

**PRE-ANNEXATION INTERLOCAL AGREEMENT BETWEEN
SOUTH SNOHOMISH COUNTY FIRE & RESCUE REGIONAL FIRE AUTHORITY
AND
THE CITY OF MOUNTLAKE TERRACE**

THIS INTERLOCAL AGREEMENT (the “Agreement”) is entered into by and between **SOUTH SNOHOMISH COUNTY FIRE & RESCUE REGIONAL FIRE AUTHORITY**, a Washington municipal corporation (“South County Fire”) and the **CITY OF MOUNTLAKE TERRACE**, a Washington municipal corporation (the “City”) [the City and South County Fire shall be collectively referred to as the “Parties”] on this ____ day of _____, 2023 (the “Effective Date”).

WHEREAS, the City currently receives fire and emergency medical services from South County Fire pursuant to an Interlocal Agreement for Fire and Emergency Medical Services Agreement, dated January 13, 2005 (the “2005 ILA”); and

WHEREAS, South County Fire has notified the City that the 2005 ILA will terminate as of December 31, 2024; and

WHEREAS, the City adopted **Resolution No. _____ requesting** to annex into South County Fire, and the Governing Board of South County Fire approved the request and adopted the Amended and Restated Plan for South Snohomish County Fire & Rescue Regional Fire Authority Plan (the “RFA Plan”) to accommodate such annexation; and

WHEREAS, pursuant to RCW 52.26.300, the City Council will consider adopting a resolution approving both the RFA Plan and annexation into South County Fire, and if adopted will submit to the voters no later than the April 2023 special election a ballot measure to approve the City’s annexation into South County Fire and the related RFA Plan (“Annexation Measure”), effective August 1, 2023 (the “Annexation Date”); and

WHEREAS, if the annexation of the City into South County Fire is approved by the voters at the April 2023 special election pursuant to Chapter 52.26 RCW (the “Annexation”), the City shall be annexed into South County Fire on the Annexation Date;

WHEREAS, if the annexation measure fails, the Parties desire to provide for continuing fire and emergency medical services from South County Fire; and

WHEREAS, South County Fire and the City are authorized, pursuant to Chapter 39.34 RCW to enter into interlocal cooperation agreements which allow South County Fire and the City to cooperate with each other to provide high quality services to the public in the most efficient manner possible;

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the Parties hereto agree as follows:

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

1. **Purpose.** The purpose of this Agreement is to implement the RFA Plan to ensure a smooth and seamless transition of services and responsibilities from the City to South County Fire and to provide for the continued delivery of service in the event City voters do not approve the Annexation Measure.

2. **Term.**

2.1 This Agreement shall take effect on the later of (i) the Effective Date, or (ii) the date that it is either recorded with the Snohomish County Auditor or posted on the website of either party.

2.2 If this Agreement is ratified by the governing bodies of South County Fire and the City after the Effective Date, this Agreement shall be effective retroactively as of the Effective Date, and all acts consistent with this Agreement shall be deemed ratified by the City and South County Fire.

2.3 This Agreement shall remain in full force and effect indefinitely unless mutually agreed otherwise by the Parties.

3. **Provision of Fire and Emergency Medical Services Following Vote on Annexation Measure.**

3.1 **Prior to Annexation Date.** The 2005 ILA shall continue to govern the provision of fire and emergency medical services to the City by South County Fire until the Annexation Date.

3.2 **Annexation Date.** Provided that the Annexation Measure is approved, then on the Annexation Date, the 2005 ILA shall terminate, and South County Fire shall provide fire and emergency medical services to the City consistent with the RFA Plan. Since South County Fire is unable to collect tax revenue within the City until 2024, the City shall pay to South County Fire the balance of the amounts owed under the 2005 ILA for calendar year 2023. Such amounts shall be paid pursuant to the terms for payment set forth in the 2005 ILA.

3.3 **Provision of Fire and Emergency Medical Services if Annexation Measure Fails.** Concurrently with the execution of this Agreement, the Parties shall execute the First Amendment attached hereto as **Exhibit 1** (the "First Amendment to 2005 ILA") to provide, in part, for amendments to the Contract Payment to take effect as of January 1, 2025. The First Amendment to 2005 ILA shall automatically terminate without further action if the Annexation Measure passes.

4. **Transfer of Property.**

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

- 4.1 **Station 19.** The parties recognize that RCW 52.26.100(2)(a) contemplates that upon annexing into a regional fire authority, a participating fire protection jurisdiction will transfer all real property and personal property including cabinets, furniture, office equipment, motor vehicles, and other tangible property related to fire protection and emergency services to the regional fire authority. The parties further recognize that Station 19 is located on the same legal lot of record as City Hall such that transferring Station 19 to South County Fire would require a short subdivision to effectuate a transfer. In lieu of undertaking this subdivision effort, the parties hereby agree to the following terms and conditions:
- 4.1.1 The parties shall enter into the Ground Lease attached hereto as Exhibit ____, which will commence on the Annexation Date and shall terminate when South County Fire ceases to use Station 19 for fire and emergency medical services. The Lease shall not require any rent or other compensation to be paid to the City.
- 4.1.2 The Ground Lease shall contain a provision that upon termination of the Ground Lease, the City shall pay to South County Fire the insured value of Station 19. This payment is intended to substitute for the equity South County Fire would have in the Station if title had transferred to South County Fire.
- 4.2 **Other Property.** On the Annexation Date, the City shall transfer to South County Fire title and possession of all fixtures, furnishings and equipment in Station 19, as well as any other property which the City still owns and which is related to fire protection and emergency medical services, via a Master Bill of Sale in the form attached hereto as **Exhibit 2** (the “Master Bill of Sale”).
5. **Educational Materials.** South County Fire has retained consultant Liz Loomis to assist in providing public information concerning the Annexation Measure. South County Fire will share any materials prepared by Liz Loomis with the City at no cost to the City.
6. **Assignments.** The City shall, where possible, assign to South County Fire any contractual agreements (including but not limited to interlocal agreements) as identified in Appendix A of the RFA Plan, if any. A list of such contractual agreements appears on **Exhibit 2** hereto (the “City Contracts”).
- 6.1 The City shall provide advance notice to each contracting party under the City Contracts of the effective date of its annexation into South County Fire and the fact that South County Fire intends to accept an assignment from the City of such contract effective on the Effective Date. The City shall endeavor to obtain the

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

written consent of all contracting parties in the form of a written "Assignment" acknowledging the assignment of the City's interest in such City Contracts to South County Fire effective on the Effective Date in a mutually agreeable form. Copies of such assignments shall be provided to all signatories.

- 6.2 In the event that the City is unable to obtain a contracting party's consent to the assignment of any specific City Contract, the City shall notify South County Fire, in which case the Parties shall collaborate to find a solution that would allow South County Fire to continue receiving the benefits from such City Contract. If South County Fire determines that the continuation of any such contract is not in South County Fire's best interest, the City shall be solely responsible for managing and/or terminating that particular contractual relationship.
7. **Fire Marshal Services.** The RFA will, upon mutual agreement, perform fire marshal services within the City boundaries pursuant to a separately negotiated Interlocal Agreement
8. **Further Assurances.** In addition to the specific actions described herein, the Parties agree to take such other actions and to reasonably cooperate with each other to effectuate RFA Plan and this Agreement.
9. **Dispute Resolution.**
 - 9.1 **Mediation.** If the Parties are unable to resolve a dispute, then upon a request by either party to mediate, the Parties shall mutually agree upon a mediator. If South County Fire and City cannot agree upon a disinterested mediator within ten (10) business days after such request, the City and South County Fire shall submit the matter to the Judicial Arbitration and Mediation Service (JAMS) and request that a mediator be appointed. This requirement to mediate the dispute may only be waived by mutual written agreement and is a prerequisite to binding arbitration. Except for unusual reasons beyond the reasonable control of either party, the mediation shall be completed within ninety (90) days after the mediator is selected. Any expenses incidental to mediation, including the mediator's fee, shall be borne equally by the City and South County Fire.
 - 9.2 **Arbitration.** If the City and South County Fire are unsuccessful in resolving any dispute during mediation, either party may demand binding arbitration as provided herein.
 - 9.2.1 The arbitration shall be conducted by JAMS in Seattle, Washington, or other a mutually agreeable dispute resolution service. The dispute shall be governed by the selected arbitration service's Streamlined Arbitration

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

Rules and Procedures. The Parties shall agree on a JAMS, or other, arbitrator with twenty (20) days from the date the matter is submitted to JAMS or other dispute resolution service. In the event that the Parties fail to agree on an arbitrator within such time, then JAMS or the other dispute resolution service shall be asked to submit the names of at least three arbitrators. Each party shall have ten (10) days after receiving the list to strike one name from that list. JAMS, or the other dispute resolution service, shall select the arbitrator from the names on the list that have not been struck by either party. The Parties may agree on another arbitrator in JAMS, another dispute resolution service, or another person at any time. In the event that JAMS is unable or unwilling to provide an arbitrator and the Parties cannot otherwise agree, then either party may request the Snohomish County Superior Court to designate an arbitrator.

- 9.2.2 The decision of the arbitrator shall be final and binding upon both Parties, subject only to the right of appeal as provided in Chapter 7.04A RCW; provided, however, that in arriving at such decision, neither of the Parties nor the arbitrator shall have the authority to alter this Agreement in whole or in part.
- 9.2.3 The arbitrator cannot order either party to take action contrary to law.
- 9.2.4 Each party shall be responsible for its own costs incurred in the arbitration. The cost of the arbitrator shall be shared equally.
- 9.2.5 Unless otherwise agreed in writing, this dispute resolution process shall be the sole, exclusive, and final remedy to or for either party for any dispute regarding this Agreement, and its interpretation, application, or breach, regardless of whether the dispute is based in contract, tort, any violation of federal law, state statute or local ordinance or for any breach of administrative rule or regulation and regardless of the amount or type of relief demanded.

10. **Miscellaneous.**

- 10.1 **Exhibits.** The attached Exhibits are adopted and incorporated into this Agreement by this reference.
- 10.2 **South County Fire Responsible for Compliance with Laws.** Although the City is annexing into South County Fire for purposes of fire protection and emergency medical services, it is recognized that South County Fire is a stand-alone and

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

independent legal entity completely separate in all purposes from that of the City. Except as otherwise provided for in this Agreement, South County Fire shall be solely legally responsible for all conduct and services provided by South County Fire.

- 10.3 **City and Authority are Independent Municipal Governments.** The Parties recognize and agree that they are independent governments. Except for the specific terms herein, nothing herein shall be construed to limit the discretion of the governing bodies of each party. Specifically, and without limiting the foregoing, South County Fire shall have the sole discretion and the obligation to determine the exact method by which the Services are provided to the City.
- 10.4 **Conflicts with RFA Plan.** This Agreement is intended to implement the RFA Plan. In the event of a conflict between the terms of this Agreement and the RFA Plan, the RFA Plan shall control.
- 10.5 **Non-Waiver.** No waiver of any act or omission shall operate as a waiver of any past or future default, or to deprive a party of its right to terminate this Agreement, or be construed to prevent a party from promptly exercising any other right or remedy it has under this Agreement.
- 10.6 **Notices.** Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other party shall be in writing addressed to the other party at the addresses as follows:

South Snohomish County Fire & Rescue Regional Fire Authority

Attention: Fire Chief
12425 Meridian Ave. S
Everett, WA 98208

City of Mountlake Terrace

Attention: Mayor
23204 58th Avenue W.
Mountlake Terrace, WA 98043

or such address as may have been specified by notifying the other party of the change of address. Notice shall be deemed served on the date of actual delivery or the first attempted delivery as shown on the return receipt if mailed with the United States Postal Service by certified mail, return receipt requested.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

- 10.7 **Drafting.** Each party has fully participated in the drafting of this Agreement. Therefore, this Agreement shall be construed according to its fair meaning without regard to which party drafted a particular provision.
- 10.8 **Survival.** All obligations of either party as provided for in this Agreement shall not cease upon the termination of this Agreement and shall continue as obligations until fully performed. All clauses of this Agreement which require performance beyond the termination date shall survive the termination date of this Agreement.
- 10.9 **Severability.** If any section of this Agreement is adjudicated to be invalid, such action shall not affect the validity of any section not so adjudicated.
- 10.10 **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall constitute an original, and all of which will together constitute this one Agreement.
- 10.11 **Calendar Days.** The word "days" as used in this Agreement shall mean calendar days unless the context otherwise specifically provides that business days are intended.
- 10.12 **No Benefit to Third Parties.** This Agreement is entered into for the benefit of the Parties and shall confer no benefits, direct or implied, on any third persons. Nothing herein shall be construed as creating an exception to the Public Duty Doctrine.
- 10.13 **Entire Agreement.** This Agreement contains all of the understandings between the Parties. Each party represents that no promises, representations, or commitments have been made by the other as a basis for this Agreement which have not been reduced to writing herein. No oral promises or representations shall be binding upon either party, whether made in the past or to be made in the future, unless such promises or representations are reduced to writing in the form of a modification to this Agreement executed with all necessary legal formalities by the respective commissions of the City and South County Fire.
- 10.14 **Amendments.** This Agreement may only be amended or modified by a written agreement approved and authorized by the legislative authority of each party.

**SOUTH SNOHOMISH COUNTY FIRE &
RESCUE REGIONAL FIRE AUTHORITY**

CITY OF MOUNTLAKE TERRACE

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

Derek Daniels, Commissioner/Chair

Kyoko Matsumoto Wright, Mayor

Micah Rowland, Commissioner/ Vice Chair

Jennifer Joki, City Clerk

Michael Fearnehough, Commissioner

Chris Teofilak, Commissioner

David Chan, Commissioner

Jim Kenny, Commissioner

Mark Laurence, Commissioner

ATTEST:

Melissa Blankenship, Board Secretary

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

Exhibit 1

First Amendment to 2005 ILA

DRAFT

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

**FIRST AMENDED AND RESTATED INTERLOCAL AGREEMENT FOR
FIRE AND EMERGENCY MEDICAL SERVICES**

THIS FIRST AMENDED AND RESTATED INTERLOCAL AGREEMENT (“Amendment”) is entered into by and between, **SOUTH SNOHOMISH COUNTY FIRE & RESCUE REGIONAL FIRE AUTHORITY**, a Washington municipal corporation (“South County Fire”) and the **CITY OF MOUNTLAKE TERRACE**, a Washington city (the “City”) is for the provision of fire and emergency medical service operations.

WHEREAS, the City currently receives fire and emergency medical services from SCF pursuant to an Interlocal Agreement for Fire and Emergency Medical Services Agreement (the “ILA”) between the City and SCF, as the successor to Snohomish County Fire South County Fire No. 1 (the “South County Fire”);

WHEREAS, South County Fire previously provided notice of termination of the ILA effective December 31, 2024; and

WHEREAS, the City sought voter approval to annex into South County Fire, but such measure was not approved by the voters of the City; and

WHEREAS, the City desires at some point in the near future to return to the voters to seek approval for annexing into South County Fire; and

WHEREAS, the parties now desire to amend the ILA to provide for continuing, uninterrupted fire and emergency medical services.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, the parties hereto agree as follows:

I.

Definitions and Exhibits

1.1 Definitions. The following definitions shall apply throughout this Agreement.

- a. Amendment Effective Date: The Amendment shall take effect on the date this Amended and Restated Interlocal Agreement is executed by both parties.
- b. Amendment Commencement Date: With the sole exception of South County Fire’s responsibility to issue the invoice in September, 2024 per Section 4.1 herein, the terms and conditions of this Amendment shall commence on January 1, 2025. Until that date, the terms and conditions of the ILA shall continue to be in effect.
- c. City: City of Mountlake Terrace.
- d. City Fire Station: Currently, this station is identified as Fire Station 19.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

- e. Contract Payment: The annual amount that the City will pay to South County Fire pursuant to this Agreement.
- f. Fire Chief: The fire chief of South County Fire.
- g. Firefighter/EMS Personnel: Full-time, compensated employees, firefighters, emergency medical technicians, or paramedics.
- h. Insurance: The term “insurance” as used in this agreement means either valid insurance offered and sold by a commercial insurance company or carrier approved to do business in the State of Washington by the Washington State Insurance Commissioner or valid self-insurance through a self-insurance pooling organization approved for operation in the State of Washington by the Washington State Risk Manager or any combination of valid commercial insurance and self-insurance pooling if both are approved for sale and/or operation in the State of Washington.
- i. Material Breach: A Material Breach means (i) South County Fire’s failure to provide minimum staffing levels as described in paragraph 3.1 herein, (ii) the City’s failure to timely pay the Contract Payment as described in paragraph 4.1 herein, or (iii) the City’s failure to comply with paragraph 7.1 or Exhibit H concerning the City’s fire station.
- j. Service Level (or Level of Service): This term refers to the service provided to the City resulting from the Standards of Response Coverage described herein.
- k. South County Fire or RFA: South Snohomish County Fire & Rescue Regional Fire Authority

1.2 Exhibits

- A. Emergency Medical Services
- B. Fire Prevention Services
- C. Fire Support Services
- D. Use Agreement

II. Scope of Services

- 2.1 Fire Suppression Services.** South County Fire shall, as provided in South County Fire, provide all services necessary for fire suppression, hazardous material response, and rescue response to a service area covering the corporate limits of the City of Mountlake Terrace.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

- 2.2 Emergency Medical Services.** South County Fire shall, as provided in South County Fire, provide all services necessary for basic life support emergency medical service, and fire- based advanced life support emergency medical services to a service area covering the corporate limits of the City of Mountlake Terrace as outlined in Exhibit “A.”
- 2.3 Fire Prevention Services.** South County Fire agrees to provide certain fire prevention services to the City as outlined in Exhibit “B”, which is attached hereto and incorporated herein by reference.
- 2.4 Fire Service Support Services.** South County Fire agrees to furnish certain support services as outlined in Exhibit “C”, which is attached hereto and incorporated herein by reference.
- 2.5 Training and Education.** South County Fire agrees to provide training and education to all firefighter and emergency medical service personnel in accordance with applicable statutory provisions, regulations and standards of the Washington Administrative Code.
- 2.6 Emergency Management.** South County Fire agrees to provide oversight and coordination on the City’s Emergency Operations Plans. South County Fire further agrees to assign a fire representative to the City’s Emergency Operations Center in the event that it is activated.
- 2.7 Fire Marshal.** The Fire Chief or his/her designee shall be the City’s Fire Marshal for purposes of statutory provisions, regulations and the City’s Municipal Code.
- 2.7.1. The Fire Chief shall designate an individual to serve as Fire Marshal, with the City’s prior approval.
- 2.7.2 In the event the City becomes dissatisfied with the services of the Fire Marshal, the City shall notify Fire Chief in writing. Such notification shall include reasonable cause for the City’s dissatisfaction. Upon notification of such reasonable cause, Fire Chief will take corrective action as necessary to address the City’s concerns. The City may charge permit applicants and others using these services for the services of the Fire Marshal as it deems appropriate. The billing of these charges and expenses associated with such billing shall be the sole obligation of the City.
- 2.8 City Fire Chief.** South County Fire’s Fire Chief shall be designated as the City’s Fire Chief for purposes of applicable statutory provisions, regulations and the City’s Municipal Code.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

III.
Standards for Services/Staffing

- 3.1 Station Staffing.** The City Fire Station shall be staffed twenty-four (24) hours per day, seven (7) days per week.
- 3.2 Standards of Response Coverage.** South County Fire agrees to provide services in accordance with the Standards of Response Coverage adopted by South County Fire.
- 3.3 Staffing Exceptions.** Exceptions to the Minimum Staffing Level may occur in unusual circumstances such as where there is a significant emergency event(s) in South County Fire, the City, or other areas which are under a mutual aid agreement. Unusual circumstances and significant emergencies mean such matters as major earth quake, natural disasters, and other declared and recognized area wide emergencies.
- 3.4 Concurrent Emergencies.** It is understood and agreed by the parties that the dispatch of units during concurrent emergencies is determined by protocols of the dispatch centers and automatic and/or mutual aid agreements. Nothing herein shall require South County Fire to respond first within the City as opposed to other areas protected by South County Fire. Rather, the parties recognize that responses to concurrent emergencies shall be determined by South County Fire based upon South County Fire's operational judgment and without regard to where the concurrent emergencies occur.
- 3.5 Changes in Services.** During the term of this Agreement, Service changes may be mandated that are beyond the control of either party. Additionally, either party may desire to change the Services including but not limited to those services identified in Article II, Scope of Services and Article III, Standards for Services/Staffing. Where a material Service change is to occur because of a change that is mandated by law, the parties shall renegotiate the Contract Payment. If a Service change is mutually desired, then the parties will renegotiate the Services and the corresponding change in the Contract Payment, if any, incurred as a result of the change in service.

IV.
Funding and Payment Terms

- 4.1 Contract Payment.** The City shall annually pay South County Fire a sum referred to as the Contract Payment for the services provided herein. The RFA shall, no later than September 1, 2024 and annually on September 1 thereafter, submit to the City an invoice for the Contract Payment ensuing year. Such Contract Payment shall be calculated by applying the then existing RFA Fire Levy Rate and EMS Levy Rate to the City's assessed valuation plus an additional amount representing the RFA's Benefit Charge that the RFA would have collected on properties within the City if the City were annexed into the RFA.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

- 4.1.1 The Contract Payment shall be paid in equal quarterly installments on or before the following dates:
- a. First quarter payment due on January 15
 - b. Second quarter payment due on April 15
 - c. Third quarter payment due on July 15
 - d. Fourth quarter payment due on September 15
- 4.1.2 Interest at the rate of one and one-half percent (1.5%) per month shall begin to accrue on any quarterly payment which is not received by South County Fire within ten (10) days after the applicable date set forth above.
- 4.2 Transport Fees.** South County Fire shall charge and collect for itself the same transport fees in the City as it charges in South County Fire.
- 4.3 South County Fire Charges Under RCW 52.30.020.** South County Fire may exercise such power as may be granted by RCW 52.30.020 or other provisions of state or federal law related to fire protection and emergency medical services by contracting directly with state agencies, state institutions or municipal corporations located within the City for such fire protection and prevention services; provided that the exercise of such power shall not result in a decrease in the Standards of Response Coverage set forth herein unless the parties hereto mutually agree otherwise.
- 4.3.1 Should the exercise of such power result in the impact to the services provided under this Agreement or the cost of providing said services, South County Fire shall negotiate the impact with the City and the City shall not unreasonably withhold approval of the exercise of such power.
- 4.4 No Unfunded Mandates.** The Parties agree that the City shall not create any unfunded mandates for increased service by South County Fire.

V. Employees

- 5.1 Personnel.** There are no City employees who shall be assigned to or work for South County Fire pursuant to this Agreement. South County Fire shall be solely responsible for all employee claims by employees of South County Fire, regardless of personnel, wage and benefit matters, injury and disability matters, or union and collective bargaining agreements.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

- 5.2 Indemnification Regarding City Personnel Claims.** The City shall indemnify, defend and hold South County Fire harmless from any and all demands, claims or actions by Former City Personnel, which arise out of, or relate to, the date that such City Personnel became employees of South County Fire; provided, however, that the indemnification shall not apply to any claims arising as a result of South County Fire's actions during the Transitional Interlocal.

VI.
Equipment

- 6.1 South County Fire Purchase of New Equipment.** South County Fire, in its sole discretion, may elect to purchase new equipment or otherwise assign South County Fire equipment for use within the City.

VII.
Fire Stations

- 7.1 Use of City Fire Station.** The City shall provide the City Fire Station or a replacement Station for use by South County Fire during the term of this Agreement. The terms of such use are described in Exhibit H, which is incorporated herein by reference.

VIII.
Oversight and Reporting

- 8.1 Reporting and Joint Committee.** Fire Chief and the City Manager shall act as the administrator of this Agreement for purposes of RCW 39.34.030. During the term of this Agreement, Fire Chief shall provide the City Manager with quarterly reports concerning the provisions of this Agreement. The format and topics of the reports shall be agreed upon by Fire Chief and the City Manager. Additionally, two South County Fire board members and two City council members, along with the Fire Chief and City Manager shall meet at least once per calendar year on or before April 1 for the purpose of communicating about issues related to this Agreement. Fire Chief and the City Manager shall present a joint report to the committee for its review prior to such annual meeting.
- 8.2 Representation.** South County Fire shall represent the City on intergovernmental boards or on matters involving the provision of services under this Agreement as reasonably requested by the City Manager. The City reserves the right to represent itself in any matter in which the interests of the City and South County Fire are not mutual.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

IX.
Existing Agreements

- 9.1 Existing City Agreements.** The City currently has contractual relationships with the entities or agencies listed herein. The City shall maintain its representation and obligations with those entities or agencies and will act to represent itself and retain authority to negotiate on its behalf. South County Fire shall provide representation on behalf of the City on technical committees only.
- 9.1.1 DEM.** The City shall maintain its individual relationship and obligations through its contract with the Department of Emergency Management (DEM).
- 9.1.2 SNO 911.** The City shall maintain its individual relationship and obligations through its contract with SNO 911 as its emergency communications agency for fire, rescue, and emergency medical services.
- 9.1.3 SERS.** The City shall maintain its individual relationship and obligations through its contract with the Snohomish County Emergency Radio System Agency as the provider of purchase and installation of the 800 MHz radio system.
- 9.2 Mutual and Automatic Aid Agreements.** South County Fire shall be responsible for the City's contractual responsibility and obligations for the provision of mutual and automatic aid. South County Fire will represent the City's interests and shall be signatory to the agreements on behalf of the City.
- 9.3 Coordination of Services.** The parties agree to coordinate their individual relationships with other entities and agencies so that the services under this Agreement will be provided in an efficient and cost-effective manner. The City and South County Fire agree to keep each other fully informed and advised as to any changes in their respective relationships with those entities or agencies, whether or not those changes impact the parties' obligations under this Agreement. Notice of any change in the relationship or obligations shall be provided to the other party in writing.
- 9.4 Adjustments.** The parties agree to meet and confer and make necessary adjustments to the scope of services under Article II herein, or to the Contract Payment, in the event that material changes in their respective relationships with the entities or agencies identified in Article IX impact the parties' obligations under this Agreement.
- 9.5 Disputes.** In the event that any dispute between the parties cannot be resolved by good faith negotiations between the parties, then the Dispute Resolution provisions of this Agreement shall apply.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

X.
Term and Termination

10.1 Term. This Amendment shall commence on January 1, 2025 and continue in effect for three years, ending on December 31, 2027. The parties may, by mutual agreement, extend this Amendment for consecutive one (1) year terms provided that an amendment extending the Amendment is executed by both parties at least twenty-four (24) months prior to the termination date

10.1.1 In the event of a Material Breach of this Agreement, the parties shall, unless the parties mutually agree otherwise, continue to perform their respective obligations under this Agreement for a minimum of twelve (12) months after notice of the Material Breach (the "Wind Up Period"); provided, however, that the Wind Up Period shall be six months if the Material Breach involves the City's failure to make the Contract Payment. Provided, further, that during the Wind Up Period, the parties shall coordinate their efforts to prepare for the transition. Further, the City will be responsible for all payments required herein until the conclusion of the Wind Up Period.

10.2 Termination.

10.2.1 The costs associated with terminating this Agreement in the event of a Material Breach shall be borne by the breaching party. In the event this Agreement is terminated due to a change in law or otherwise by mutual agreement, each party shall bear its own costs associated with the termination. Provided that:

- a. Personnel. The City maintains the right, but not the obligation, to offer positions within the City to South County Fire personnel who would otherwise be laid off in the event of termination of this Agreement. HOWEVER, the hiring of South County Fire employees shall not be a requirement of the City to mitigate costs.
- b. Termination Because of State Law. In the event that this Agreement is terminated due to a change in law, each party shall bear its own costs associated with the termination.
- c. Mutual Termination. In the event that the parties mutually agree to terminate this Agreement, each party shall bear its own costs associated with the termination.

10.3 Mitigation. The parties have an affirmative duty to mitigate their respective costs of termination, irrespective of the party who elects to terminate this Agreement and irrespective of the party who must bear the costs of termination.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

- 10.4 City Option to Reinstate Fire Department.** In the event this Agreement is terminated, the City may elect to reinstate a City Fire Department, re-take management and control of its fire station located within its boundaries, and hire employees.

XI.

Other Issues

- 11.1 Annexations.** In the event that City and South County Fire voters elect to annex the City into South County Fire, this Agreement shall become null and void on the effective date of the annexation; provided, however, the Contract Payment shall continue to be made until such time as South County Fire begins receiving tax revenue from the City.

XII.

City and South County Fire Are Independent Municipal Governments

- 12.1 City and South County Fire are Independent Municipal Governments.** The parties recognize and agree that the parties hereto are independent governments. Except for the specific terms herein, nothing herein shall be construed to limit the discretion of the governing bodies of each party. Specifically, and without limiting the foregoing, South County Fire shall have the sole discretion and the obligation to determine the exact method by which the services are provided within South County Fire and within the City.
- 12.2 No Preferential Service.** South County Fire shall assign the resources available to it without regard to internal political boundaries, but rather based upon the operational judgment of South County Fire.
- 12.3 No Assumption of Liabilities or Obligations.** Except as expressly set forth herein, neither party shall be liable for any debts or obligations of the other.

XIII.

Insurance

- 13.1 Insurance.** For the duration of this Agreement, each Party shall maintain insurance as follows:
- 13.1.1 Each party shall maintain its own insurance policy insuring damage to its own fire stations, real and personal property and equipment.
- 13.1.2 The City shall maintain an insurance policy insuring against liability for accidents occurring on City owned property. Such insurance policy shall be in an amount not less than one million dollars (\$1,000,000.00) per occurrence with a deductible of not more than \$5,000.
- 13.1.3 South County Fire shall maintain an insurance policy insuring against liability arising out of work or operations performed by South County Fire under this

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

Agreement in an amount not less than one million dollars (\$1,000,000.00) per occurrence with a deductible of not more than \$5,000. The phrase “work or operations” shall include the services of the Fire Marshall and South County Fire’s Fire Chief, acting in the capacity of City Fire Chief.

13.1.4 The City represents and warrants that it has maintained insurance against claims by Former City Personnel for incidents and occurrences which may have occurred prior to April 1, 2001, the date of the Transitional Interlocal, including but not limited to, injuries, employment claims, labor grievances, and other work related claims. Such insurance was at all times in an amount not less than one million dollars (\$1,000,000.00) per occurrence with a deductible of not more than \$5,000. The City will hold harmless South County Fire and its insurance provider for any such claims, lawsuits or accusations that occurred prior to April 1, 2001 but were presented to the City after March 31, 2001.

13.1.5 South County Fire represents and warrants that it has maintained insurance against claims by South County Fire employees for incidents and occurrences which may have occurred during the time period of March 30, 2001, the date of the Transitional Interlocal, and the Commencement Date of this Agreement, including but not limited to injuries, employment claims, labor grievances, and other work-related claims. Such insurance was at all times in an amount not less than one million dollars (\$1,000,000.00) per occurrence with a deductible of not more than \$5,000.

13.2 Hold Harmless. To the extent each party’s insurance coverage is not voided, each Party agrees to defend and hold harmless the other Party, its officers, officials, employees and volunteers from any and all claims, costs, including reasonable attorneys’ and expert witness fees, losses and judgments arising out of the negligent and intentional acts or omissions of such Party’s officers, officials, employees and volunteers in connection with the performance of the Agreement. The provisions of this section shall survive the expiration or termination of this Agreement.

13.3 Cross Release. Except as specifically provided in this Agreement, and except in the event of breach of this Agreement, South County Fire and the City do hereby forever release each other from any claims, demands, damages or causes of action related to damage to equipment or property owned by the parties. It is the intent of the parties to cover this risk with the insurance noted above.

XIV.

Dispute Resolution

14.1 Non-Binding Mediation. It is the intent of the parties herein to resolve all disputes between them without litigation. The parties shall mutually agree upon a mediator. Any expenses incidental to mediation, including the mediator’s fee, shall be borne equally by the parties. If the parties cannot agree upon a mediator, the parties shall submit the matter to the Judicial Arbitration and Mediation Service (JAMS), Judicial Dispute

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

Resolution (JDR) or Washington Arbitration and Mediation Service (WAMS) and request that a mediator be appointed. If the parties cannot agree on which of these services to use, one of them shall be selected at random. This requirement to mediate the dispute may only be waived by mutual written agreement before a party may proceed to litigation as provided in paragraph 14.3 herein.

- 14.2 **Binding Arbitration.** Any dispute not resolved in mediation shall be submitted to binding arbitration with one of the foregoing arbitration services. The arbitration shall be conducted according to the selected arbitration service's Streamlined Arbitration Rules and Procedures.
- 14.3 **Litigation.** In the event either party herein finds it necessary to bring an action against the other party to enforce any of the terms, covenants or conditions hereof or any instrument executed pursuant to this Agreement by reason of any breach or default hereunder or thereunder, the party prevailing in any such action or proceeding shall be paid all costs and attorneys' fees incurred by that party, and in the event any judgment is secured by such prevailing party, all such costs and attorneys' fees of collection shall be included in any such judgment. Jurisdiction and venue for this Agreement lie exclusively in Snohomish County, Washington.

XV.

Miscellaneous Provisions

- 15.1 **Notices.** All notices, demands, requests, consents and approvals which may, or are required to be given by any party to any other party hereunder, shall be in writing and shall be deemed to have been duly given if delivered personally, sent by facsimile, sent by nationally recognized overnight delivery service, or if mailed or deposited in the United States mail and sent by registered or certified mail, return receipt requested, postage prepaid to:

South County Fire Executive Assistant:
South County Fire
12425 Meridian Avenue
Everett, WA 98208

The City Clerk:
City of Mountlake Terrace
23204 – 58th Avenue West
Mountlake Terrace, WA 98043

or to such other address as the foregoing parties hereto may from time-to-time designate in writing and deliver in a like manner. All notices shall be deemed complete upon actual receipt or refusal to accept delivery. Facsimile transmission of any signed original document and retransmission of any signed facsimile transmission shall be the same as delivery of an original document.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

- 15.2 No Benefit to Third Parties.** This Agreement shall not be construed to provide any benefits to any third parties. Specifically, and without limiting the foregoing, this Agreement shall not create or be construed as creating an exception to the Public Duty Doctrine.
- 15.3 Drafting.** Each party has fully participated in the drafting of this Agreement. Therefore, the Agreement shall be construed according to its fair meaning without regard to which party drafted a particular provision.
- 15.4 Further Cooperation.** The parties shall cooperate in good faith and execute such documents as necessary to effectuate the purposes and intent of this Agreement.
- 15.5 Entire Agreement.** The entire agreement between the parties hereto is contained in this Agreement and exhibits hereto; and this Agreement supersedes all of their previous understandings and agreements, written and oral, with respect to this transaction. This Agreement may be amended only by written instrument executed by the parties subsequent to the date hereof.

DATED this ____ day of _____, 2023.

**SOUTH SNOHOMISH COUNTY FIRE &
RESCUE REGIONAL FIRE AUTHORITY**

Derek Daniels, Board Chair

Jim Kenny, Commissioner

Micah Rowland, Vice Chair

Mark Laurence, Commissioner

David Chan, Commissioner

Chris Teofilak, Commissioner

Michael Fearnough, Commissioner

ATTEST:

Melissa Blankenship, Executive Assistant to
the Board of Commissioners

Approved as to form:

Richard A. Davis III, RFA Attorney

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

DATED this ____ day of _____, 2023.

CITY OF MOUNTLAKE TERRACE

By: _____
City Manager

Attest: _____
City Clerk

Approved as to form:

City Attorney

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

EXHIBIT A

EMERGENCY MEDICAL SERVICES

(paragraph 2.2)

South County Fire shall provide the following emergency services to the City:

1. Emergency medical service shall be provided by a fire-based response. All firefighters will be cross-trained as emergency medical technicians and certain firefighters will be cross-trained as paramedics. The dual use of firefighters for a total emergency medical service response, at either a basic life support level or advanced life support level, is a systems approach to improve both fire and emergency medical services.
2. Emergency medical services with the City shall be certified by the Washington State Department of Health and Snohomish County.
3. South County Fire shall provide a transport ambulance for emergency medical response, equipped with proper equipment, and supplies to administer basic and advanced life support services.
4. South County Fire shall provide transport of patients to the closest appropriate hospital or the hospital of the patient's choice to the same extent as provided in South County Fire.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

EXHIBIT B

FIRE PREVENTION SERVICES

(paragraph 2.3)

Fire prevention services provided by South County Fire to the City shall include the following services:

1. Plan Review: South County Fire shall provide fire and life safety plan review for new development and construction consistent with applicable statutes, regulations, and the City Code. South County Fire shall coordinate plan review services with the City's Development Review Team by reviewing plans within set timelines, attending plan review and other meetings, as requested, and responding to applicant questions as requested.
2. Fire Inspections: South County Fire shall conduct a program of fire inspection of commercial, industrial and multi-family properties on a biennial basis.
3. Fire Investigation: South County Fire shall investigate fire to determine origin and cause. investigations shall be conducted in coordination with the City Police Department.
4. Public Education: South County Fire shall provide a program of public education activities within the City. The program shall include, but is not limited to, annual fire safety education classes at elementary schools, fire safety education classes for special or targeted groups, participation in community events, and fire safety and first aid training for City employees. Where appropriate, fire safety education programs shall be coordinated with City crime prevention programs.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

EXHIBIT C

FIRE SUPPORT SERVICES

(paragraph 2.4)

South County Fire shall provide the following fire and emergency medical support services to the City:

1. South County Fire shall provide Public Information Services to handle media inquiries on emergency incidents, fire service events and program. South County Fire shall provide news releases and publicity of fire service events and programs.

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

EXHIBIT D

USE AGREEMENT

(paragraph 7.1)

DRAFT

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

EXHIBIT 2

AGREEMENTS TO BE ASSIGNED BY THE CITY

#	Date	Title	Contracting Party
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.

DRAFT

Note: This is a preliminary draft of potentially relevant terms and conditions and has been prepared by South County Fire staff solely for discussion purposes. This document has not been discussed by, or approved by, the South County Fire Governing Board.