

INTERLOCAL AGREEMENT
FOR
JOINT OPERATION AND MANAGEMENT OF FIRE SERVICES

City of Port Townsend, and Jefferson County Fire District 1
(January 1, 2006)

This Interlocal Agreement is entered into by and between the CITY OF PORT TOWNSEND, a non-charter optional code city of the State of Washington ("City"), and JEFFERSON COUNTY FIRE DISTRICT 1, doing business as East Jefferson Fire Rescue, ("District"), pursuant to the authority granted in RCW 52.12.031, 35A.11.040, and chapter 39.34.

Recitals:

- A. Chapter 39.34 RCW permits local governmental units to make official use of their powers enabling them to cooperate with other localities on the basis of mutual advantage; and
- B. The parties desire to enter into an agreement for joint operations and management, on the terms set forth in this Agreement. A joint operation can provide efficiencies and cost-savings by minimizing duplication of employees and resources and provide for consistency in training and operations. During the term of this Agreement, the parties will work together to determine if further consolidation serves the interests of the City, and District and their citizens. Additional consolidation may allow the parties to provide fire service in a more efficient, effective, and less costly manner for citizens within both the City and District.
- C. The City determines, and District agrees, that it is in the best interests of the City and its citizens, and District and its citizens, to work together to further achieve efficiencies and benefits from joint operations.
- D. This Agreement modifies and supersedes the prior Agreement between the City of Port Townsend, and Jefferson County Fire Protection District No. 1, and Jefferson County Fire Protection District No. 6 dated June, 2005.

In consideration of the benefits that each of the parties anticipates from a joint operation and management of fire services as set forth in this Agreement, the City and District hereby agree as follows:

1. Purpose. The purpose of this agreement is to establish a joint operation and management agreement for the City and District fire services. During the term of this agreement, the City and District will, according to the terms of this Agreement, provide service to the area comprising the City and District under a unified command and organizational structure. Further, during the term of this agreement, the City and District will review, as provided in this Agreement, whether additional consolidation measures will benefit the citizens of the City and District. As provided in this Agreement, the City and District are not committing to additional consolidation measures at this time, and any such future decisions must be approved by the City Council and District Boards of Commissioners.

2. City Responsibility.

a. Personnel. The City shall, at its sole cost and expense, provide the following personnel to the joint operation:

- Fire Chief
- Assistant Chief of Fire Prevention
- Three Career Fire Lieutenants, two of which are Paramedics and one is Intermediate Life Support Certified
- Five Firefighter Paramedics
- Public Safety Analyst (one-half time)

The following City personnel shall become members of District, and District shall be solely responsible for stipends and benefits:

- Existing Volunteers.

b. Assets. In addition, the City will provide for the joint operation

- City Fire Department assets, equipment and facilities (now existing or acquired during the term of this Agreement).

The City shall be solely responsible to pay, and all expenses associated with its facilities, equipment, and operations of said facilities and equipment.

3. District Responsibilities. District, at its sole cost and expense, shall provide the following personnel and resources to the joint operation.

- All career personnel employed by District
- District assets equipment and facility (now exiting or acquired during the term of this agreement) shall be available for the joint operation
- All existing and future Volunteers

District shall be solely responsible to pay all salary and benefits for all District personnel, and all expenses associated with its facilities, equipment, and operations, as the same are provided by any existing labor agreement and/or District budget. In addition, subject to agreement between the City, the represented employees of the City, and District, District shall be solely responsible to pay all salary and benefits for City employees who become employees of District during the terms of this agreement.

4. Administrative Staff and Personnel. The joint operation shall consist of the following management and personnel:

City Fire Chief, Assistant Chief of Fire Prevention, Lieutenants. The City Fire Chief, Assistant Chief of Fire Prevention, and Lieutenants, City firefighters/paramedics and City volunteers will assume those duties for both the City and District on the effective date of this agreement.

District Personnel. All employees and volunteers of District including the Assistant Chief of Support Services, and Assistant Chief of Training and Operations, shall remain employees of District but shall act under the instruction, direction and authority of the Fire Chief as if they were employees of and subordinate to such Fire Chief.

District Secretary. The District Secretary shall report directly to the District Board of Commissioners unless the District Secretary's job description requires the Secretary to report to the Chief. The primary responsibility of District Secretary shall be to the Board of Commissioners of District.

District Financial Clerk. The Financial Clerk shall be directly subordinate to the Fire Chief.

5. Authority and Responsibility of the Fire Chief. Subject to the terms of this Agreement, the Fire Chief shall have management authority over the joint operation, including but not limited to the following:

- Day-to-day operations
- Employee responsibilities

- Staffing
- Station apparatus assignment
- Allocation of resources
- Personnel management including discipline. All disciplinary actions against District personnel involving any loss of pay, suspension or termination shall be recommended by the Chief but final action on such recommendations shall be reserved to the District Board of Commissioners.
- Implementation of the respective approved fire service budgets for City and District, and expenditure authority consistent with the approved budgets -subject to this agreement and District's expenditure guidelines.
- Implementation of policies and procedures

The Fire Chief is and remains a City employee under the direction and authority of the City Manager, and shall exercise authority consistent with his position as the Fire Chief of the City of Port Townsend. In addition the Fire Chief shall be under the direction and authority of the Board of Commissioners of District to insure that an adequate level of protection is provided within the service areas of the City and District. The Fire Chief shall implement the policies and procedures of the Board of Commissioners when in the sound judgment of the Fire Chief the same advances the fire service for the City and District. In the event of dispute regarding whether to implement a policy and procedure recommended by the Board of Commissioners or the City Manager, the same shall be referred to dispute resolution as provided in this Agreement.

The Fire Chief shall attend the meetings of the Board of Commissioners, the City Council and the Joint Oversight Board, and keep the Boards fully and timely informed of decisions affecting the level of service of District and City service areas.

6. Level of Service. Fire prevention, fire suppression, emergency medical, technical rescue and hazardous materials incident response shall be provided at the same level to each of the parties under the terms of this agreement. In the event of simultaneous emergencies within the City and District whereby the resources of the joint operation are taxed beyond its ability to

render equal protection, the Fire Chief or the Fire Chief's designee shall determine how to allocate the resources of the joint operation.

7. Joint Oversight Board.

7.1. Established. A six -person Joint Oversight Board, hereinafter referred to as the "Joint Board," is established. District Board of Commissioners shall fill three positions. Three individual members of the City Council shall be appointed by the Mayor of the City of Port Townsend and confirmed by the City Council to fill the remaining three positions.

7.2. Responsibility. The Board shall be responsible for reviewing operations and levels of service issues, recommending policy and procedures to the Fire Chief. The Board shall review recommendations originating from the District Boards of Commissioners or the Port Townsend City Council. The Joint Board shall be responsible for budget oversight as provided for in this agreement. The Board shall not have the authority to modify or revise the terms of this Agreement, nor shall the Board have authority to incur liabilities or obligations on behalf of any party to this agreement.

7.3. Meetings, Actions, and Quorum of the Joint Board. All meetings of the Joint Board shall be held in accordance with the Open Public Meetings Act, RCW 42.30. The Joint Board shall meet not less than once a month as determined by the Joint Board. The regular meeting of the Joint Board shall be as determined by the Joint Board. Joint Board meetings may be held consecutively with the Fire District Commissioner's meetings. A quorum of the Board shall consist of two representatives from each agency. Actions of the Joint Board shall require the affirmative vote of not less than four (4) members of the Board, two from the City and two from District. The Board Secretary of District shall act as secretary for the Joint Board who shall take minutes of the Joint Board meetings and other proceedings.

8. Budget. The Fire Chief shall prepare and present a budget for operations of the Fire Department and present that budget to the Joint Board for approval. The proposed budget shall be in accordance with the Budget Accounting and Reporting System (BARS) established by the Washington State Auditors Office. The Joint Board will review, approve and recommend to the parties' legislative bodies' approval of the final joint budget prior to the statutory deadline imposed by RCW 84.52.020 and the Jefferson County Treasurers Office.

District will act as the lead agency for purposes of making payments and expenditures. In the event of an item not being included in the budget, for example a major purchase of a vehicle, the Fire Chief shall submit a request outlining the purpose for Joint Board approval, and if concurred in by the Joint Board, the Board will recommend approval to the parties' legislative bodies.

9. Revenues for Joint Operating Fund. District will contribute its collected Fire and EMS levies, timber tax, ambulance service accounts receivable receipts and all contracts for fire or EMS, provided District shall withhold from the above the amount necessary for the operation of District as a separate municipal corporation.

The City will contribute all of the collected EMS tax, contract income for fire or EMS services, fire and EMS service fees, and general fund supplement in accordance with the following formula:

The beginning general fund revenue transferred to the Joint Operating fund is \$780,000. Any withholdings from this transfer retained in the City Fire / EMS budgets shall be in accordance with this agreement. Subsequent annual transfer of general fund revenue shall be the amount transferred in the previous calendar year plus 1% of that amount, plus 50% of taxes received from new construction, provided, that the 1% increase only applies if both the City and District vote to increase their respective general tax levy by 1% over the previous year. For example, in 2007, the City's base contribution would be \$780,000, plus 1% (\$7,800), plus (hypothetically) \$25,000, assuming that the taxes received by the City from new construction are \$50,000. The 50% is based on the following calculation, and remains constant for the term of the Agreement: \$780,000 divided by \$1,555,223 (which represents the general fund tax levy after deduction for the fireman's pension fund) equals 50%.

If at any time during the term of this agreement the District or City pursues a Fire or EMS levy adjustment the formula for general fund supplement shall be renegotiated.

Transfer of all funds as provided in this agreement shall be paid to the District from the City based on 12 equal installments each year with the first installment due on January 31 of each year and subsequently on the last day of each month of each year.

City shall be responsible for maintenance and repair to its assets (real and personal), and the same shall not be part of the joint budget.

The joint budget shall be responsible for maintenance and repair of assets owned by District.

City may withhold amounts necessary to fund the costs (for example, salary and benefits) of the Fire Chief, Assistant Chief of Fire Prevention, three Fire Lieutenants, five Firefighter / Paramedics and one-half of the cost of Public Safety Analyst, and amounts necessary for contribution to the equipment rental fund for Fire Department assets, insurance as required upon those assets and debt service related to the Port Townsend Fire Hall.

All outstanding accounts receivable for City Ambulance Transport fees collected by the City after the initiation of this agreement will be transferred to the Joint Operating Fund. In the event the parties terminate this Agreement, and there is no annexation of the City into the District, then the outstanding accounts receivable for ambulance transport at the date of termination shall be equitably apportioned between the City and District.

The City shall be responsible for the administration, accounting and matching funds for any grant revenues obtained by and in the name of the City for Fire Protection Services. Those grants shall include the Assistant to Firefighters Act and the Staffing for Adequate Fire and Emergency Response.

10. Liability. Each of the parties shall be responsible for the wrongful or negligent actions of its employees while assigned to the joint operation as their respective liability shall apply under the laws of the State of Washington and/or Federal law and this Agreement is not intended to diminish or expand such liability, except as otherwise provided in this Agreement.

To that end each of the parties to this Agreement promises to hold harmless and release the other from any loss, claim or liability arising from or out of the negligent, tortious action(s) or inaction(s) of its employees, officers and officials. Such liability shall be apportioned among the parties or other at fault persons or entities in accordance with the laws of the State of Washington.

Each party is responsible for their own vehicles and equipment for auto physical damage and liability. Each party hereby releases and discharges the other from all claims, losses and liabilities arising from or caused by any hazard covered by the auto physical damage insurance on or in connection with the vehicles and equipment owned by the parties that are subject to this Agreement.

Nothing herein shall be interpreted to:

- a. Waive any defense arising out of RCW Title 41.
- b. Limit the ability of a party to exercise any right, defense, or remedy which a party may have with respect to third parties or other employees whose action(s) or inaction give rises to loss, claim or liability including but not limited to an assertion that the employee(s) was acting beyond the scope of his or her employment.
- c. Cover or require indemnification or payment of any judgment against any individuals or party for intentionally wrongful conduct outside the scope of employment of any individual or party. Payment of punitive damage awards, fines or sanctions shall be the sole responsibility of the individual against whom said judgment is rendered and/or his or her municipal employer, should that employer elect to make said payments voluntarily. This Agreement does not require indemnification of any punitive damage awards or for any order imposing fines or sanctions.

11. Insurance. Each party shall provide and maintain property and liability insurance coverage for operations, facilities, equipment, and personnel of its fire service in the same

amount and with the same coverages as existing on the date of this Agreement. Each party shall furnish to the other party appropriate documentation showing that such coverage is in effect.

12. Benefits. This agreement is entered into for the benefit of the parties to this agreement only and shall confer no benefits, direct or implied, on any third persons.

13. Term. This Agreement shall be effective on January 1, 2006, and shall continue in effect for a minimum of three years, and continue thereafter until terminated by mutual agreement, or by one party's withdrawal on one year's written notice (or earlier if agreed by the parties). The one-year's period is established to provide adequate time for each party to discontinue the joint operation and for each party to re-establish its own fire department outside this Agreement

14. Administration Of Contract. The administration of the provisions of this Agreement shall be undertaken by the City and District, as provided herein.

15. Equipment Location. All equipment presently owned or that may be purchased in the future by each party shall be permanently assigned to and stationed in the owning party's stations; provided however, that the equipment may be used for calls within either party's service area and may be temporarily stationed within the other party's boundaries when deemed necessary by the Chief. The Chief shall advise the Joint Board of the permanent assignment and location of all of the equipment of each party and shall further advise the Board of any changes in such assignments prior to the time that a permanent change shall become effective.

16. Property Ownership. All property acquired by each party to enable it to perform the services required under this Agreement, shall remain the property of the acquiring party in the event of the termination of this Agreement. In the event there should be any jointly purchased property acquired under the terms of this Agreement, it shall be disposed of in such manner as may be directed by the Joint Board in the event of the termination of this Agreement.

17. Dispute Resolution. Any controversy, which shall arise between the parties regarding the rights, duties or liabilities under this Agreement of either party, including tie votes of the Joint Oversight Board, shall be settled by mediation. In the event the parties cannot agree on a

mediator the parties agree to submit the dispute to the American Arbitration Association for selection of a neutral mediator. In the event the dispute cannot be resolved in mediation, any disputes, shall be submitted to binding arbitration. Such arbitration shall be before one disinterested arbitrator if one can be agreed upon, otherwise before three disinterested arbitrators, one named by each party and one by the two thus chosen. The arbitrator or arbitrators shall determine the controversy in accordance with the laws of the State of Washington as applied to the facts found by the arbitrator or arbitrators. Each party shall bear its own costs and attorney fees and shall share equally in the costs of the mediator or arbitrators. In the event of dispute over budget or budget expenditure, the arbitrator shall have no authority to bind the City or District to a budget or budget expenditure. The arbitrator or arbitrators shall have no authority to add or subtract from or modify any terms of this Agreement.

18. General.

18.1. Notices. All notices, requests, demands and other communications required by this agreement shall be in writing and, except as expressly provided elsewhere in this agreement, shall be deemed to have been given at the time of delivery if personally delivered or at the time of mailing if mailed by first class, postage prepaid and addressed to the party at its address as stated in this agreement or at such address as any party may designate at any time in writing. All official notice to District shall be addressed to the Board Chairman. All official notice to the City shall be addressed to the City Manager.

18.2. Severability. If any provision of this Agreement or its application is held invalid, the remainder of the agreement or the application of the remainder of the agreement shall not be affected.

18.3. Modification. This agreement represents the entire agreement between the parties. No change, termination or attempted waiver of any of the provisions of this Agreement shall be binding on either of the parties unless executed in writing by authorized representatives of each of the parties. The Agreement shall not be modified, supplemented or otherwise affected by the course of dealing between the parties.

19. Effective Date. This Agreement shall become effective on January 1, 2006, or upon the execution hereof by both of the parties hereto, whichever is last to occur.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and date that is hereafter shown alongside the signatures of their respective authorized officers.

CITY OF PORT TOWNSEND

**JEFFERSON COUNTY FIRE
DISTRICT NO. 1**

By _____
David G. Timmons, City Manager
Date: _____

By _____
Jess Bondurant, Jr.
Date: _____

Attest:

By _____
Richard Stapf, Jr.
Date: _____

Pamela Kolacy, CMC, City Clerk

By _____
Virgil L. See
Date: _____

Approved as to Form:

By _____
Zane Wyll, Sr.
Date: _____

John P. Watts, City Attorney

By _____
Edward L. Davis
Date: _____

By _____
Terry Heineman

Date: _____

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