

2005-351

**INTERLOCAL AGREEMENT BETWEEN KING COUNTY AND
THE CITY OF NORMANDY PARK
FOR BILLING AND REVENUE COLLECTION
FOR SURFACE WATER SERVICE CHARGES**

This agreement ("Agreement") is made and entered into between the City of Normandy Park (hereinafter "Normandy Park" or the "City") and King County (hereinafter "King County" or the "County"), collectively referred to as the "Parties," to provide for the collection of surface water management service charges on behalf of Normandy Park by King County.

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

WHEREAS, King County has a fully developed 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, pursuant to RCW 39.34, the Parties are each authorized to enter into an interlocal agreement;

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

I. Purpose of the Agreement

The Agreement purposes are as follows:

- A. To establish and set forth the services the Parties agree will be provided for the billing and collection of the surface water management service charge on properties located in Normandy Park.
- B. To establish a means whereby the County will act as the City's agent to collect the City's surface water service charge from property owners and transmit revenues collected by the County to the City.

II. Administration

- A. The City and King County shall each appoint a representative to review performance of the terms of this Agreement and to resolve any conflicts. The administrators of the Agreement shall meet as needed. Either party is authorized to convene a meeting with a minimum of ten (10) calendar day's written notice to the other.
- B. Any conflict that is not resolved by the Agreement administrators within ten (10) working days of the meeting held to discuss the conflict shall be referred for resolution to the City Manager and the Division Director of the Water and Land Resources Division (WLRD). If the conflict cannot be resolved by the City Manager and the WLRD Division Director, it shall be resolved by the City Manager and the Director of the King County Department of Natural Resources and Parks (DNRP).

III. Description of Surface Water Service Charge Billing and Collection Services

The services provided under this Agreement include:

- A. modifying King County's automated billing system to incorporate the City's surface water service charge rate structure and to provide for the County's billing of Normandy Park property owners for the City's surface water management service charge;
- B. customer services related to surface water service charge billing and revenue collection for Normandy Park property owners;
- C. collection and transferal of cash receipts;
- D. maintaining and updating Normandy Park's customer information database, except that Normandy Park will be responsible for providing information on new commercial accounts;
- E. processing and mailing billing statements, delinquency notices and other correspondence;
- F. incorporating surface water management fee rate changes;
- G. providing reports; and
- H. other services related to billing and revenue collection as requested.

IV. Responsibilities of the Parties - Service Charge Billing and Collection

A. King County:

1. King County will implement computer billing system changes to provide for the County's billing of Normandy Park surface water service accounts using the City's surface water service charge rate structure.
2. King County will collect and distribute to Normandy Park revenue received from properties within the city of Normandy Park using the County's combined Property Tax and Drainage Billing Statement. These services, as described in Section III of this Agreement will commence for the 2005 billing year.
3. King County will hold revenues collected for Normandy Park in a separate account and will disburse the revenue to the City on each business day.
4. King County will provide the City with information about delinquent accounts.

B. Normandy Park:

1. Normandy Park has adopted legislation establishing a surface water management service charge rate structure as set forth in Exhibit One, attached to this Agreement and incorporated herein.
2. The City's surface water service charge rate structure as identified above may be modified as follows: If in any given calendar year the City elects to change its service charge rate structure for the following calendar year, it will notify the County of the new structure at least 60 days prior to the beginning of the new calendar year, allowing time for the County to make necessary adjustments to the billing system.

V. Financial Arrangements

- A. Service Costs.** Estimated annual costs for billing and revenue collection services are outlined in Exhibit Two, attached to this Agreement and incorporated herein. Normandy Park will pay the County for billing, revenue collection and disbursement services as set forth below:

- B. Normandy Park will pay an annual per-account fee for surface water management service charge billing, customer database management, and customer service. The fee for 2005 is one dollar and twenty-six cents (\$1.26) per account. King County may adjust the fee annually, based on staff and overhead cost changes authorized in the adopted King County annual budget. If King County intends to raise the annual per-account fee for a given year to greater than 5 percent of the prior year's fee, it will notify Normandy Park as soon as is practicable in advance of any such raise.
- C. Normandy Park will pay a one-time fee of one dollar and eighty six cents (\$1.86) per account to cover the cost of modifying the billing system for Normandy Park accounts. This fee will be billed and paid in two annual installments of ninety-three cents (\$0.93) each, as more fully described in Subsection VI. B. of this Agreement. The first half of the charge will appear on the first bill for services.
- D. Pursuant to RCW 84.56.035, Normandy Park will pay the County a flat one percent (1%) of all revenue collected by the County for Normandy Park under the terms of this Agreement. This charge is separate and distinct from and is in addition to the per-account fees.

VI. Billing and Payment for Services

- A. King County will invoice the City for the annual per-account billing fee outlined in Subsection V. B. of this Agreement in two installments annually (approximately May and October of each year).
- B. King County will invoice the City for the one-time fee outlined in Subsection V. C. of this Agreement in two installments of ninety-three cents (\$0.93) each. The first ninety-three cent charge will appear on the first bill for services in 2005. The second ninety-three cent charge will appear on the first bill for services in 2006.
- C. Normandy Park will pay King County within 45 days after the receipt of invoices. Interest may be assessed on balances unpaid after 45 days.
- D. King County will deduct the one percent revenue collection charge, as described in Subsection V.D. of this Agreement, from revenues transferred to the City.

VII. Effectiveness and Duration

This Agreement shall become effective upon signature by both Parties and shall renew automatically from year to year subject to the provisions of Section VIII. of this Agreement.

VIII. Amendments, Extension or Termination

- A. This Agreement may be amended, altered, clarified or extended only by written agreement of the Parties.
- B. The estimated costs and services as shown in this Agreement are accepted by the Parties as representing the best projections for service and cost available at the time of this Agreement. If either Party requests changes to the level of services or to the cost of services set forth in this Agreement, any such change must be agreed to in writing by both Parties.
- C. This Agreement may be terminated by either party for any reason upon provision of one hundred eighty (180) days written notice to the other party.

IX. Hold Harmless and Indemnification

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

- B. The City shall indemnify and hold harmless the County and its officers, agents and employees, or any of them, from any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, by reason of or arising out of any negligent act or omission of the City, its officers, agents and employees, or any of them, relating to or arising out of the performance of this Agreement. In the event that any suit based on such a claim, action, loss or damage is brought against the County, the City shall defend the same at its sole cost and expense; provided that the County reserves the right to participate in said suit if any principle of governmental law is involved; and if final judgment be rendered against the County, and its officers, agents and employees, or any of them, or jointly against the County and their respective officers, agents and employees, or any of them, the City shall satisfy the same.
- C. In executing this Agreement, the County does not assume liability or responsibility for, or in any way release the City from, any liability or responsibility which arises in whole or in part from the existence or effect of City ordinances, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, rule or regulation is at issue, the City shall defend the same at its sole expense and if judgment is entered or damages are awarded against the City, the County or both, the City shall satisfy the same, including all chargeable costs and attorney's fees.
- D. In executing this Agreement, the City does not assume liability or responsibility for or in any way release the County from any liability or responsibility which arises in whole or in part from the existence or effect of County ordinances, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such County ordinance, rule or regulation is at issue, the County shall defend the same at its sole expense and if judgment is entered or damages are awarded against the County, the City or both, the County shall satisfy the same, including all chargeable costs and attorney's fees.

- E. The foregoing indemnity provisions are 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.
- F. The indemnification provisions provided for in this Section shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the day of _____, 2005.

Approved as to Form

KING COUNTY:

Deputy Prosecuting Attorney

King County Executive

Approved as to Form

CITY OF NORMANDY PARK:

Legal Counsel

City Manager

City of Normandy Park Surface Water Service Charge Rate Structure

Account Type	Charge per account
One Equivalent Residential Unit (ERU) <ul style="list-style-type: none"> ▪ single family dwelling unit and accessory uses thereof ▪ mobile home ▪ duplex unit 	\$10.00 per month
All Other Developed Real Properties	\$10.00 per month per ERU*

*ERU = number of square feet of impervious surface per property divided by 3,100. Result is rounded to the nearest one-half to determine applicable fee.

Estimated Annual Service Charge Billing and Revenue Collection Costs

Cost Component	Cost per account	Estimated number of accounts	Cost (\$)
Estimated annual billing charge	\$1.26	2,200	2,772
System setup fee (first 2 years only)	.93	2,200	2,046
1% Revenue Collection fee* (based on estimated annual revenue of \$345,000)	N/A	N/A	3,450
TOTAL (years 1 and 2)			\$8,268
TOTAL (year 3 and beyond)			\$6,222

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