or modified.

d. Ancillary Services. “Ancillary Services” are services that are part of the overall array of Emergency Communications Services, and related to the core functioning of Emergency Communications Services, for example and without limitation, Police Records Services and school panic button monitoring. Ancillary Services are provided by Snohomish County 911 to all Principals and Subscribers and the costs of Ancillary Services are incorporated into User Fees and Assessments.

e. Articles. “Articles” mean the Articles of Incorporation Due to Consolidation of Snohomish County 911 as defined in Section 1.

f. Assessments. “Assessments” mean the portion of User Fees charged to Principals for Emergency Communication Services in accordance with the Assessments formula in provided for in **Exhibit B**. Assessments are a subset of User Fees. Changes to the Assessment formula require Supermajority Approval of the Governing Board. Assessments include costs of Ancillary Services but exclude Additional Services.

g. Associate Agency. “Associate Agency” is a unit of local government that has executed this Agreement from time to time who is not a Direct Provider and is not Directly Served by Snohomish County 911 but which receives police and/or fire/EMS services though a contract with a Principal or Subscriber of Snohomish County 911. Associate Agencies participate in the selection of a non-voting Governing Board Member as described in Exhibit B, and may participate in the Agency Assembly.

h. Consolidation Effective Date. “Consolidation Effective Date” means January 1, 2018.

i. Directly Served. “Directly Served” means Principals and Subscribers who receive Emergency Communication Services from Snohomish County 911 and pay User Fees to Snohomish County 911 in exchange for such services. A Principal or Subscriber may operate both fire/EMS service and police service but elect to have only one or the other service Directly Served by Snohomish County 911.

j. Direct Provider. “Direct Provider” means a Participating Agency that provides fire/EMS services and/or police services directly, rather than through contract with another agency.

k. EMS. “EMS” means Emergency Medical Services as described in RCW 84.52.069(5), as now or later amended, including the provision by the Participating Agencies of emergency medical care or emergency medical services, including related personnel costs, training for such personnel, and related equipment, supplies, vehicles and structures needed for the provision of emergency medical care or EMS.

l. Enhanced Police Records Services. “Enhanced Police Records Services” are services in addition to Police Records Services, and include computer searches and actions to enter, modify or delete computer police records associated with: misdemeanor warrants, orders of protection and other orders and directives; stolen property, vehicles, guns or missing persons; performing 20-minute warrant hit confirmations; and serving as the legal holder of records on behalf of a Police Agency for such records.

m. Executive Director. The “Executive Director” is the chief operating officer for Snohomish County 911 appointed by and serving at the pleasure of the Governing Board.

n. Emergency Communication Services. “Emergency Communication Services” mean those services described in Section 4.a.

o. Emergency Public Safety Radio System. The “Emergency Public Safety Radio System” is the Snohomish County emergency radio system developed, owned and, as of the Consolidation Effective Date, operated by SERS, including but not limited to base stations and towers for such radio system and microwave backbone.

p. Fire Agency. A “Fire Agency” is a Principal that is a Direct Provider of fire and/or EMS services.

q. Fire/EMS Technical Advisory Committee. The “Fire/EMS Technical Advisory Committee” is the advisory board composed of Representatives from Principal and Subscriber fire and EMS departments or agencies as described in Section 7.

r. Fully Integrated Services. “Fully Integrated Services” are Emergency Communication Services provided by Snohomish County 911 from and after the date that dispatch services are regularly provided at a single primary facility (which is currently located at 1121 S.E. Everett Mall Way, Everett, WA 98208). Fully Integrated Services are anticipated to begin on or about January 1, 2019.

s. Gap Period. “Gap Period” means the period between the Consolidation Effective Date and February 15, 2018.

t. Governing Board. The “Governing Board” is the body described in Section 6 and shall be the governing body of Snohomish County 911.

u. Initial Term. The “Initial Term” refers to the first six (6) years in which this Agreement shall be in effect.

v. Member. A “Member” or “Governing Board Member” is the individual representing a Principal on the Governing Board, or his or her designated alternate.

w. Participating Agencies or Participants. “Participating Agencies” or “Participants” refer to Principals and all Subscribers, as they may be so constituted from time to time, and individually referred to as a “Participating Agency” or “Participant.”

x. Plan of Consolidation. “Plan of Consolidation” means the plan approved by SNOPAC and SNOCOM as required by chapters 24.03 and 24.06 RCW.

y. Police Agency. A “Police Agency” is a Principal that is a Direct Provider of policing services.

z. Police Records Services. “Police Records Services” include performing computer searches and entries to locate and/or clear of public safety database records (WACIC/NCIC) including but not limited to stolen articles, stolen vehicles, stolen guns, missing persons and warrants, as well as entry and dissemination of State ACCESS system administrative messages.

aa. Police Technical Advisory Committee. The “Police Technical Advisory Committee” is the advisory board composed of Representatives from Principal and Subscriber police, sheriff or similar departments or agencies as described in Section 7.

bb. Principal. A “Principal” is a general purpose municipal corporation or government agency, a fire district, a Public Safety Interlocal Operation, a regional fire protection service authority created pursuant to chapter 52.26 RCW, or a State agency created under the laws of State, which is a Direct Provider of police services or fire/EMS services or both, and which has accepted the terms of and has executed this Agreement from time to time.

cc. Public Safety Interlocal Operation. “Public Safety Interlocal Operation” includes a joint operation of fire districts and cities for provision of public fire and EMS services entered into and operating pursuant to chapter 39.34 RCW, and may also include a public development authority created pursuant to RCW 35.21.730 et. seq. or a regional fire protection service authority created pursuant to chapter 52.26 RCW, or a nonprofit corporation created for the purpose of facilitating a joint operation between fire districts and cities pursuant to RCW 39.34.030(3).

dd. Representative. “Representative” refers to the individual representing a Principal or a Subscriber on the Police Technical Advisory Committee or Fire/EMS Technical Advisory Committee, or his or her designated alternate.

ee. SERS. “SERS” is the Snohomish County Emergency Radio System agency created pursuant to chapters 39.34 and 24.06 RCW and an interlocal agreement effective July 1, 1999, as it may thereafter be amended.

ff. Simple-Majority Vote. A “Simple-Majority Vote” of the Governing Board means a majority of the votes of the Members present constituting a quorum and voting.

gg. Single-Service Principal. A “Single-Service Principal” is a Principal that is formed as a city or town under the laws of State that (1) directly provides either

fire/EMS service or police service, but not both, and (2) receives the service it does not directly provide from a Principal or Subscriber, as confirmed by its election of service form (**Exhibit A**), as it may be updated from time to time per Section 6.c.

hh. SNOCOM. “SNOCOM” is the Southwest Snohomish County Public Safety Communication Agency, formed pursuant to chapters 39.34 and 24.03 RCW.

ii. Snohomish County 911. “Snohomish County 911” refers to the intergovernmental agency formed pursuant to chapters 39.34 and 24.06 RCW, this Agreement and the Articles.

jj. SNOPAC. “SNOPAC” is the Snohomish County Police Staff and Auxiliary Services Center formed pursuant to chapters 39.34 and 24.06 RCW.

kk. State. “State” means the state of Washington.

ll. Subscriber. A “Subscriber” is a general purpose municipal corporation or government agency, a fire district, a Public Safety Interlocal Operation, a regional fire protection service authority created pursuant to chapter 52.26 RCW, or a state agency created under the laws of the State, other than a Principal, which has agreed to pay Snohomish County 911 for Emergency Communication Services or other services as offered at a rate or rates according to such terms and conditions as may be established by Snohomish County 911 as evidenced by separate contract between Snohomish County 911 and such entity. A “Subscriber” may also be a Principal that is converted to Subscriber status as provided in Sections 12, 13 and 14. A Subscriber may also be a tribal government, a specialized public safety operation within County government, or private for profit or non-profit corporation providing services that require use of Emergency Communications Services, for example and without limitation, a private ambulance service, provided further that Subscribers described in this sentence may not become Principals.

mm. Supermajority Vote. A “Supermajority Vote” means Governing Board approval of an item accomplished by securing affirmative votes of both: (1) not less than seventy percent (70%) of all Members of the Governing Board present constituting a quorum and voting, and (2) not less than one voting Governing Board Member representing a Principal Fire Agency or Agencies.

nn. Technical Advisory Committees. “Technical Advisory Committees” are the Police Technical Advisory Committee and the Fire/EMS Technical Advisory Committee established by Section 7.

oo. Transition Board. The “Transition Board” is the temporary Governing Board organized for the purpose of providing initial oversight of the start-up of Snohomish County 911 pursuant to Section 6.b.

pp. User Fees. “User Fees” are fees for service charged to Participating Agencies for all services for Emergency Communication Services provided by Snohomish County 911 whether provided to Principals or Subscribers. User Fees exclude fees for Additional Services and nominal annual membership fees charged to Associate Agencies. User Fees charged to Subscribers may be approved by Simple Majority Vote of the Governing Board.

qq. 911 Calls. “911 Calls” are those calls received or dispatched via the statewide emergency communication network of telephone or via other communications means as described in chapter 38.52 RCW.

SECTION 4. SNOHOMISH COUNTY 911 SERVICES.

a. Snohomish County 911 has the responsibility and authority for providing Emergency Communication Services and all related incidental functions for communicating and dispatching services between the public and Participating Agencies in the furtherance of improved public safety and emergency response, including the following more specifically described services (collectively, “Emergency Communication Services”):

i. Receiving 911 Calls and non-emergency public safety calls for police, fire and medical services;

ii. Notifying, dispatching, directing, supporting and coordinating public safety personnel response, including dispatching emergency police, fire, medical and other special or supporting specialized emergency responses services and resources (for example and without limitation, SWAT response);

iii. Hosting, configuring, and administering public safety technology networks, systems and applications in support of the delivery of Emergency Communications Services;

iv. Updating, maintaining and managing radio communications systems (excluding, unless specifically approved by Governing Board, the Emergency Public Safety Radio System), computer systems, support files and resource materials necessary to accomplish the above;

v. Police Records Services;

vi. Establishing and updating from time to time standard protocols for communications to and from personnel in the field;

vii. Providing certain Ancillary Services; and

viii. Upon a Supermajority Vote of the Governing Board, providing services then-provided by SERS together with all necessary or advisable additional services and actions directly related to SERS.

b. From the Consolidation Effective Date through December 31, 2019, Snohomish County 911 shall provide Enhanced Police Records Services to Principals and Subscribers who were SNOCOM member agencies with Police Agencies that are Directly Served by Snohomish County 911. During this time, such services will be deemed Ancillary Services and are hereby approved as Ancillary Services. No later than May 2019, the Executive Director will make a written recommendation to the Governing Board as to whether, beginning on January 1, 2020, Enhanced Police Records Services should be: (i) discontinued; (ii) offered to all Participating Agencies; or (iii) continue to be provided only to former SNOCOM Police Agencies, and whether such services should be treated as Ancillary Services or Additional Services. The Governing Board shall make a determination regarding the treatment of Enhanced Police Records Services no later than June 30, 2019.

c. Snohomish County 911 may also, when authorized by a Simple Majority Vote of the Governing Board, provide Additional Services. Additional Services will be offered by separate contract as optional services to Participating Agencies. Charges for Additional Services, if any, shall be accounted for separately and shall not be included in the calculation of User Fees.

SECTION 5. SNOHOMISH COUNTY 911 POWERS.

Snohomish County 911, through its Governing Board, shall have all powers allowed by law for interlocal agencies created under RCW 39.34.030 and chapter 24.06 RCW, as they now exist or may hereafter be amended, and as authorized, amended, or removed by the Governing Board, as provided for in this Agreement, and including but not limited to the following:

- a. Recommend action to the legislative bodies of the Participating Agencies;
- b. Review and approve budgets for Snohomish County 911;
- c. Establish policies for expenditures of budget items for Snohomish County 911;
- d. Review and adopt personnel policies for Snohomish County 911;

- e. Review and approve operating policies and procedures for Snohomish County 911, its programs and Emergency Communication Services provided pursuant to this Agreement;
- f. Establish a fund or special fund or funds as authorized by RCW 39.34.030 for the operation of the Snohomish County 911;
- g. Conduct regular and special meetings as may be designated by the Governing Board consistent with the State Open Public Meetings Act (chapter 42.30 RCW);
- h. Maintain and manage records in accordance with the State Public Records Act (chapter 42.56 RCW and chapter 40.14 RCW) and other applicable State applicable and federal records laws and regulations;
- i. Determine what services (including but not limited to Emergency Communication Services and Additional Services) shall be offered and under what terms they shall be offered;
- j. Retain, terminate, direct and supervise the Executive Director;
- k. Create committees to review and make recommendations for purposes and duties of committees;
- l. Approve strategic plans;
- m. Approve the addition of new Principals and Subscribers and the terms of their participation in Snohomish County 911 and receipt of Emergency Communication Services;
- n. Enter into agreements with or make purchases from third parties for goods, assets, property and/or services necessary to fully implement the purposes of this Agreement;
- o. Establish fees and charges for services provided to Participating Agencies;
- p. Direct and supervise the activities of any advisory board or committee established by the Governing Board;
- q. Enter into agreements with, and receive and distribute funds, from any federal, state or local agencies;
- r. To the extent permitted by law, accept loans or grants of funds from any federal, state, local or private agencies and receive and distribute such funds;

s. Receive all funds allocated to Snohomish County 911 for services provided pursuant to this Agreement;

t. Purchase, take, receive, lease, take by gift, or otherwise acquire, own, hold, construct, improve, use and otherwise deal in and with real or personal property, or any interest therein, in the name of Snohomish County 911;

u. Sell, convey, lease, exchange, transfer, and otherwise dispose of all of its real and personal property and assets;

v. Sue and be sued, complain and defend, in all courts of competent jurisdiction in Snohomish County 911's name;

w. Make and alter bylaws for the administration and regulation of its affairs consistent with this Agreement;

x. Hold radio frequency licenses and software and other licenses to enable Snohomish County 911 to operate radio communications and dispatch systems to meet its public safety responsibilities;

y. Enter into contracts with Subscribers to provide Emergency Communication Services and Additional Services pursuant to this Agreement;

z. Any and all other acts necessary to further Snohomish County 911's goals and purposes; and

aa. Except as expressly provided above or in Section 13, Snohomish County 911 shall not have the power or authority to issue debt in its own name.

SECTION 6. GOVERNING BOARD: COMPOSITION AND OPERATION.

a. Composition. Snohomish County 911 shall be governed by a Governing Board composed of fifteen (15) voting members and one (1) non-voting member. Ten (10) of the Governing Board voting member seats shall be allocated to Police Agencies, five (5) Governing Board voting member seats shall be allocated to Fire Agencies, and one (1) non-voting member seat shall be allocated to an Associate Agency or a Single-Service Principal. Governing Board Members and their alternates shall be selected in the manner described in **Exhibit B**. Notwithstanding the foregoing, from the Consolidation Effective date until the first meeting of the Governing Board, Snohomish County 911 shall be governed by the Transition Board described below. The first meeting of the Governing Board shall occur no later than January 31, 2018, at which point the Transition Board member terms and authority shall expire.

b. Transition Board. To govern the Snohomish County 911 until such time as all Participating Agencies and Associate Agencies have an opportunity to conduct their first caucuses and select initial Governing Board Members, a Transition Board will be created for the limited time and purposes described in this subsection. The Transition Board shall be composed of six (6) members, including: three (3) members and one alternate from the 2017 SNOPAC Board of Directors members or alternates and three (3) members and one alternate from the 2017 SNOCOM Board of Directors members or alternates, duly selected by the respective boards in 2017 for this service; provided, that all members of the Transition Board must otherwise be qualified to serve as voting Board Members of Snohomish County 911 and their agencies must be Principals of Snohomish County 911 and a party to this Agreement. Alternates shall serve in the absence of a Transition Board member from their appointing agency. The Transition Board shall be responsible for selecting and appointing an interim Executive Director of Snohomish County 911 to oversee the management of Snohomish County 911 until the first elected Governing Board takes action with respect to this position. The Transition Board shall direct the interim Executive Director to convene the Principals and Associate Agencies no later than January 15, 2018, for purposes of meeting as caucuses to elect the initial Governing Board Members and Alternates. The Transition Board shall only take such actions as are immediately necessary for the conduct of business of the Snohomish County 911 in the month of January 2018. Meetings of the Transition Board shall be open to the public to the extent required by chapter 42.30 RCW. The provisions of this Agreement regarding qualifications to serve (Section 6.c), quorum (Section 6.h), voting (Section 6.i) and conduct of meetings (Sections 6.m and 6.o) of the Governing Board shall apply to the Transition Board.

c. Qualifications to Serve. A Governing Board Member, or his or her alternate must be duly selected in the manner described in **Exhibit B** and must be either: an elected official; chief administrative officer; chief law enforcement officer or fire chief from a Principal, or a person directly-reporting to the chief law enforcement officer or fire chief; or in the case of Snohomish County, the Snohomish County Executive or a Snohomish County Executive Director.

d. Terms of Office. Governing Board Members are elected every two (2) years by caucuses at the Agency Assembly, as described further in **Exhibit B**. The terms of the newly elected Board Members commence with the first Governing Board meeting in May; provided, however, that the first elected Governing Board Members' terms of office shall run from their date of election in January 2018 through May 2020 and provided further that the Transition Board shall serve only until the first elected Governing Board Members' are selected in January 2018.

e. Election to Receive Service From Snohomish County 911; Impact on Governing Board Representation. Each Principal shall determine which of its respective public service departments or operations will be Directly Served by Snohomish County 911. The initial election by each Principal as to which of their respective departments or operations will receive services from Snohomish County 911 will be recorded by the submittal by each Principal of a completed service election form, substantially in the form set forth at **Exhibit A**. The service election form determines whether a Principal participates in a caucus to select either or both a Police Agency Governing Board Member or a Fire Agency Governing Board Member. Single Service Principals shall also participate in the caucus for the non-voting Governing Board Member. Each Principal shall promptly provide written notice to Snohomish County 911 of any changes in its services impacting its qualification as a Police Agency or Fire Agency.

f. Conditions for Serving on Governing Board. All Governing Board Members and their alternates shall serve without compensation from Snohomish County 911. However, Snohomish County 911 may pay for or reimburse Governing Board Members and alternates for reasonable out-of-pocket costs related to service on the Governing Board. Members may only serve for such time as they meet the qualification of a Governing Board Member for the Principals with which they served of the start date of their then current term on the Governing Board.

g. Alternates. Alternates shall be selected and shall serve in the absence of Governing Board Members in the manner described in **Exhibit B**. Alternates must meet the same qualifications as Governing Board Member.

h. Quorum. A simple majority of the voting Members (or their alternates) in number (excluding any Member that represents a Principal which been terminated by vote of the Governing Board, or which has given notice of withdrawal and is not permitted to vote per terms of Section 17.f) shall constitute a quorum of the Governing Board for purposes of doing business on any issue.

i. Voting. The Board shall strive to operate by consensus. All Board decisions on items not listed in Section 6.j require a Simple Majority Vote for approval. A Governing Board Member may not split his or her vote on an issue and there shall be no weighted voting. No voting by proxies or mail-in ballots is allowed. Voting by a designated alternate is not considered a vote by proxy. A Governing Board Member representing a Principal that has given notice of withdrawal or which has been terminated by vote of the Governing Board shall be authorized to cast votes at the Governing Board only on budget items to be implemented prior to the withdrawal or termination date.

j. Items Requiring Supermajority Vote for Approval. A Supermajority Vote of the Governing Board shall be required in order to approve the following items or actions:

- i. Amendment to the Principals' Assessment formula(s);
- ii. Approval of a budget that exceeds the prior approved budget by a percentage in excess of the most recently published Consumer Price Index – Urban for the Seattle/ Tacoma/Bremerton metropolitan area, June - June, calculated by the Federal Bureau of Labor Statistics, or its successor index, plus 4% (adjusted as necessary to accomplish the same annual cost increase limitation in the event Snohomish County 911 transitions to a biennial budget).
- iii. A decision to acquire assets, equipment, real or personal property valued at over \$500,000;
- iv. Admission of a new Principal (other than admission of an Associate Agency as a Principal, or a Principal created by the merger, consolidation or other process as described in Section 6.r);
- v. Reinstatement of a Principal that has been converted to Subscriber;
- vi. Appointing the Executive Director (a Simple Majority Vote is required for removal of the Executive Director);
- vii. Expansion of the scope of services provided by Snohomish County 911 within the Scope of Section 4.a and 4.b, including but not limited to acquiring assets held by SERS and providing services then-provided by SERS in accordance with Section 4.a.vii.;
- viii. Adoption or amendment of any bylaws, or amendment of the Articles;
- ix. Merger, consolidation, sale of all or substantially all assets of the Snohomish County 911 per Section 19;
- x. Modification of this Agreement (except for those items requiring approval of all legislative bodies of the Principals per Section 18);
- xi. Termination or dissolution of Snohomish County 911 per Section 20;
- xii. Approval of debt pursuant to Section 13; and
- xiii. Any other action requiring a two-thirds or sixty six-percent (66%) supermajority vote under chapter 24.06 RCW.

k. Officers. The Governing Board shall have four officers, a President and Vice-President, Secretary and Treasurer, who will serve two (2) year terms, coterminous with Governing Board Member elections. It will be the function of the President to preside at the meetings of the Governing Board. The Vice-President shall assume this role in absence of the President. Immediately following the election of Governing Board Members, at the first meeting of the Governing Board, the officers shall be elected by Simple Majority Vote of the Members. In the event of a vacancy in the President

position, the Vice-President shall assume the President position for the balance of the term of the departed President. In the event of a vacancy in the Vice-President position, the Governing Board shall by Simple Majority Vote elect a new Vice-President to serve to the balance of the term of the departed Vice-President. Any officer appointed by the Governing Board may be immediately removed by Simple Majority Vote of the Governing Board, with or without cause, in which event the Governing Board shall promptly elect a new officer who shall serve for the remainder of the unexpired two-year term. The Governing Board may appoint persons to serve as Secretary and Treasurer of Snohomish County 911; provided, that such persons shall not be Members of the Governing Board. The duties of all officers shall be further described in the Snohomish County 911 Bylaws.

l. Staffing. The Executive Director shall assign agency staff to support the Governing Board as he or she deems appropriate.

m. Meetings. The Governing Board shall meet not less than four (4) times per year, at least once each calendar quarter, at a time and place designated by the President of the Governing Board or by a majority of its Members. Regular meetings shall be held pursuant to a schedule adopted by the Governing Board. Special meetings may be called by the President or a majority of Governing Board Members upon giving all other Members notice of such meeting in accordance with chapter 42.30 RCW (which, as of the date of this Agreement, requires written notice to be provided to each Member at least twenty-four (24) hours prior to the meeting). Notwithstanding the foregoing, the President or Members calling a special meeting will, in good faith, attempt to provide at least ten (10) days prior written notice of a special meeting, however, failure to do so will not invalidate any otherwise legal action taken at a meeting where the proper notice was provided in accordance with chapter 42.30 RCW. In an emergency, the Governing Board may dispense with written notice requirements for special meetings, but must, in good faith, implement best efforts to provide fair and reasonable notice to all Governing Board Members. Members of the Governing Board may participate in a meeting through the use of any means of communication by which all Members and members of the public participating in such meeting can hear each other during the meeting. Any Governing Board Members participating in a meeting by such means is deemed to be present in person at the meeting for all purposes including, but not limited to, establishing a quorum.

n. Bylaws. The Governing Board shall be authorized to establish bylaws that govern procedures of the Governing Board.

o. Parliamentary Authority. Robert's Revised Rules of Order shall govern any proceeding of the Governing Board to the extent not inconsistent with this Agreement or the bylaws adopted by the Governing Board.

p. Consultation with Technical Advisory Committees. It is the intent of this Agreement that the Governing Board shall seek the active participation and advice of Participating Agencies in the determination of Snohomish County 911 operating policies. The Technical Advisory Committees shall have the opportunity to provide reports at each regular Governing Board meeting. The Governing Board shall consider input from the Technical Advisory Committees in its deliberations.

q. Boundary Changes or Service Territory Changes. It is the responsibility of each Participating Agency to provide reasonable advance notice to Snohomish County 911 of any boundary changes, or service territory changes that may occur due to annexation, merger, or other reason, so that Snohomish County 911 may accurately dispatch calls, accurately track calls for service data and accurately assess User Fees; provided, however, until such time as Snohomish County 911 has sufficiently accurate data (such as an official population estimate from the State) by which to calculate User Fees for the Participating Agencies(s) involved, Snohomish County 911 shall continue to bill each Participating Agency on the basis of Snohomish County 911's most accurate data and the parties involved in the boundary or service territory change shall amongst themselves address any User Fee allocation issues.

r. Service Changes; Merger or Annexation of a Participating Agency; Formation of New Public Safety Interlocal Operation. It is the responsibility of each Participating Agency to provide reasonable advance notice to Snohomish County 911 of any boundary changes, or service territory changes that may occur due to annexation, merger, or other reason.

In the event a Participating Agency merges or annexes to a Principal or becomes a member agency of a Public Safety Interlocal Operation that is a Principal, the merged or annexed Participating Agency's rights and obligations under this Agreement shall be assumed in full by the Principal without further action by the Governing Board.

In the event that Participating Agencies, which meet the qualifications of this paragraph, join together to create a new Public Safety Interlocal Operation (for example and without limitation, creation of a new regional fire authority under chapter 52.26 RCW), and as a result of such formation the fire/EMS operation or police operation of such Participating Agencies are no longer Directly Served by Snohomish County 911, then after all of the necessary assignments and agreements are executed related to the creation of the Public Safety Interlocal Operation, the newly created Public Safety Interlocal Operation shall become a Principal and a party to this Agreement without further action of the Governing

Board. At such time the rights and obligations of the forming Participating Agencies shall be assumed by the Public Safety Interlocal Operation. Notwithstanding the foregoing, in order for the newly created Public Safety Interlocal Operation to become a Principal and a party to this Agreement without further action of the Governing Board, each Participating Agency at the time of formation of the newly created Public Safety Interlocal Operation must (i) be a current Principal and party to this Agreement, or (ii) have previously been a member of SNOCOM or SNOFAC and otherwise independently qualifies as a Principal under this Agreement.

Notwithstanding anything in this paragraph to the contrary, if a merged or annexed Principal retains a separate public safety operation that is Directly Served by Snohomish County 911, then that Principal shall maintain its status and shall retain all its rights and obligations under this Agreement with respect to its Directly Served public safety operation.

s. Associate Agencies. Associate Agencies shall be charged a nominal annual membership fee at a level set from time to time by Simple Majority Vote of the Governing Board. An Associate Agency which stops contracting for police and/or fire/EMS services from a Principal and requests to be Directly Served by Snohomish County 911 shall be approved by the Governing Board as a Principal per Section 14.d and shall not be subject to any latecomer fees in making this transition.

SECTION 7. TECHNICAL ADVISORY COMMITTEES.

a. Creation and Membership. Two Technical Advisory Committees shall be created to serve in an advisory capacity to the Governing Board and Executive Director.

i. Police Technical Advisory Committee. The Police Technical Advisory Committee shall consist of the chief or his or her designee from each Principal and Subscriber police department or equivalent agency or operation Directly Served by Snohomish County 911.

ii. Fire/EMS Technical Advisory Committee. The Fire/EMS Technical Advisory Committee shall consist of the chief or his or her designee from each Principal and Subscriber with a Fire/EMS department or equivalent agency or operation Directly Served by Snohomish County 911.

b. Technical Advisory Committee Representatives. Persons serving on either Technical Advisory Committee shall serve without compensation from Snohomish County 911. However, Snohomish County 911 may pay for or reimburse Representatives and alternates for reasonable out-of-pocket costs related to service on the Technical Advisory Committees.

c. Alternates. Each Representative serving on a Technical Advisory Committee may designate one alternate, confirmed in writing, to serve when such Representative is absent or unable to serve provided that such alternates must have operational responsibilities within their respective agencies. Written notice of the appointment of an alternate shall be provided to the Chair the applicable Technical Advisory Committee prior to the alternate serving in the absence of the Representative.

d. Powers. Each Technical Advisory Committee shall meet individually as frequently as their members deem appropriate, but not less than twice each year, for the purpose of promoting interagency collaboration and cooperation, information sharing, discussion and review of agency operating policy and such other matters as the Governing Board may request. The Technical Advisory Committees shall provide advice, information, and recommendations to the Governing Board and the Executive Director.

e. Quorum. One-third of the Representatives of each Technical Advisory Committee (or any alternates present and participating in place of a Representative) shall constitute a quorum for meetings of such Committee.

f. Voting. All actions and recommendations of the Technical Advisory Committees shall be approved by majority vote of those present and voting. Each Representative shall have one vote. There will be no weighted voting, proxy voting, or mail-in voting.

g. Officers. Each Technical Advisory Committee shall have two officers, a Chair and Vice-Chair. It will be the function of the Chair to preside at the meetings of his/her respective Technical Advisory Committee, and the Vice-Chair shall assume this role in absence of the Chair. The officers shall be initially elected at the first meeting of each Technical Advisory Committee after the effective date of this Agreement, by majority vote of the Representatives on the respective Technical Advisory Committee, and shall serve for a one-year term. Annually thereafter, the Vice Chair shall assume the role of Chair and the Joint Operating Board shall elect a new Vice-Chair. In the event of a vacancy in the Chair position, the Vice-Chair shall assume the Chair for the balance of the term of the departed Chair. In the event of a vacancy in the Vice-Chair position, the Technical Advisory Committee shall elect a new Vice-Chair to serve to the balance of the term of the departed Vice-Chair. An officer of a Technical Advisory Committee elected to fill the unexpired term of his or her predecessor shall not be precluded from serving a full annual term of office following the end of such unexpired term.

h. Staffing. The Technical Advisory Committees shall be staffed by the Executive Director and such additional agency staffing as the Executive Director may deem appropriate.

i. Meetings. All meetings of each Technical Advisory Committee shall be open to the public if and to the extent required by chapter 42.30 RCW. Regular meetings shall be held pursuant to a schedule approved by the Technical Advisory Committee. Special meetings may be called by the Chair of the Technical Advisory Committee or a majority of the Representatives of the Technical Advisory Committee. Members of the Technical Advisory Committees may participate in meetings through the use of any means of communication by which all Representatives and members of the public participating in such meeting can hear each other during the meeting. Any Representatives participating in a meeting by such means is deemed to be present in person at the meeting for all purposes including, but not limited to, establishing a quorum.

SECTION 8. ANNUAL AGENCY ASSEMBLY.

a. Purpose. To provide a forum for an exchange of information and ideas between Snohomish County 911 and its Principals, Subscribers and Associate Agencies, the Governing Board shall in April of each year convene an Agency Assembly, at which the Executive Director shall present an annual report outlining:

- i. Activities of Snohomish County 911 for the previous calendar year;
- ii. The proposed work program and significant events in the current calendar year; financial condition of Snohomish County 911;
- iii. Results of Governing Board adopted performance benchmarks;
- and
- iv. The proposed budget policy for the upcoming year.

Also at the Agency Assembly, Board President shall offer remarks on behalf of the Board. The Agency Assembly shall be open to the public to the extent required by chapter 42.30 RCW.

b. Governing Board Meeting at the Agency Assembly. The required annual Governing Board meeting shall occur immediately after the Agency Assembly.

c. Caucuses for Election of Board Members. Every two (2) years, beginning in 2020, the Agency Assembly agenda will include a time for caucuses to meet and elect governing Board Members and their alternates as provided in Section 6 and **Exhibit B**, and to announce the results of the caucus deliberations.

d. Attendance. Each Principal, Subscriber, and Associate Agency may send one or more elected officials as well as police chiefs, fire chiefs, their deputies or assistants or other personnel to participate in the Agency Assembly. Participation in caucuses for election of Governing Board Members is governed by **Exhibit B**.

e. Action by Attendees. Attendees of the Agency Assembly may vote to recommend changes to the proposed budget policy, work program and performance measures program, and may provide additional comments and questions to the Governing Board. Voting by attendees shall be based on one-vote per each Principal, Subscriber, and Associate Agency, with a simple majority vote of all agencies represented at the meeting required to approve any recommendation to be forwarded to the Governing Board. The actions and recommendations of attendees at the annual Agencies' Assembly shall be advisory to the Governing Board.

SECTION 9. EXECUTIVE DIRECTOR.

The Governing Board shall be responsible for the appointment and termination of the Executive Director. An interim Executive Director shall be appointed by the Transition Board as provided in Section 6.b. The interim Executive Director shall serve in such capacity until a permanent Executive Director is appointed by the Governing Board. A Supermajority Vote of the Governing Board is required to appoint the Executive Director of Snohomish County 911.

The Executive Director shall be responsible to the Governing Board and shall advise it from time to time on a proposed budget and other appropriate matters in order to fully implement the purposes of this Agreement. The Executive Director shall administer Snohomish County 911 in its day-to-day operations, including but not limited to: approving and overseeing the administration of all operating procedures and public records management procedures consistent with Governing Board policies; and appointing persons to fill other staff positions in the Snohomish County 911 and overseeing the evaluation and discipline, hiring and firing of employees, and administration of collective bargaining agreements and other personnel contracts consistent with Governing Board policies.

Only the Governing Board shall be authorized to hire or retain legal counsel and independent accountants and auditors. Other consultants or legal counsel for specialized purposes within the Executive Director's signing authority as it may be defined by the Board from time to time may be designated in such manner as the Governing Board may determine subject to Sections 5 and 6.

The Executive Director shall have experience in technical, financial and administrative fields and his or her appointment shall be on the basis of merit only. The Executive Director is an "at will" employee and may be terminated upon the Simple Majority Vote of the Governing Board.

SECTION 10. PERSONNEL POLICY

The Executive Director shall, as necessary from time to time, submit to the Governing Board a proposed personnel policy for the Governing Board's approval, rejection or modification. All modifications or revisions to such personnel policies must be approved by the Governing Board if and to the extent required in such policies.

SECTION 11. OPERATIONAL POLICY AND SYSTEM EVALUATION.

The Executive Director shall actively consider and evaluate means and opportunities toward the enhancement of operational effectiveness of emergency services. The Executive Director shall present his or her recommendations to the Technical Advisory Committees and the Governing Board from time to time.

SECTION 12. BUDGET; ASSESSMENT FORMULA; PAYMENT OF ASSESSMENTS; DELINQUENCIES; RESERVE FUNDS.

a. Budget Fiscal Year. The Snohomish County 911 budget fiscal year shall be either the calendar year, or two calendar years, as the Governing Board may determine.

b. Budget Policy Direction. The Executive Director shall present a proposed outline of the policy approach to the budget for the upcoming budget to the attendees of the Agency Assembly. Input received from attendees at the Agency Assembly shall be reported to the Governing Board. After receiving such reports, the Governing Board shall adopt a budget policy as direction for the Executive Director in preparing the budget.

c. Budget Approval. The Executive Director shall present a proposed budget to the Governing Board by no later than **August 1** preceding the next budget period and the Governing Board shall approve its budget by no later than **September 15**. Thereafter and in no event later than **September 25**, Participating Agencies shall be advised on the programs and objectives contained in the proposed budget, of any changes in the User Fee formula(e), and of the required financial participation for each Principal and Subscriber for the following year(s) based upon the proposed budget. Participation by each Principal and Subscriber is contingent upon subsequent legislative appropriation for the following fiscal year. Principals and Subscribers shall promptly notify Snohomish County 911 if it does not approve its budget allocation. Any Principal not approving its full budget allocation (Assessment and cost of any Additional Services it has agreed to purchase) shall be automatically converted to Subscriber status effective the first day of the budget year (whether biennial or annual) for which the Principal did not approve its budget allocation, and subject to penalty as described in Section 12.

d. User Fee Formula. The User Fee formula applicable to Principals for Emergency Communications Services referred to as the “Assessment formula”, shall be initially approved as set forth in **Exhibit C** to this Agreement. The Assessment formula(e) may be changed from time to time as part of the budget process, and any such changes shall be approved by Supermajority Vote of the Governing Board in accordance with Section 6.j. In the event the Snohomish County 911 assumes the authorities of SERS as authorized in Section 4.c., the costs associated with delivering that expansion of services shall be incorporated into the Assessment formula and the User Fee for Subscribers as the Board shall determine by Supermajority Vote. Additional Services require only Simple Majority Vote of the Governing Board to approve. The Assessment formula(e) for Principals may be different from the User Fee formula applicable to Subscribers. It is expressly contemplated that Participating Agencies may become subject to differential User Fee formulae (including differential Assessment formula(e)) over time based upon the benefit conferred to such agencies.

e. Payment of Assessments. Assessments shall be payable not less frequently than quarterly on or before such dates as the Governing Board may determine.

f. Delinquent Assessments. Assessments not paid when due by a Principal shall begin to accrue interest on the date the Assessment was originally due and shall continue until the Assessment is paid (together with all accrued interest) in full at the Federal Prime Rate plus 3%. Snohomish County 911 shall, within seven (7) business days of the due date, send notice to any delinquent Principal and provide a 60-day cure period from the original due date of the payment, during which period the Assessment shall accrue interest as provided in the immediately preceding sentence. If such Assessments and accrued interest are not paid in full within 60 (sixty) days of the original due date, then the Principal delinquent in payment of Assessments shall upon such 60th day be deemed immediately converted to the status of a Subscriber and subject to penalty as described in Section 14. In the event a Principal converted to Subscriber status due to non-payment of fees shall not have paid in full all Assessments and interest owing by six (6) months after the original due date, then the Governing Board may terminate services to such Subscriber, which termination shall not absolve the Subscriber of its obligation to pay all Assessments past due, together with interest.

g. Terms of Subscriber Contracts. Snohomish County 911 may enter into contracts with Subscribers from time to time for the purpose of providing Emergency Communication Services and other services as provided herein. Subscriber contracts may provide for the same or different payment schedules and payment formulas as those which apply to Principals; provided that, a Subscriber which, at the time it determined to become a Subscriber, was qualified to become a Principal but elected not to, shall be subject to payment of a risk premium of not less than six percent of its annual User Fees,

or such other greater amount as the Governing Board may determine. Revenues from such risk premium shall be placed in Snohomish County 911 reserves. Subscriber contracts shall provide that User Fees not paid when due by a Subscriber shall begin to accrue interest on the date the User Fee was originally due and shall continue until the User Fee is paid (together with all accrued interest) in full at the Federal Prime Rate plus 3%. Snohomish County 911 shall, within seven (7) business days of the due date, send notice to any delinquent Subscriber. In the event a Subscriber does not pay in full all User Fees plus accrued interest within six (6) months from the date of initial delinquency, the Governing Board may terminate services to such Subscriber. Any such termination shall not absolve the Subscriber of its obligation to pay any amounts owing to Snohomish County 911, including any accrued interest.

h. Reserve Funds. The Governing Board shall establish capital and operating reserve funds or accounts at the times and in the amounts necessary to ensure funds are on hand to reasonably address planned and unforeseen capital and operating expenses and to minimize the need for large increases in Assessments and/or User Fees from year to year as a result of acquisition or replacement of capital assets or equipment, and to fund the timely replacement of aging technology, equipment and systems. All amounts held in reserve funds held by SNOCOM and SNOPAC as of the Consolidation Effective Date shall be transferred to Snohomish County 911 to be placed in a reserve fund or funds at Snohomish County 911.

i. Snohomish County 911 2018 Budget and User Fees. Notwithstanding the requirements in this Agreement regarding approval of budgets, Assessments and User Fees to the contrary, the following terms and conditions will apply with respect to the budget, Assessments and User Fees for Snohomish County 911 in 2018.

i. The budget for Snohomish County 911 for 2018 shall be adopted substantially as set forth in **Exhibit D**; essentially, the adopted SNOCOM 2018 budget plus the adopted SNOPAC 2018 budget, including an amount to pay for transition costs to be funded from reserves.

ii. The 2018 budget shall be subject to amendment as the Governing Board deems necessary or appropriate.

iii. Assessments for Principals for Emergency Communication Services provided under this Agreement through December 31, 2018 shall be as set forth in **Exhibit E**, and are based on the assessments each agency would have paid had the consolidation of SNOCOM and SNOPAC not occurred. Such assessments shall be payable not less frequently than quarterly in accordance with regular practice of SNOCOM and SNOPAC, and shall be subject to such delinquency and other penalties as provided herein.

iv. Any Principals or Subscriber purchasing Additional Services in 2018 shall do so through entering into a separate contract with Snohomish County 911.

j. Rate Smoothing. As further described in **Exhibit F**, “rate smoothing” will be applied in the first budget year in which the Assessment formula defined in **Exhibit C** is applied.

SECTION 13. ISSUANCE OF DEBT.

Except as otherwise provided in Section 5, Snohomish County 911 shall not have the power to issue obligations or to incur debt. However, it is anticipated that Snohomish County 911 may require capital funding from time to time to support facilities, technology and equipment needs. Bonds, notes or other evidences of indebtedness may be issued from time to time by one or more Participating Agencies or by another issuer pursuant to a separate agreement between one or more Participating Agencies and Snohomish County 911 in order to provide capital financing for Snohomish County 911 on terms as agreed upon by the parties thereto. The security and sources of payment for any such debt will be determined at the time of issuance, which may include User Fees and/or capital contributions from the Principals. Any User Fees and/or capital contributions for such purposes shall be approved by Supermajority Vote of the Governing Board. Further, in the event that any Principal is obligated to make a capital contribution, such obligation shall be subject to approval by its legislative authority. To the extent that any bonds or other debt is issued on a tax-exempt basis under Section 103 of the Internal Revenue Code of 1986, as amended (the “Code”), the Participating Agencies agree to not (1) make any use of the proceeds from the sale of such bonds or other debt that will cause the bonds or other debt to be “arbitrage bonds” within the meaning of the Code, or (2) act or fail to act in a manner that will cause the bonds or other debt to be considered obligations not described in Section 103(a) of the Code.

SECTION 14. CONVERSION OF STATUS OF PARTICIPATING AGENCIES, ADDITION OF NEW PRINCIPALS OR SUBSCRIBERS; PROVISION OF ADDITIONAL SERVICE TO PRINCIPALS.

a. As described in Sections 12.c and 12.f hereof, a Principal may be converted to Subscriber status for failure to approve its share of the budget or for nonpayment or delinquency in payment of User Fees. On the date of such conversion, said former Principal shall:

i. lose its right to participate in a caucus for selecting a voting Governing Board member;

- ii. lose its right to receive a share of Snohomish County 911 assets upon dissolution of Snohomish County 911;
- iii. become subject to payment of User Fees in accordance with the then applicable User Fee formula for Subscribers; and
- iv. be bound by the terms of the applicable Subscriber service contract(s).

The conversion of a Principal to Subscriber shall not discharge or relieve any Principal of its outstanding obligations to Snohomish County 911.

b. A Principal may alternately elect to convert to Subscriber status effective the first day of the next budget period (whether Snohomish County 911 is operating under an annual or biennial budget) by giving notice of its intent to the Governing Board not less than nine (9) months in advance of such effective date. Such conversion shall be effective as proposed without further action of the Governing Board, barring any basis for terminating the Principal and action thereon by the Governing Board.

c. A governmental entity otherwise meeting the qualifications of a Principal in Section 3 hereof may be admitted as a Principal of Snohomish County 911 upon Supermajority Vote of the Governing Board as required under Section 6.j. Similarly, a Subscriber may apply to the Governing Board to be converted to Principal status. As a condition of becoming a Principal, whether by conversion or new admission, the Governing Board may require payment or other contributions or actions by the new Principal as the Governing Board may deem appropriate, and may set such start date for service as it deems appropriate, it being the intention of this provision that the addition of new Principals shall not cause the then-current Participants to incur additional cost. Upon such conversion or new admission, such new Principal shall execute this Agreement in its capacity as Principal and shall thereafter be subject to all provisions of this Agreement applicable to Principals.

d. Notwithstanding anything to the contrary in this Agreement, an Associate Agency meeting the qualifications of a Principal may become a Principal effective the first day of the next budget year, without making any latecomer payment or contribution, upon giving notice of its intent to the Governing Board not less than nine (9) months in advance of such effective date. Such conversion shall be become effective on such date without further action of the Governing Board.

e. The determination of whether to accept new Subscribers shall be made by the Governing Board in a manner similar, and subject to such terms and conditions, as that for accepting new Principals, it being the intention that the addition of new Subscribers shall not cause pre-existing Participating Agencies to incur additional cost.

f. A Principal wishing to receive service from Snohomish County 911 for an operating department in addition to a department already served by Snohomish County 911 may make application to the Governing Board in the same manner as, and be subject to such conditions and approvals as the Governing Board may deem appropriate for, an entity (other than an Associate Agency) seeking admission as a new Principal.

SECTION 15. RETAINED POWERS OF PARTICIPATING AGENCIES.

Each Participating Agency shall retain the responsibility and authority for its operational departments and for such equipment and services as are required at its place of operation to interconnect to Snohomish County 911's operations. Interconnecting equipment and services necessary to the provision of authorized Snohomish County 911 services may be funded through Snohomish County 911's budget and operational programs.

SECTION 16. INVENTORY AND PROPERTY.

Equipment, vehicles and furnishings for Snohomish County 911's operation shall be acquired as provided by law. If any Participating Agency provides equipment or furnishings for Snohomish County 911's use, title to the same shall rest with the respective local entity unless that equipment or furnishing is acquired by Snohomish County 911. The Executive Director shall maintain and bi-annually update an inventory of equipment and furnishings owned by, leased or temporarily assigned to Snohomish County 911, and the values thereof. In event of dissolution or termination of Snohomish County 911, assigned or loaned items shall be returned to the lending entity and all other items or funds derived from the sale thereof shall be distributed to Principals as described in Section 20.

SECTION 17. WITHDRAWAL BY OR TERMINATION OF PRINCIPAL.

a. Any Principal may withdraw its membership and terminate its participation in this Agreement by providing written notice and serving that notice on the Governing Board on or before June 30 in any year. After providing appropriate notice as provided in this Section, that Principal's membership withdrawal shall become effective on the last day of the calendar year following the year in which the notice is given. A Principal that has given notice of its intent to terminate must meet with the Executive Director or his or her designee to develop a departure plan. The departure plan is intended to ensure an orderly separation of the Principal from New Agency and ensure minimal disruption in 911 Calls response for the public. The departure plan may include the transfer of funds and equipment or other assets and must be approved by Simple Majority Vote of the Board. Notwithstanding anything herein to the contrary, Principals shall be prohibited from withdrawing their membership and terminating their participation in this Agreement

during the Initial Term; provided, a Principal may give appropriate notice of its intent to withdraw pursuant to this Section during the Initial Term, and in such event that Principal's membership withdrawal shall become effective on the last day of the calendar year that coincides with the end of the Initial Term.

b. Notwithstanding the foregoing, a Principal may be terminated at any time by action of the Governing Board for delinquencies of at least six (6) months in payment of Assessments and interest per Section 12.f.

c. Time is of the essence in giving notice of termination and/or withdrawal.

d. A terminating and/or withdrawing Principal is deemed to forfeit any and all rights it may have to Snohomish County 911's personal or real property, or any other ownership in Snohomish County 911, unless otherwise provided by the Governing Board; provided further that this forfeit of rights shall not apply to personal property on loan to Snohomish County 911 from the terminating or withdrawing Principal.

e. The termination and/or withdrawal of a Principal shall not discharge or relieve any Principal of its outstanding obligations to Snohomish County 911.

f. A Governing Board Member representing a Principal that (i) has given notice of withdrawal, or (ii) has been terminated by vote of the Governing Board which termination is effective at a future date, shall be authorized to cast votes at the Governing Board only on budgets items to be implemented prior to the withdrawal or termination date.

SECTION 18. AMENDMENT OF AGREEMENT.

The following terms of this Agreement may only be amended in writing after receipt of the approval of the legislative authorities of all Principals:

- a. Expansion of the scope of services provided by the Snohomish County 911 beyond the scope of Section 4.
- b. The composition of the Governing Board and terms of office as provided in Sections 6.a and 6.d.
- c. Voting rights of Governing Board Members.
- d. Powers of the Governing Board.
- e. Hold harmless and indemnification requirements.
- f. Provisions regarding duration, termination or withdrawal.
- g. The conditions of this Section.

The parties to this Agreement acknowledge and agree that provisions in this Agreement that are not specifically identified in (a) through (g) above reflect the Principals' direction

as to the initial operational and administrative policies and procedures to be implemented by the Governing Board. With the exception of the foregoing items that require affirmative approval of the legislative authorities of all Principals, the parties to this Agreement authorize the Governing Board to modify this Agreement from time to time in order to carry out the corporate purposes of Snohomish County 911. Any such modification shall be in writing and executed by the President of the Governing Board after providing not less than thirty (30) days' advance written notice to all Principals of such proposed modification, and upon approval of a Supermajority Vote of the Governing Board.

Nothing in this Section shall be construed to require legislative authority consent for the addition of a new Principal, conversion of an Associate Agency to a Principal, or agreement to serve an additional Subscriber.

SECTION 19. MERGER, CONSOLIDATION OR SALE OF ALL OR SUBSTANTIALLY ALL ASSETS.

Approval of the merger or consolidation of Snohomish County 911 with another entity, or the sale of all or substantially all assets of Snohomish County 911, shall require a Supermajority Vote of the Governing Board.

SECTION 20. TERMINATION OF AGREEMENT; DISSOLUTION OF SNOHOMISH COUNTY 911.

a. Generally. This Agreement may be terminated upon the approval of a Supermajority Vote of the Governing Board. The termination shall be by direction of the Governing Board to wind up business by a date specified by the Governing Board, which date shall be at least one (1) year following the date of the vote to terminate. Upon the final termination date, this Agreement shall be fully terminated.

b. Distribution of Property on Termination of Agreement. Upon termination of this Agreement, all property acquired during the life of this Agreement remaining in ownership of Snohomish County 911 shall be disposed of in the following manner:

i. Real or Personal Property. All real or personal property purchased pursuant to this Agreement and all unexpended funds or reserve funds, net of all outstanding Snohomish County 911 liabilities, shall be distributed to those Principals still participating in the Snohomish County 911 on the day prior to the termination date and shall be apportioned between Principals based on the ratio that the average of each Principals' contributions to the operating budget over the preceding five (5) years bears to the total of all then remaining Principals' User Fees paid during such five-year period. The Governing Board shall have the

discretion to allocate the real or personal property and funds as it deems appropriate, and the apportionment, determined consistent with the preceding sentence, need not be exact.

ii. Loaned Property. In the event of dissolution or termination of the Snohomish County 911, assigned or loaned assets shall be returned to the lending entity.

iii. Allocation of Liabilities. In the event outstanding liabilities of the Snohomish County 911 exceed the value of personal and real property and funds on hand, all Principals shall contribute to retirement of those liabilities in the same manner as which they would share in the distribution of properties and funds.

c. Notwithstanding the foregoing, this Agreement may not be terminated if to do so would abrogate or otherwise impair any outstanding obligations of the Snohomish County 911, unless provision is made for those obligations.

SECTION 21. DISPUTE RESOLUTION.

a. Whenever any dispute arises between a Principal or the Principals or between the Principals and the Snohomish County 911 (referred to collectively in this section as the “parties”) under this Agreement which is not resolved by routine meetings or communications, the parties agree to seek resolution of such dispute by the process described in this Section, which shall also be binding on Subscribers.

b. The parties shall seek in good faith to resolve any such dispute or concern by meeting, as soon as feasible. The meeting shall include the President of the Governing Board, the Executive Director, and a representative(s) of the Principal(s), if a Principal(s) is involved in the dispute, and/or a person designated by the Subscriber(s), if a Subscriber(s) is involved in the dispute.

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

SECTION 22. INSURANCE.

The Governing Board, Executive Director, and Technical Advisory Committees shall take such steps as are reasonably practicable to minimize the liability of the Participating Agencies, including but not limited to the utilization of sound business practice. The Governing Board shall determine which, if any, insurance policies or self-insurance programs for governmental entities authorized in the State of Washington may be reasonably and practicably acquired to cover liability exposures and other potential losses arising from the operations of the Snohomish County 911 and the activities of the parties pursuant to this Agreement (which may include Directors and Officers, Commercial General Liability, Auto, Workers' Compensation, Stop Gap/Employer's Liability, errors and omissions, crime/ fidelity insurance, CyberRisk, property damage or loss), and shall direct the acquisition of same.

SECTION 23. INDEMNIFICATION AND HOLD HARMLESS.

a. Each Principal shall defend, indemnify and hold other Principals, their officers, officials, employees, agents and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of that Principal's negligent acts or omissions in connection with the performance of its obligations under this Agreement, except to the extent the injuries or damages are caused solely by the acts of a Principal; provided, that if any such Claim is based on the concurrent negligence of more than one Principal, then the indemnifying party's obligation hereunder applies only to the extent of its negligence.

b. Each Principal shall defend, indemnify and hold the Snohomish County 911 and its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of that Principal's negligent acts or omissions in connection with the performance of its obligations under this Agreement, except to the extent the injuries and damages are caused solely by the acts of the Snohomish County 911; provided, that if any such Claim is based on the concurrent negligence of Snohomish County 911 and Principal, then the indemnifying party's obligation hereunder applies only to the extent of its negligence.

c. As provided in its Articles, the Snohomish County 911 shall defend, indemnify and hold each Principal its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of the Snohomish County 911's acts or omissions in connection with the performance of its obligations under this Agreement, except to the extent the injuries and damages are caused solely by the acts of any Principal;; provided, that if any such Claim

is based on the concurrent negligence of Snohomish County 911 and a Principal, then the indemnifying party's obligation hereunder applies only to the extent of its negligence.

d. The Snohomish County 911 will hold harmless, indemnify and defend its officers, officials, employees and volunteers from any and all legal liability, claims or lawsuits of any kind for injuries, damages, losses of any kind occurring to another, including attorney fees, which may arise out of the good faith performance of their duties to the Snohomish County 911 and performed in the scope of their employment or service to the Snohomish County 911, except to the extent the injuries, losses and/or damages are caused by the intentional and knowing wrongful acts of any of the Snohomish County 911's officers, officials, employees or volunteers.

e. Subscribers shall be required to agree to indemnify and hold harmless each Principal and the Snohomish County 911, their officers, officials, employees and volunteers from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of Subscriber's negligent acts or omissions in connection with the receipt of services from Snohomish County 911. To such degree as the Governing Board determines to be reasonable, appropriate, and consistent with applicable law and to be in the best interests of Snohomish County 911, Snohomish County 911 may also indemnify and hold harmless Subscribers.

f. In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of a party hereto and the Snohomish County 911, its officers, officials, employees, and volunteers, the party's liability hereunder shall be only to the extent of the party's negligence. It is further specifically and expressly understood that the indemnification provided in this Section constitutes the party's waiver of immunity under Industrial Insurance Title 51 RCW, solely for the purpose of this indemnification. This waiver has been mutually negotiated by the parties. The provisions of this Section shall survive the expiration or termination of this Agreement.

g. Each party shall give the other parties proper notice as provided herein of any claim or suit coming within the purview of these indemnities. Termination of this Agreement, a Principal's withdrawal from the Snohomish County 911, or a Principal's conversion to Subscriber status (collectively for purposes of this subparagraph "Termination"), shall not affect the continuing obligations of each of the parties as indemnitors hereunder with respect to those indemnities and which shall have occurred prior to such Termination.

SECTION 24. INTERGOVERNMENTAL COOPERATION.

The Snohomish County 911 shall cooperate with local, state and federal governmental agencies in order to maximize the utilization of any grant funds for equipment and operations and to enhance the effectiveness of the Snohomish County 911's operations and minimize costs of service delivery.

SECTION 25. NOTICE.

Notices required to be given to Snohomish County 911 under the terms of this Agreement shall be directed to the following unless all Principals are otherwise notified in writing:

President of the Governing Board and Executive Director, Snohomish County 911
c/o Snohomish County 911
1121 S.E. Everett Mall Way, Suite 200
Everett, WA 98208

Notices to Principals, Subscribers, Associate Agencies, Governing Board Members or Representatives required hereunder may be given by mail, overnight delivery, facsimile or email (with confirmation of transmission), or personal delivery. Each Principal shall provide the President of the Governing Board written notice of the address for providing notice to said Principal. Any Principal wishing to change its mail or email address shall promptly notify the President of the Governing Board. Notice or other written communication shall be deemed to be delivered at the time when the same is postmarked in the mail or overnight delivery services, sent by facsimile or email (with confirmation of transmission), or received by personal delivery.

SECTION 26. COMPLIANCE WITH LAWS.

During the term of this Agreement, the parties hereto agree to comply with all federal, State, and local laws as necessary to carry out the terms of this Agreement. Further, to the extent that any Emergency Communication Services and/or Additional Services involve the retention, security, confidentiality or other handling of certain "protected" health information under the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and its implementing regulations thereunder by the U.S. Department of Health and Human Services and other applicable laws including chapter 70.02 RCW, the Washington Uniform Health Care Information Act, as amended, the parties agree to comply with such laws and execute documents as necessary to implement the requirements under such laws.

SECTION 27. VENUE.

The venue for any action related to this Agreement shall be in the Superior Court in and for Snohomish County, Washington at Everett, Washington, or if applicable, in Federal District Court, Western District of Washington.

SECTION 28. NO THIRD PARTY BENEFICIARIES.

There are no third-party beneficiaries to this Agreement. No person or entity other than a party to this Agreement shall have any rights hereunder or any authority to enforce its provisions, and any such rights or enforcement must be consistent with and subject to the terms of this Agreement. In addition to the foregoing, nothing in this Agreement is intended to create a special relationship or other basis for third party liability.

SECTION 29. SEVERABILITY.

The invalidity or any clause, sentence, paragraph, subdivision, section or portion of this agreement shall not affect the validity of the remainder of this Agreement.

SECTION 30. RATIFICATION.

All prior acts taken by the Principals and Snohomish County 911 consistent with this Agreement are hereby ratified and confirmed.

SECTION 31. EXECUTION, COUNTERPARTS AND EFFECTIVE DATE.

This Agreement may be executed from time to time in any number of counterparts, each of which shall be an original, but those counterparts will constitute one and the same instrument. Further, this Agreement may be executed from time to time, without official action of the legislative body of each party hereto, in order to add a new Principal to Snohomish County 911. This Agreement shall be executed from time to time on behalf of each Principal [and Associate Agency] by its duly authorized representative following approval of this Agreement by motion, resolution or ordinance of its legislative authority. This Agreement may be amended as provided herein.

This Agreement shall be deemed adopted and effective as of January 1, 2018. This Agreement shall be filed and/or posted as required by chapter 39.34 RCW.

IN WITNESS WHEREOF, this Agreement has been executed by each Principal on the date set forth below:

Martin McFalls

Martin McFalls, Fire Chief
Marysville Fire District / Fire District 12

STATE OF WASHINGTON
COUNTY OF SNOHOMISH

In Marysville, on the 21st day of December, 2017, before me, a Notary Public in and for the above state and county, personally appeared Martin McFalls, known to me or proved to be the person named in and who executed the foregoing instrument, and being first duly sworn, such person acknowledged that he or she executed said instrument for the purposes therein contained as his or her free and voluntary act and deed.



Joyce Savage

NOTARY PUBLIC

My Commission Expires: 5/31/2019

