

12/13/10 Council meeting 16999

S1

an/ph

Sponsor: Councilmember Patterson

Proposed No.: 2010-0547

JP MOVED
PASSED 7-0 RD/Lg Ex.

1 STRIKING AMENDMENT TO PROPOSED ORDINANCE 2010-0547, VERSION

2 1

3 On page 1, beginning on line 4, strike everything through page 8, line 145, and insert:

4 "BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

5 SECTION 1. The county assessor of King County has certified to the
6 metropolitan King County council that the assessed valuation of the County of King as
7 finally equalized amounts to \$328,927,984,810.

8 SECTION 2. The metropolitan King County council imposes the levies necessary
9 to fund estimated expenditures for the year 2011 as listed in this section. These amounts
10 do not include the total of estimated revenues from sources other than taxation, including
11 available surplus and such expenditures as are to be net from bond warrant issues. In
12 accordance with state law, the King County assessor calculated a sum for property taxes
13 available to the county related to new construction, improvements to property, refunds
14 and any increase in the assessed value of state assessed property. In calculating the
15 amount of regular property tax moneys needed, the council was cognizant of these sums
16 and they are therefore included in the following levy totals.

17 FUND

TAX

18	COUNTY	
19	CURRENT EXPENSE	\$278,152,152
20	HUMAN SERVICES FUND/MENTAL HEALTH	\$5,737,359
21	VETERANS AND HUMAN SERVICES	\$15,469,686
22	VETERANS' AID	\$2,556,438
23	INTER-COUNTY RIVER IMPROVEMENT	\$50,000
24	BOND REDEMPTION - LIMITED	\$24,579,471
25	AFIS	\$11,592,601
26	UNLIMITED G.O. BONDS	\$23,500,000
27	CONSERVATION FUTURES	\$17,061,273
28	EMERGENCY MEDICAL SERVICES	\$98,678,395
29	PARKS	\$19,130,252
30	PARKS EXPANSION	\$19,130,252
31	TRANSIT	\$22,623,470
32	TOTAL COUNTY	\$538,261,349

33 SECTION 3. A. The metropolitan King County council imposes the levy
34 necessary to fund estimated expenditures for the year 2011 as listed in this section. This
35 amount does not include the total of estimated revenues from sources other than taxation,
36 including available surplus and such expenditures as are to be net from bond warrant
37 issues. In accordance with state law, the King County assessor calculated a sum for
38 property taxes available to the county related to new construction, improvements to
39 property, refunds and any increase in the assessed value of state assessed property. In
40 calculating the amount of regular property tax moneys needed, the council was cognizant

41 of these sums and they are therefore included in the following levy totals.

42	<u>FUND</u>	<u>TAX</u>
43	UNINCORPORATED COUNTY – ROADS	\$86,104,033

44 B. If the levy amount set forth in subsection A. of this section would cause the
45 combined lawful levies within any levy code area in the county that is located outside of
46 the fire districts that are a party to the Interlocal Levy Agreement dated November 8,
47 2010, which is Attachment A to this ordinance, to exceed either the constitutional or
48 aggregate levy rate limitations under RCW 84.52.043, or both, the county instead levies
49 this tax for collection in 2011 in an amount equal to the maximum amount which may be
50 levied without causing any reduction to the levy of the flood district due to those levy
51 code areas under RCW 84.52.010, in accordance with the Interlocal Levy Agreement
52 attached to this ordinance.

53 SECTION 4. The metropolitan King County council certifies the levies of the
54 following taxing districts:

55	PORT OF SEATTLE	\$73,500,000
56	CITIES AND TOWNS	
57	ALGONA	\$ 636,425
58	AUBURN (King County portion only)	\$13,194,234
59	BEAUX ARTS VILLAGE	\$143,474
60	BELLEVUE	\$37,631,683
61	BLACK DIAMOND	\$1,369,803
62	BOTHELL (King County portion only)	\$4,837,539
63	BURIEN	\$7,113,467

64	CARNATION	\$243,057
65	CLYDE HILL	\$943,517
66	COVINGTON	\$2,348,818
67	DES MOINES	\$4,263,943
68	DUVALL	\$1,306,722
69	ENUMCLAW	\$2,181,258
70	FEDERAL WAY	\$9,827,038
71	HUNTS POINT	\$264,066
72	ISSAQUAH	\$8,203,590
73	KENMORE	\$4,124,098
74	KENT	\$19,386,873
75	KIRKLAND	\$14,852,384
76	LAKE FOREST PARK	\$2,799,169
77	MAPLE VALLEY	\$3,142,481
78	MEDINA	\$2,401,041
79	MERCER ISLAND	\$10,564,025
80	MILTON (KC portion only)	\$101,010
81	NEWCASTLE	\$4,045,636
82	NORMANDY PARK	\$1,467,981
83	NORTH BEND	\$1,230,034
84	PACIFIC (King County portion only)	\$594,263
85	REDMOND	\$21,987,795
86	RENTON	\$32,330,000

87	SAMMAMISH	\$21,178,251
88	SEATAC	\$11,826,917
89	SHORELINE	\$11,608,540
90	SKYKOMISH	\$37,747
91	SNOQUALMIE	\$5,043,008
92	TUKWILA	\$13,494,563
93	WOODINVILLE	\$2,944,028
94	YARROW POINT	\$496,174
95	TOTAL CITIES AND TOWNS	\$280,164,652
96	FIRE DISTRICTS	
97	2	\$10,567,727
98	4	\$11,294,724
99	10	\$5,007,046
100	11	\$2,450,021
101	13	\$2,183,684
102	14	\$824,866
103	16	\$5,765,495
104	20	\$2,218,060
105	24	\$2,977
106	25	\$1,290,624
107	27	\$1,545,009
108	28	\$885,961
109	31	\$13,589

110	34	\$6,760,790
111	36	\$7,751,264
112	38	\$1,817,975
113	39	\$19,638,929
114	40	\$2,824,239
115	41	\$4,119,243
116	43	\$7,850,182
117	44	\$3,952,883
118	45	\$2,942,591
119	47	\$287,824
120	49 (King County portion only)	\$86,348
121	50	\$263,397
122	61 (King County portion only)	\$9,134,350
123	62	\$15,521,419
124	TOTAL FIRE DISTRICTS	\$127,001,217
125	MISCELLANEOUS	
126	CEMETERY DISTRICT NO. 1	\$103,900
127	CITY OF MILTON EMS LEVY	\$43,806
128	DES MOINES METROPOLITAN PARK DISTRICT	\$550,000
129	FALL CITY METROPOLITAN PARK DISTRICT	\$108,200
130	FINN HILL PARK AND RECREATION DISTRICT	\$160,500
131	HOSPITAL DISTRICT NO. 1	\$19,681,672
132	HOSPITAL DISTRICT NO. 2	\$24,521,798

133	HOSPITAL DISTRICT NO. 4	\$3,019,478
134	KING COUNTY FERRY DISTRICT	\$1,183,252
135	KING COUNTY FLOOD CONTROL ZONE DISTRICT	\$36,070,313
136	ISSAQUAH LIBRARY CAPITAL FACILITIES	\$710,000
137	NORMANY PARK METROPOLITAN PARK DISTRICT	\$539,588
138	NORTHSHORE PARKS & REC (King County portion only)	\$192,947
139	PIERCE COUNTY LIBRARY	\$43,806
140	REDMOND LIBRARY CAPITAL FACILITIES	\$590,000
141	SI VIEW METROPOLITAN PARK DISTRICT	\$1,705,281
142	RURAL LIBRARY (King County portion only)	\$115,611,422
143	VASHON MAURY PARKS	\$1,163,417
144	TOTAL MISCELLANEOUS	\$205,999,380
145	SCHOOLS	
146	AUBURN (King County portion only)	\$47,648,199
147	BELLEVUE	\$101,344,818
148	ENUMCLAW	\$15,301,203
149	FEDERAL WAY	\$61,614,136
150	FIFE (King County portion only)	\$1,349,445
151	HIGHLINE	\$61,683,052
152	ISSAQUAH	\$86,188,801
153	KENT	\$93,434,755
154	LAKE WASHINGTON	\$103,016,718
155	MERCER ISLAND	\$21,285,650

156	NORTSHORE (King County portion only)	\$59,221,009
157	RENTON	\$63,583,364
158	RIVERVIEW	\$11,908,026
159	SEATTLE	\$279,410,355
160	SHORELINE	\$45,859,166
161	SKYKOMISH	\$277,066
162	SNOQUALMIE VALLEY	\$22,710,850
163	TAHOMA	\$23,701,638
164	TUKWILA	\$14,519,062
165	VASHON	\$7,170,941
166	TOTAL SCHOOLS	\$1,121,228,254
167	GRAND TOTAL	\$2,432,258,885"
168	Add Attachment A, Interlocal Levy Agreement, dated 10-19-2010	
169	EFFECT: Inserts levy amounts from taxing districts in the county for certification	

INTERLOCAL LEVY AGREEMENT

10-19-2010

THIS AGREEMENT is made and entered into as of this 4th day of November, 2010, by and among the King County Flood Control Zone District, a quasi-municipal corporation created and operating under chapter 86.15 RCW ("Flood District"), King County, a political subdivision of the State of Washington operating under title 36 RCW ("County"), and the following fire districts, each a municipal corporation created and operating under title 52 RCW (each, a "Fire District" and collectively, the "Fire Districts"):

- King County Fire Protection District No. 20
- King County Fire Protection District No. 25
- King County Fire Protection District No. 27
- King County Fire Protection District No. 34
- King County Fire Protection District No. 38
- King County Fire Protection District No. 39
- King County Fire Protection District No. 43
- King County Fire Protection District No. 44

In consideration of the recitals set forth below and the mutual promises and covenants contained in this Agreement, the Flood District, the County and the Fire Districts (collectively, the "Parties") agree as follows:

PART 1. RECITALS

- 1.1 RCW 86.15.025 authorizes the creation of countywide flood control zone districts to provide flood control and related services countywide, and RCW 86.15.080 grants to such districts certain powers, including the powers "to protect life and property within the district" and to "cooperate with or join with ... any agency, corporation or political subdivision" to carry out the purposes of a flood control zone district.
- 1.2 The Flood District was established effective May 5, 2007 pursuant to Ordinance 15728 of the King County Council, passed on April 16, 2007.
- 1.3 The Flood District is authorized by RCW 86.15.160 to levy "an annual *ad valorem* property tax levy of not to exceed fifty cents per thousand dollars of assessed value when the levy will not take dollar rates that other taxing districts may lawfully claim and that will not cause the combined levies to exceed the constitutional and/or statutory limitations, and the additional levy, or any portion thereof, may also be made when dollar rates of other taxing units is released therefor by agreement with the other taxing units from their authorized levies."
- 1.4 Title 52 RCW authorizes the establishment of fire protection districts to provide fire protection and emergency services and to protect life and property. RCW 52.12.021 grants fire protection districts the "full authority to carry out their purposes" including the power to "enter into and to perform any and all necessary contracts ... and to do any and all lawful acts required and expedient" to carry proper district purposes.

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- 1.5 Pursuant to RCW 39.67.010, any agreement or contract between two taxing districts may be made contingent upon a particular property tax levy rate of an identified taxing district where such rate affects the regular property tax rate of one of the parties to the contract and therefore affects that party's resources with which to perform under the contract.
- 1.6 Pursuant to RCW 39.67.020, any taxing district may transfer funds to another taxing district where the regular property tax levy rate of the second district may affect the regular property tax levy rate of the first district and where such transfer is part of an agreement whereby proration or reduction of property taxes is lessened or avoided.
- 1.7 Pursuant to RCW 39.34.080, the Flood District, the County and the Fire Districts are each authorized to contract with one another to perform any governmental service, activity, or undertaking which each district is authorized to perform, and the legislature has declared "that it is a purpose of the state, counties, county road districts, cities and towns, public hospital districts, library districts, fire protection districts, metropolitan park districts, and other taxing districts to participate in the methods provided by [Laws of 1988, chapter 274] by which revenue levels supporting the services provided by all taxing districts might be maintained." Laws of 1988, ch. 274 §1.
- 1.8 In accordance with RCW 39.34.030(2), the terms of this Agreement have been approved by resolution of the governing bodies of the Flood District, the County and each of the Fire Districts.

PART 2. AGREEMENT

2.1 Contingent Obligation of the Flood District.

2.1.1. *Triggering Conditions.* The Flood District shall make the payments in the amounts specified under Section 2.1.2 and the levies referred to in (a) and (b) of this section will be reduced in accordance with Section 2.3, if and only if:

- (a) Each Fire District includes in its levy resolution language substantially in the form attached as **Attachment A**, which provides that that Fire District's regular property taxes for collection in calendar year 2011 will not reduce the amount of the Flood District's regular property taxes levied for collection in calendar year 2011;
- (b) The County includes in its levy ordinance for the County levy under RCW 36.82.040 (the "County Levy") language substantially in the form attached as **Attachment B**, which provides that that property taxes levied under that resolution for collection in calendar year 2011 will not reduce the amount of the Flood District's regular property taxes levied for collection in calendar year 2011;

- (c) The levies of one or more of the Fire Districts or the County are reduced and the Flood District's regular property tax levy is not reduced under RCW 84.52.010; and
- (d) The aggregate of all payments to be made under Section 2.1.2 (a) and (b) does not exceed (i) \$5.5 million if all payments are made to Fire Districts, or (ii) \$8.5 million if any payment is made to the County or to a combination of the County and one or more Fire Districts.

2.1.2. *Amount Due.* If the above conditions are met, the Flood District agrees:

- (a) To pay to each Fire District an amount equal to the difference between (i) the amount actually levied for that Fire District due to a reduction of its levy under the provision conforming to paragraph 1.2 of Attachment A, and (ii) the levy amount that would otherwise have been levied under the levy resolution provision conforming to paragraph 1.1 of Attachment A; and
- (b) To pay to the County an amount equal to the difference between (i) the amount actually levied for the County Levy due to a reduction under the provision conforming to paragraph 1.2 of Attachment B, and (ii) the levy amount that would otherwise have been levied under the levy ordinance provision conforming to paragraph 1.1 of Attachment B.
- (c) To pay to each Fire District and to the County a payment compensating for a reduction in the new construction adjustment allowed under RCW 84.55.010 when calculating the maximum allowable 2012 levy, which payment shall be equal to the difference between (i) the amount of the new construction adjustment calculated based on the 2011 levy resolution provision conforming to paragraph 1.2 of Attachment A or B (as applicable); and (ii) the amount of the new construction adjustment which would have been calculated based on a 2011 levy resolution provision conforming to paragraph 1.1 of Attachment A or B (as applicable) but for this Agreement.

2.2 Manner of Payment/Late Payment. If the Flood District becomes obligated to make any payment specified in Section 2.1.2(a) or (b), each such payment obligation shall be satisfied by equal installments to be paid on May 15, 2011 and November 15, 2011. The payment under Section 2.1.2(c) shall be made in a single installment on or before March 31, 2012.

2.3 Procedures for Levy Reduction. Each party agrees that, if the Assessor is required to make any levy reductions under RCW 84.52.010, the procedures set forth in **Attachment C**, which is incorporated by this reference, should apply to the extent that it has adopted a levy resolution in conformance with this Agreement. Upon determining in the course of his normal duties that a levy reduction under RCW 84.52.010 is necessary, the Assessor shall complete each of the steps set forth in

Attachment C. Upon completion of these steps, the Assessor shall provide a report to each Party, describing the steps taken and showing the relevant calculations and resulting levy reductions (if any). The Parties shall have four (4) business days to review the calculations and, absent manifest error, shall be bound by the Assessor's calculations without further right to challenge the levy determination under this Agreement.

- 2.4 Attorneys Fees. At the request of any Fire District, the Flood District agrees to reimburse the Fire District for its reasonable attorneys' fees incurred in the negotiation and preparation of this Agreement upon submission to the Flood District of copies of billings for such services.

PART 3. ADDITIONAL PROVISIONS

- 3.1 Term. Unless extended by mutual agreement of the Parties, this Agreement shall become effective as of the date and year first set forth above and shall expire on May 31, 2012.
- 3.2 Entire Agreement/Modification. This Agreement represents the entire agreement of the Parties with respect to the subject matter hereof and supersedes all prior negotiations or discussions with respect thereto. This Agreement may be amended or modified by written instrument signed by the Parties.
- 3.3 Assignment. No Party may assign its rights or obligations hereunder.
- 3.4 Counterparts. This Agreement may be executed in counterparts, each of which shall be an original but all of which taken together shall constitute but one and the same instrument.
- 3.5 Filing and Public Availability Requirements. The Flood District shall provide a true and complete copy of this Agreement to the King County Assessor and to the governing body of every taxing district that could have its tax levy adversely affected by this Agreement (if any).
- 3.6 Authorization. Each Party does hereby represent and warrant to the other that it is duly authorized to enter into and to carry out the terms of this Agreement.
- 3.7 Administration. For purposes of RCW 39.34.030(4)(a), the Flood District is designated as the administrator of this Agreement.
- 3.8 Indemnification/Hold Harmless. Each Party shall defend, indemnify and hold harmless the other Parties, and its officers, agents and employees, from and against any and all claims, including third party claims, costs, judgments or damages, including attorney's fees, arising out of the negligent acts or omissions of the indemnifying Party, its officers, agents and employees, in connection with this Agreement.

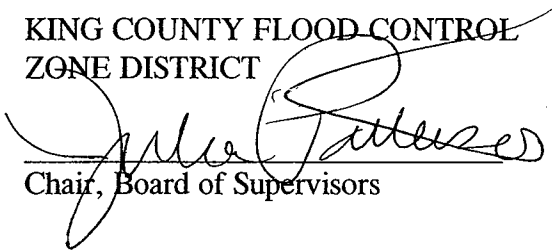
The Parties hereby waive, as to each other only, their immunity from suit under industrial insurance, Title 51 RCW. This waiver of immunity was mutually negotiated by the Parties. The provisions of this Section shall survive any termination or expiration of this Agreement.

3.9 Costs and Attorneys' Fees. If any Party shall institute a lawsuit to enforce another Party's obligations under this Agreement, the substantially prevailing Party shall be entitled to recover all costs of such a lawsuit, including reasonable attorneys' fees.

3.10 Automatic Termination. If the aggregate of all payments to be made under Section 2.1.2 (a) and (b) exceeds (i) \$5.5 million if all payments are made to Fire Districts, or (ii) \$8.5 million if any payment is made to the County or to a combination of the County and one or more Fire Districts, then this entire Agreement shall be null and void, save and except for the provisions of Sections 2.4 and 3.8.

IN WITNESS WHEREOF, the Parties hereby execute this Agreement as of the day and year first set forth above.

KING COUNTY FLOOD CONTROL
ZONE DISTRICT



Chair, Board of Supervisors

KING COUNTY, WASHINGTON

County Executive

KING COUNTY FIRE PROTECTION
DISTRICT NO. 20

Chair, Board of Fire Commissioners

KING COUNTY FIRE PROTECTION
DISTRICT NO. 25

Chair, Board of Fire Commissioners

KING COUNTY FIRE PROTECTION
DISTRICT NO. 27

Chair, Board of Fire Commissioners

KING COUNTY FIRE PROTECTION
DISTRICT NO. 34

Chair, Board of Fire Commissioners

KING COUNTY FIRE PROTECTION
DISTRICT NO. 38

Chair, Board of Fire Commissioners

KING COUNTY FIRE PROTECTION
DISTRICT NO. 43

Chair, Board of Fire Commissioners

KING COUNTY FIRE PROTECTION
DISTRICT NO. 39



Chair, Board of Fire Commissioners

KING COUNTY FIRE PROTECTION
DISTRICT NO. 44

Chair, Board of Fire Commissioners

Attachment A

Fire District Levy Resolution Language

Section 1. Regular Property Tax Levy.

- 1.1 A regular property tax levy is authorized for collection in 2011 in an amount equal to \$ _____, plus the new construction and similar adjustments allowed under chapter 84.55 RCW.
- 1.2 Notwithstanding paragraph 1.1, above, if the Fire District's levy would cause the combined lawful levies within any levy code area in the Fire District to exceed the constitutional and/or aggregate levy rate limitations under RCW 84.52.043, the Fire District instead levies a tax for collection in 2011 in an amount equal to the maximum amount which may be levied by the Fire District without causing any reduction to the levy of the Flood District under RCW 84.52.010. Any reduction to the Fire District's levy under this provision shall be in accordance with the Interlocal Levy Agreement attached to this resolution as Exhibit __.

Attachment B

County Levy Ordinance Language

Section 1. County Levy.

- 1.1 Unincorporated / Roads Levy \$ _____
- 1.2 If the levy amount set forth in paragraph 1.1 would cause the combined lawful levies within any levy code area in the County that is located outside of the Fire Districts that are a party to the Interlocal Levy Agreement (which is on file with the County Assessor and is attached to this ordinance as Exhibit ___) to exceed the constitutional and/or aggregate levy rate limitations under RCW 84.52.043, the County instead levies this tax for collection in 2011 in an amount equal to the maximum amount which may be levied without causing any reduction to the levy of the Flood District due to those levy code areas under RCW 84.52.010, in accordance with the Interlocal Levy Agreement attached to this resolution as Exhibit ___.

Attachment C

Procedures for Levy Reduction

- Step 1. The Assessor shall calculate the total levy rates for each levy code area in the County using its standard procedures.
- Step 2. The Assessor shall identify any levy code areas in which the statutory or constitutional levy rate limitations are exceeded (the “Identified LCAs”), using its standard procedures.
- Step 3. For each Identified LCA that is located outside of a Fire District that is party to this Agreement, the Assessor shall calculate the amount of reduction to the County levy under RCW 36.82.040 (“County Levy”) that is necessary to avoid any reduction to the Flood District levy in that Identified LCA.
- Step 4. For each Identified LCA located within a Fire District that is a party to this Agreement, the Assessor shall calculate the amount of Fire District levy reduction necessary to avoid any reduction to the Flood District levy in that Identified LCA.
- Step 5. The Assessor shall calculate the total amount of the Fire District levy reductions (“Aggregate FPD Payment”) and the total County Levy reduction necessary to avoid any reduction to the Flood District in those Identified LCAs (“County Payment”).
- Step 6. If no County Payment is necessary and the Aggregate FPD Payment is equal to or less than \$5.5 million, the Assessor shall reduce the affected Fire District levies as calculated. If a County Payment is necessary, then the Assessor shall reduce the County Levy and the affected Fire District levies as calculated only if the total of County Payment plus the Aggregate FPD Payment is equal to or less than \$8.5 million. If the Aggregate FPD Payment exceeds \$5.5 million (and no County Payment is necessary), or if a County Payment is necessary and the total of the Aggregate FPD Payment plus the County Payment exceeds \$8.5 million, then the Assessor shall disregard Steps 1-5 of this Attachment C and shall make reductions to taxing district levies only as required under and in accordance with RCW 84.52.010.