

8/21/98

WJ:dmsC13  
clerk 10/21/98

Introduced By: MAGGI FIMIA

Proposed No.: 98-665

MOTION NO. **10596**

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A MOTION authorizing an interlocal agreement between King County and the city of Shoreline for the billing, collection, and disbursement of Shoreline surface water management service charge fees, setting the charges for those services, and providing surface water-related technical services upon Shoreline's request.

WHEREAS, Shoreline recognizes the need for comprehensive surface water management to preserve and protect the environment, public and private property and the health and welfare of its citizens, and

WHEREAS, the city of Shoreline has established a surface water management program funded by a service charge on developed properties, and

WHEREAS, Shoreline has adopted the necessary legislation authorizing the city to enter into this agreement and to conduct a surface water management program funded by a service charge on developed properties, and

WHEREAS, the county has an automated surface water management service charge billing system which can be used for other jurisdictions' billings when an interlocal agreement is entered into by the parties, and

WHEREAS, Shoreline wishes to use the county's billing and revenue collections system to collect its surface water management service charge from property owners within city limits, and

1 WHEREAS, Shoreline may occasionally wish to request surface water-related  
2 technical services from the county, and the county is willing to provide such services  
3 subject to staffing and budget constraints, and

4 WHEREAS, King County and Shoreline recognize that there are efficiencies and  
5 economies gained by cooperating in the provision of drainage-related services;

6 NOW THEREFORE, BE IT MOVED by the Council of King County:

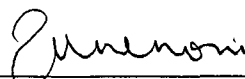
7 The county executive is hereby authorized to enter into an interlocal agreement in  
8 substantially the same form as the attached agreement, for the provision of surface water  
9 management service charge billing and revenue collection and disbursement services and  
10 the provision of surface water-related technical services upon Shoreline's request.

11 PASSED by a vote of 13 to 0 this 14<sup>th</sup> day of December,  
12 1998.

13 KING COUNTY COUNCIL  
14 KING COUNTY, WASHINGTON

15   
16 Chair

17 ATTEST:

18   
19 Clerk of the Council

20 Attachments: Interlocal Agreement Between King County and the City of Shoreline for  
21 Billing and Revenue Collection for Surface Water Service Charges and  
22 Provision of Technical Services

1 **INTERLOCAL AGREEMENT BETWEEN KING COUNTY AND THE CITY OF**  
2 **SHORELINE FOR BILLING AND REVENUE COLLECTION FOR SURFACE WATER**  
3 **SERVICE CHARGES AND PROVISION OF TECHNICAL SERVICES**

4 This agreement is made and entered into between the City of Shoreline (hereafter  
5 "Shoreline" or "the City") and King County (hereafter "the County"), referred to collectively  
6 as the "parties," to allow the County to collect surface water management service charges on  
7 Shoreline's behalf and to provide surface water-related technical services upon Shoreline's  
8 request.

9 WHEREAS, Shoreline recognizes the need for comprehensive surface water  
10 management to preserve and protect the environment, public and private property, and the  
11 health and welfare of its citizens, and

12 WHEREAS, Shoreline has adopted the necessary legislation authorizing the City to  
13 enter into this Agreement and to conduct a surface water management program funded by a  
14 service charge on developed properties, and

15 WHEREAS, the County has an automated surface water management service charge  
16 billing system which can be used for other jurisdictions' billings when an interlocal agreement  
17 is entered into by the parties, and

18 WHEREAS, Shoreline wishes to use the County's billing and revenue collections  
19 system to collect its surface water management service charge from property owners within  
20 city limits, and

21 WHEREAS, Shoreline may occasionally wish to request surface water-related technical  
22 services from the County, and the County is willing to provide such services subject to staffing  
23 and budget constraints, and

24 WHEREAS, pursuant to RCW 39.34, the parties are each authorized to enter into an  
25 interlocal agreement;

NOW THEREFORE, it is agreed by the parties as follows:

1 **I. Purpose of the Agreement:**

- 2 A. To establish and set forth the services that the parties agree will be provided for  
3 the billing and collection of the surface water management service charge on  
4 properties within Shoreline city limits.
- 5 B. To establish the means whereby the County can act as the City's agent to collect  
6 the City's surface water service charge from property owners and transmit  
7 revenues collected to the City.
- 8 C. To establish a mechanism whereby Shoreline may request and the County may  
9 provide surface water-related technical services.

10 **II. Administration**

- 11 A. The City and the County shall each appoint a representative to review  
12 compliance with this Agreement and to resolve any conflicts. The administrators  
13 of the agreement shall meet as needed. Either party is authorized to convene a  
14 meeting with a minimum of ten (10) calendar days written notice to the other.
- 15 B. Any conflict that is not resolved by the Agreement administrators within ten (10)  
16 working days of the meeting held to discuss the conflict shall be referred for  
17 resolution to the City Public Works Director and the Water and Land Resources  
18 (WLR) Division Manager. If the conflict cannot be resolved by the City Public  
19 Works Director and the WLR Manager, it shall be resolved by the City  
20 Manager and the Director of the County's Department of Natural Resources  
21 (DNR).

22 **III. Description of Services:**

- 23 A. Surface Water Service Charge Billing and Revenue Collection Services  
24 The services provided under this category include:  
25

- 1           1.     Customer services related to surface water service charge billing and
- 2                 revenue collection for Shoreline property owners;
- 3           2.     Collection and transferal of cash receipts;
- 4           3.     Maintaining and updating Shoreline’s customer information database,
- 5                 except that Shoreline will be responsible for providing information on
- 6                 new commercial accounts and any commercial accounts to receive fee
- 7                 discounts for performing maintenance;
- 8           4.     Processing and mailing billing statements, delinquency notices, and other
- 9                 correspondence;
- 10          5.     Incorporating surface water management fee rate changes;
- 11          6.     Providing monthly reports on revenues received and amounts receivable
- 12                 and annual reports giving individual surface water service charge account
- 13                 information; and
- 14          7.     Other services related to billing and revenue collection as requested by
- 15                 the City.

16        B.     Technical Services

17           Technical Services are consulting-type services that Shoreline may request and

18           the County may provide for specific surface water-related technical issues.

19           These services will be provided only upon Shoreline’s request, and provision by

20           the County is subject to staff availability. Before services are provided,

21           Shoreline and the County will agree on a specific scope of work and cost

22           estimate for services to be provided. Any scopes of work for technical services

23           provided will be attached and incorporated into this Agreement.

24    IV.    Responsibilities of the Parties

25        A.     Service Charge Billing and Collection:

1           1.    The County:

- 2                   a)    The County will collect and distribute to Shoreline surface water  
3                            services charge revenues received from properties within the City  
4                            using the County's combined Property Tax and Drainage Billing  
5                            Statement. These services, as described in agreement section III.,  
6                            will commence for the 1998 billing year.
- 7                   b)    The County will hold revenues collected for Shoreline in a  
8                            separate account and will disburse the revenue to the City on each  
9                            business day.
- 10                  c)    The County will provide the City with information about  
11                            delinquent accounts.

12           2.    Shoreline:

- 13                   a)    Shoreline has adopted legislation establishing a surface water  
14                            management service charge rate structure as set forth in Exhibit  
15                            One, attached to this agreement and incorporated herein.
- 16                   b)    The City's surface water service charge rate structure as  
17                            identified above may be modified as follows: If in any given  
18                            calendar year the City elects to change its service charge rate  
19                            structure for the following calendar year, it will notify the County  
20                            of the new structure at least 60 days prior to the beginning of the  
21                            new calendar year, allowing time for the County to make  
22                            necessary adjustments to the billing system.
- 23                   c)    Shoreline will be responsible for all actions resulting from  
24                            delinquent accounts, including any liens and foreclosures on  
25                            Shoreline property resulting from such delinquencies.

1           **B. Surface Water-Related Technical Services**

2                   1. The County

3                   The County will work with Shoreline to develop mutually agreeable  
4                   scopes of work for any surface water related-technical services the  
5                   parties agree that the County will provide, and will provide said services.  
6                   Provision of technical services is subject to County staff and budget  
7                   availability and is not anticipated to exceed \$10,000 in any calendar  
8                   year.

9                   2. Shoreline

10                  Should Shoreline wish the County to provide surface water-related  
11                  technical services, it will notify the County in writing and work with the  
12                  County to develop mutually agreeable scopes of work, to be signed and  
13                  authorized by the Shoreline City Manager or designee, for any technical  
14                  services the parties agree the County will provide.

15       **V. Financial Arrangements**

16           **A. Service Costs**

17                   1. Billing and Revenue Collection Services

18                   a) Estimated annual costs for billing and revenue collection services  
19                   are outlined in Exhibit Two, attached to this Agreement and  
20                   incorporated herein. Shoreline will pay the County for billing,  
21                   revenue collection, and disbursement services as set forth below.

22                   b) Shoreline will pay an annual per-account fee for surface water  
23                   management service charge billing, customer database  
24                   management, and customer service. The fee is one dollar and  
25                   forty-four cents (\$1.44) per customer account for 1998. The

1 County may adjust the fee annually, based on staff and overhead  
2 cost changes authorized in the County's adopted annual budget.

3 The number of billing accounts may increase over time as surface  
4 water service charge accounts are added as a result of  
5 development in the City.

6 c) Pursuant to the prior interlocal Agreement for surface water-  
7 related services between the County and Shoreline, the City will  
8 pay the 1998 portion of the one-time billing system fee agreed  
9 upon by the parties within 30 days from the date of execution of  
10 this Agreement. This fee is shown on Exhibit Two. Shoreline  
11 paid the 1996 and 1997 portions of the conversion fee pursuant to  
12 the prior Agreement. King County will bill Shoreline for the  
13 1999 portion of the conversion fee on the first invoice for  
14 services in 1999, to be paid by Shoreline within 45 days of  
15 receipt of the invoice.

16 d) Pursuant to RCW 84.56.035, Shoreline will pay the County a flat  
17 one percent (1%) of all revenue collected by the County for  
18 Shoreline under the terms of this Agreement. This charge is not  
19 part of the per-account fee.

20 2. Surface Water-Related Technical Services

21 a) Scopes of work for technical services to be provided will include  
22 estimated costs. Shoreline will be billed for actual costs to  
23 provide the services. Total costs for technical services are not  
24 expected to exceed \$10,000 in any given calendar year. No  
25 technical services will be provided under this Agreement except



1 upon specific request by Shoreline and subject to Agreement  
2 provision IV.B.

3 3. Shoreline will pay the County for 1998 billing and revenue collection  
4 services and agreed-upon technical services provided in 1998 prior to the  
5 execution of this Agreement.

6 **B. Billing and Payment for Services**

7 1. King County will invoice the City for the annual per-account billing fee  
8 outlined in Agreement section V. A. 1. b. in two installments annually  
9 (approximately May and October).

10 2. If the County provides technical services to Shoreline, charges for these  
11 services will be included on the invoices as described above.

12 3. Shoreline will pay the County within 45 days after the receipt of  
13 invoices.

14 4. The County will deduct the one percent revenue collection charge, as  
15 outlined in Agreement section V. A. 1. d., from revenues transferred to  
16 the City.

17 **VI. Effectiveness and Duration:**

18 This Agreement shall become effective upon signature by all parties and shall renew  
19 automatically from year to year subject to the provisions of section VII. of this  
20 Agreement.

21 **VII. Amendments, Extension or Termination:**

22 A. This Agreement may be amended, altered, clarified, or extended only by written  
23 agreement of the parties hereto.

24 B. The estimated costs and services as shown in this Agreement are accepted by the  
25 parties as representing the best projections for service and cost available at the

1 time of this Agreement. If either party requests changes to the level of services  
2 or to the cost of services set forth in this Agreement, the parties will agree in  
3 writing to the changes.

4 C. This Agreement may be terminated by either party for any reason upon  
5 provision of one hundred eighty (180) days written notice to the other party.

6 D. This Agreement is a complete expression of the terms hereto and any oral or  
7 written representations or understandings not incorporated herein are excluded.

8 The parties recognize that time is of the essence in the performance of the  
9 provisions of this Agreement. Waiver of any default shall not be deemed to be  
10 waiver of any subsequent default. Waiver or breach of any provision of this  
11 Agreement shall not be deemed to be a waiver of any other or subsequent  
12 breach and shall not be construed to be a modification of the terms of the  
13 Agreement unless stated to be such through written approval by the parties  
14 which shall be attached to the original Agreement.

15 **VIII. Hold Harmless and Indemnification:**

16 A. The County shall indemnify and hold harmless the City and its officers, agents  
17 and employees, or any of them from any and all claims, actions, suits, liability,  
18 loss, costs, expenses, and damages of any nature whatsoever, by reason of or  
19 arising out of any negligent act or omission of the County, its officers, agents  
20 and employees, or any of them, relating to or arising out of the performance of  
21 this Agreement. In the event that any such suit based upon such a claim, action,  
22 loss, or damage is brought against the City, the County shall defend the same at  
23 its sole cost and expense, provided that the City reserves the right to participate  
24 in such a suit if any principle of governmental or public laws is involved. If  
25 final judgment be rendered against the City and its officers, agents and

1 employees, or any of them, or jointly against the City and the County and their  
2 respective officers, agents and employees, or any of them, the County shall  
3 satisfy the same.

4 B. In executing this Agreement, the County does not assume liability or  
5 responsibility for, or in any way release the City from, any liability or  
6 responsibility which arises in whole or in part from the existence or effect of  
7 City ordinances, rules, or regulations. If any cause, claim, suit, action, or  
8 administrative proceeding is commenced in which the enforceability and/or  
9 validity of any such City ordinance, rule, or regulation is at issue, the City shall  
10 defend the same at its sole expense, and if judgment is entered or damages are  
11 awarded against the City, the County, or both, the City shall satisfy the same,  
12 including all chargeable costs and attorney's fees.

13 C. The City shall indemnify and hold harmless the County and its officers, agents  
14 and employees, or any of them, from any and all claims, actions, suits, liability,  
15 loss, costs, expenses, and damages of any nature whatsoever, by reason of or  
16 arising out of any negligent act or omission of the City, its officers, agents and  
17 employees, or any of them, relating to or arising out of the performance of this  
18 Agreement. In the event that any suit based on such a claim, action, loss, or  
19 damage is brought against the County, the City shall defend the same at its sole  
20 cost and expense, provided that the County reserves the right to participate in  
21 said suit if any principle of governmental law is involved; and if final judgment  
22 be rendered against the County, and its officers, agents and employees, or any  
23 of them, or jointly against the County and their respective officers, agents and  
24 employees, or any of them, the City shall satisfy the same.

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D. The foregoing indemnity is specifically and expressly intended to constitute a waiver of each party's immunity under Washington's Industrial Insurance Act, RCW Title 51, as respects the other party only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the indemnitor's employees. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

IN WITNESS WHEREOF, the Parties hereto have executed this amendment on the \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_\_.

Approved as to Form

**King County:**

By: \_\_\_\_\_  
Title: Deputy Prosecuting Attorney

By: \_\_\_\_\_  
Title: King County Executive

Approved as to Form

**City of Shoreline:**

By: \_\_\_\_\_  
Title: Legal Counsel

By: \_\_\_\_\_  
Title: City Manager

## City of Shoreline Surface Water Service Charge Rate Structure

There are two types of services charges: the flat rate and the sliding rate.

- The flat rate service charge of \$85.02 a year applies to single-family homes and parcels with 10% or less impervious surface.
- The sliding rate service charge applies to all other properties in the service area. The sliding rate is calculated by measuring the amount of impervious surface on each parcel and multiplying the appropriate rate by the total parcel acreage.

Several special rate categories will automatically be assigned to those who qualify:

- An exemption for any home owned and occupied by a low-income senior citizen determined by the Assessor to qualify under RCW 84.36.381.
- A discount for any parcel served by a County-approved retention/detention (R/D) facility maintained by the owner.
- A discount for any parcel (or part of a parcel) officially designated as open space.

### Annual Rate Table

Rate Category	Percent Impervious Surface	Annual Service Charge (\$)
1) Residential: single-family home		85.02/parcel
2) Very Light	Less than or equal to 10%	85.02/parcel
3) Light	More than 10%, less than or equal to 20%	198.40/acre
4) Moderate	More than 20%, less than or equal to 45%	410.98/acre
5) Moderately Heavy	More than 45%, less than or equal to 65%	793.60/acre
6) Heavy	More than 65%, less than or equal to 85%	1006.16/acre
7) Very Heavy	More than 85%, less than or equal to 100%	1317.94/acre

### Rate Adjustments

Any person receiving a bill may file a request for a rate adjustment within two years of the billing date. (Filing a request will not extend the payment period.)

Property owners should file a request for a change in the rate assessed if:

- the property acreage is incorrect;
- the measured impervious surface is incorrect;
- the property is charged a sliding fee when the fee should be flat;
- the person or property qualifies for an exemption or discount; or
- the property is wholly or in part outside the service area.

Exhibit Two**Estimated Annual Service Charge Billing and Revenue Collection Costs**

Based on 1998 billed number of accounts and revenue amount

Cost Component	Cost per account	Number of accounts	Cost (\$)
Estimated annual billing charge	\$1.44	15,193	21,878
1% Revenue Collection fee* (based on estimated annual revenue of \$1,944,033)	N/A	N/A	19,440
1998 and 1999 portions of one-time billing system conversion	\$.0465**	14,417***	6,704
<b>TOTAL for 1998 and 1999</b>			<b>\$48,022</b>
<b>TOTAL thereafter</b>			<b>\$41,318</b>

\*This fee is charged by the King County Department of Finance for revenue collection and disbursement.

\*\*Conversion fee is \$1.86 per account divided over four years (1996, '97, '98, and '99)

\*\*\*Number of accounts converted to Shoreline billing at the time of incorporation and therefore subject to fee.