



King County

Dow Constantine

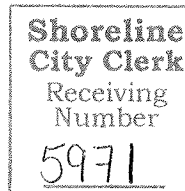
King County Executive
401 Fifth Avenue, Suite 800
Seattle, WA 98104-1818

206-263-9600 Fax 206-296-0194

TTY Relay: 711

www.kingcounty.gov

I -10-016



July 1, 2010

To: City Administrators & Clerks

Fm: Carrie S. Cihak, Director of Strategic Initiatives, Office of King County Executive
Dow Constantine

Re: Interlocal Agreement for Regional Animal Services

Enclosed is an original copy of your City's Interlocal Agreement between King County and the City for animal services signed by Executive Constantine. The Agreement has an effective date of July 1, 2010. In keeping with requirements of the Interlocal Cooperation Act, a copy of the Agreement has been made available on the King County website at <http://www.kingcounty.gov/safety/regionalAnimalServices/AboutUs.aspxhas>. You may also want to post the Agreement or include a cross-reference to this link on your City's webpage.

As you may be aware, paragraph 3(a) of the Agreement provides that the City will promptly enact an ordinance or resolution that includes license, fee, penalty, enforcement, impound/redemption, and sheltering provisions that are substantially similar to those of King County. Having such consistent code provisions in place is critical to our ability to provide the sort of cost effective and regionally coordinated service we intend to carry out under our agreement. We understand that cities are using a number of approaches to satisfy this code-related obligation. If we can be of any assistance to you regarding this matter, please do not hesitate to let us know.

We look forward to providing the City with excellent animal services throughout the term of our agreement. If you have any questions or need further information, please do not hesitate to contact me at (206) 263-9634.

Thank you very much for your assistance with the execution of this Agreement.

Sincerely,

Carrie S. Cihak
Strategic Initiatives Director

Animal Services Interlocal Agreement

This AGREEMENT is made and entered into this 1st day of July, 2010, by and between KING COUNTY, a Washington municipal corporation and legal subdivision of the State of Washington (the "County") and the City of Shoreline, a Washington municipal corporation (the "City").

WHEREAS, the provision of animal control, sheltering and licensing services protects public health and safety and promotes animal welfare; and

WHEREAS, providing such services on a regional basis allows for enhanced coordination and tracking of regional public and animal health issues, consistency of regulatory approach across jurisdictional boundaries, economies of scale, and ease of system access for the public; and

WHEREAS, the City pursuant to the Interlocal Cooperation Act (RCW Chapter 39.34) , is authorized and desires to contract with the County for the performance of Animal Services; and

WHEREAS, the County is authorized by the Interlocal Cooperation Act, Section 120 of the King County Charter and King County Code 11.02.030 to render such services and is willing to render such services on the terms and conditions hereinafter set forth; and

WHEREAS, the County is offering a similar form of Animal Services Interlocal Agreement to all cities in King County other than the City of Seattle, and has received a statement of intent to sign such agreement from all Cities listed in Exhibit C-1 to this Agreement;

NOW THEREFORE, in consideration of the promises, covenants and agreements contained in this Agreement, the parties agree as follows:

1. **Definitions.** Unless the context clearly shows another usage is intended, the following terms shall have these meanings in this Agreement:
 - a. **"Agreement"** means this Animal Services Interlocal Agreement between the Parties including any and all Exhibits hereto, unless the context clearly indicates an intention to reference all such Agreements by and between the Contracting Parties.
 - b. **"Animal Services"** means Control Services, Shelter Services and Licensing Services combined, as these services are described in **Exhibit A**.

- c. **“Enhanced Control Services”** are additional Control Services that the City may purchase under certain terms and conditions as described in **Exhibit E** (the “Enhance Control Services Contract”).
 - d. **“Contracting Cities”** means all cities that are parties to an Animal Services Interlocal Agreement that has gone into effect as of July 1, 2010, per Section 15.
 - e. **“Parties”** means the City and the County.
 - f. **“Contracting Parties”** means all Contracting Cities and the County.
 - g. **“Estimated Payment”** means the amount the City is estimated to owe to the County for the provision of Animal Services over a six month period per the formulas set forth in **Exhibit C**. The Estimated Payment calculation may result in a credit to the City payable by the County.
 - h. **“Preliminary Estimated 2010 Payment”** means the preliminary estimate of the amount that will be owed by (or payable to) each Contracting Party on January 15, 2011, as shown on **Exhibit C-1**.
 - i. **“Final Estimated 2010 Payment”** means the amount finally determined and owed by each Contracting Party, on January 15, 2011, based on the number of Contracting Cities with respect to which the Agreement goes into effect per Section 15.
 - j. **“Control District”** means one of the four geographic areas delineated in **Exhibit B** for the provision of Animal Control Services.
 - k. **“Reconciliation Adjustment Amount”** means the amount payable each August 15 (commencing 2011) by either the City or County as determined per the reconciliation process described in **Exhibit D** in order to reconcile the Estimated Payments made for the prior Service Year as compared to actual cost, revenue, population and usage data for such Service Year, so that Cities pay for Animal Services based on actual (rather than estimated) data.
 - l. **“Service Year”** means the calendar year in which Animal Services are or were provided; *provided that* in 2010, the Service Year is the period from July 1, 2010 – December 31, 2010.
2. **Services Provided.** The County will provide the City with Animal Services described in **Exhibit A**. The County will perform these services consistent with governing City ordinances adopted in accordance with Section 3. In providing such Animal Services consistent with **Exhibit A**, the County shall have sole discretion as to the staffing assigned to receive and dispatch calls and shall be the sole judge as to the most expeditious, efficient and effective manner of handling and responding to calls for Animal Services. Except as set forth in Section 9 (Indemnification and Hold Harmless), services to be provided by the County pursuant to this Agreement

do not include legal services, which shall be provided by the City at its own expense.

- a. Enhanced Control Services. The City may request Enhanced Control Services by completing and submitting Exhibit E to the County at any time before August 1, 2011. Enhanced Services will be provided subject to the terms and conditions described in **Exhibit E**. As further detailed in **Exhibit E**, if a request for Enhanced Control Service is made after the commencement of this Agreement, the County shall decide when and if the service begins based on the necessity for and ability of the County to hire additional staff to provide the service and the increment of service requested.

3. City Obligations.

- a. Animal Regulatory Codes Adopted. The City shall promptly enact an ordinance or resolution that includes license, fee, penalty, enforcement, impound/ redemption and sheltering provisions that are substantially the same as those of Title 11 King County Code as now in effect or hereafter amended (hereinafter "the City Ordinance"). The City shall advise the County of any City animal care and control standards that differ from those of the County.
- b. Authorization to Act on Behalf of City. The City authorizes the County to act on its behalf in undertaking the following:
 - i. Determining eligibility for and issuing licenses under the terms of the City Ordinance, subject to the conditions set forth in such laws.
 - ii. Enforcing the terms of the City Ordinance, including the power to issue enforcement notices and orders and to deny, suspend or revoke licenses issued thereunder.
 - iii. Conducting administrative appeals of those County licensing determinations made and enforcement actions taken on behalf of the City. Such appeals shall be considered by the King County Board of Appeals unless either the City or the County determines that the particular matter should be heard by the City.
 - iv. Nothing in this Agreement is intended to divest the City of authority to independently undertake such enforcement actions as it deems appropriate to respond to alleged violations of City ordinances.
- c. Cooperation and Licensing Support. The City will assist the County in its efforts to inform City residents regarding animal codes and regulations and licensing requirements and will promote the licensing of pets by City residents through various means as the City shall reasonably determine, including but not limited to offering the sale of pet licenses at City Hall, mailing information to residents (using existing City communication

mechanisms such as utility bill inserts or community newsletters) and posting a weblink to the County's animal licensing program on the City's official website. The City will provide accurate and timely records regarding all pet license sales processed by the City to the County; all proceeds of such sales shall be remitted to the County by the City on a quarterly basis (no later than each March 31, June 30, September 30, and December 31).

4. **Term.** This Agreement will take effect on July 1, 2010 and unless extended pursuant to Subparagraph 4.a below, shall remain in effect for a term of two and one-half years ending on December 31, 2012. *Notwithstanding anything in this section to the contrary*, this Agreement shall remain in effect for only 60 days if the Minimum Contracting Requirements in Section 15 (Terms to Implement Agreement) are not met. The Agreement may not be terminated for convenience.

a. Extension of Term.

- i. Automatic Extension of Agreement. This Agreement shall be automatically extended for an additional two year term, ending on December 31, 2014; provided that such an automatic extension shall not occur if any Contracting Party has provided a written Notice of Intent to Not Automatically Extend as provided in subsection (ii) below.
- ii. Notice of Intent to Not Automatically Extend. Any Party may chose to not automatically extend its Agreement by providing a written notice of such intent to the other Party no later than May 1, 2012. The County will include a written reminder of this May 1 deadline when providing the City notice of its 2012 Estimated Payments (notice due December 15, 2011 per Section 5).
- iii. Process for Agreed Extension. Upon receiving or issuing a Notice of Intent to Not Automatically Extend pursuant to subsection (ii), the County shall arrange for the Contracting Parties to meet no later than June 1, 2012, in order to confer on whether they wish to extend their respective Agreements given revised costs and other implications resulting from the potential reduced number of Contracting Parties. Contracting Parties wishing to extend their respective Agreements through December 31, 2014 may mutually agree in writing to do so by no later than July 1, 2012. Absent such an agreed extension, the Agreement shall terminate on December 31, 2012.

5. **Compensation.** The County will develop an Estimated Payment calculation for each Service Year using the formulas described in **Exhibit C**, and shall transmit the

payment information to the City according to the schedule described below. The County will also calculate and inform the City as to the Reconciliation Adjustment Amount on or before June 30 of each year, as described in Section 6 below and **Exhibit D**, in order to reconcile the Estimated Payments made by the City in the prior Service Year. The City (or County, if applicable) will pay the Estimated Payment, and any applicable Reconciliation Adjustment Amounts, as and when described as follows (a list of all payment-related notices and dates is included at **Exhibit C-7**):

- a. Service Year 2010: Animal Services Provided from July 1 through December 31, 2010. On or before August 1, 2010, the County shall provide notice to each Contracting Party of the Final Estimated 2010 Payment schedule. The Final Estimated 2010 Payment will be derived from the Preliminary Estimated 2010 Payment Amount set forth in **Exhibit C-1**, adjusted based on the final Contracting Cities. The City shall pay the County the Final Estimated 2010 Payment on or before January 15, 2011; provided that, if the calculation of the Final Estimated 2010 Payment shows the City is entitled to receive a payment from the County, the County shall pay the City the amount owing on or before such date. The County will issue a notice of the City's Reconciliation Adjustment Amount for Service Year 2010 on or before June 30, 2011. The Reconciliation Adjustment Amount shall be payable on or before August 15, 2011.
- b. Service Years after 2010.
 - i. Initial Estimate by August 1. To assist the City with its budgeting process, the County shall provide the City with a non-binding, preliminary estimate of the Estimated Payments for the upcoming Service Year on or before each August 1.
 - ii. Estimated Payment Determined by December 15. The Estimated Payment amounts for the upcoming Service Year will be determined by the County following adoption of the County's budget and applying the formulas in **Exhibit C**. The County will by December 15 provide written notice to all Contracting Parties of the schedule of Estimated Payments for the upcoming Service Year.
 - iii. Estimated Payments Due Each June 15 and December 15. The City shall pay the County the Estimated Payment Amount on or before each June 15 and December 15. If the calculation of the Estimated Payment shows the City is entitled to receive a payment from the County, the County shall pay the City such amount on or before each June 15 and December 15.

- iv. The Reconciliation Adjustment Amount for the prior Service Year shall be payable on or before August 15 of the following calendar year, as described in Section 6.
 - v. If a Party fails to pay an Estimated Payment or Reconciliation Adjustment Amount within 15 days of the date owed, the Party owed shall notify the owing Party which shall have ten (10) days to cure non-payment. In the event the Party fails to cure its nonpayment, the amount owed shall accrue interest thereon at the rate of 1% per month from and after the original due date and, in the event the nonpaying Party is the City, the County at its sole discretion may withhold provision of Animal Services to the City until all outstanding amounts are paid. In the event the nonpaying Party is the County, the City may withhold future Estimated Payments until all outstanding amounts are paid. Each Party may examine the other's books and records to verify charges.
 - vi. Unless the Parties otherwise direct, payments shall be submitted to the addresses noted at Section 14.h.
 - c. Payment Obligation Survives Expiration or Termination of Agreement. The obligation of the City (or as applicable, the County), to pay an Estimated Payment Amount or Reconciliation Adjustment Amount for a Service Year included in the term of this Agreement shall survive the Expiration or Termination of this Agreement. For example, if this Agreement terminates on December 31, 2010, the Final Estimated 2010 Payment is nevertheless due on or before January 15, 2011, and the Reconciliation Adjustment Amount shall be payable on or before August 15, 2011.
 - d. The Parties agree the payment and reconciliation formulas in this Agreement (including all Exhibits) are fair and reasonable.
6. **Reconciliation of Estimated Payments and Actual Costs and Revenues.** In order that the Contracting Parties share costs of the regional Animal Services system based on their actual, rather than estimated, use of Animal Services, there will be an annual reconciliation of actual costs and usage. Specifically, on or before June 30 of each year, the County will reconcile amounts owed under this Agreement for the prior Service Year by comparing each Contracting Party's Estimated Payments to the amount derived by recalculating the formulas in **Exhibit C** using actual cost, revenue, usage and population data for such Service Period as detailed in **Exhibit D**. The County shall provide the results of the reconciliation to all Contracting Parties in writing on or before June 30. The Reconciliation Adjustment Amount shall be payable on August 15 of the then current year, regardless of the prior termination of the Agreement as per Section 5.c.

7. **Transitional Licensing Revenue Support Services.** The County will provide enhanced licensing marketing services in 2010 as described in this section to the five cities with the lowest per-capita rates of licensing revenue shown on **Exhibit C-5** (the "Licensing Revenue Support Cities"), but any such city shall receive these services only if the effective term (determined per Section 15) of its specific Agreement is for two- and one half years.
- a. The marketing support services include, on a "per unit" basis, approximately \$20,000 in County staff and materials support (which may include use of volunteers or other in-kind support) and is estimated to generate 1,250 new licenses (equivalent to approximately \$30,000 in licensing revenue).
 - i. Licensing Revenue Support Cities over 100,000 in population will each receive two units of enhanced licensing marketing support.
 - ii. Licensing Revenue Support Cities less than 100,000 in population will share in one unit of enhanced licensing marketing support.
 - b. Receipt of a unit of licensing revenue support is subject to the receiving City providing in-kind services, including but not limited to: assisting in communication with City residents; publicizing any canvassing efforts the Parties have agreed should be implemented; assistance in recruiting canvassing staff, if applicable; and providing information to the County to assist in targeting its canvassing activities, if applicable.
8. **Mutual Covenants/Independent Contractor.** Both Parties understand and agree that the County is acting hereunder as an independent contractor with the intended following results:
- a. Control of County personnel, standards of performance, discipline, and all other aspects of performance shall be governed entirely by the County;
 - b. All County persons rendering service hereunder shall be for all purposes employees of the County, although they may from time to time act as commissioned officers of the City;
 - c. The County contact person for the City regarding citizen complaints, service requests and general information on animal control services is the Manager of Regional Animal Services.
9. **Indemnification and Hold Harmless.**
- a. City Held Harmless. 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 any 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 performing services pursuant to this Agreement. In the event that any such suit based upon such a claim, action, loss, or damages 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 said suit if any principle of governmental or public law is involved; and if final judgment in said suit 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. County Held Harmless. 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 any 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 performing services pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damages 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 or public 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 the City and their respective officers, agents, and employees, or any of them, the City shall satisfy the same.
- c. Liability Related to City Ordinances, Policies, Rules and Regulations. 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 that arises in whole or in part as a result of the application of City ordinances, policies, rules or regulations that are either in place at the time this Agreement takes effect or differ from those of the County; or that arise in whole or in part based upon any failure of the City to comply with applicable adoption requirements or procedures. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, policy, 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 reasonable attorney's fees.
- d. Waiver Under Washington Industrial Insurance Act. The foregoing indemnity is specifically intended to constitute a waiver of each party's

immunity under Washington's Industrial Insurance Act, Chapter 51 RCW, 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.

10. **Dispute Resolution.** Whenever any dispute arises between the Parties or between the Contracting Parties under this Agreement which is not resolved by routine meetings or communications, the disputing parties agree to seek resolution of such dispute in good faith by meeting, as soon as feasible. The meeting shall include the Chief Executive Officer (or his/her designee) of each party involved in the dispute and the Manager of the Regional Animal Services Program. If the parties do not come to an agreement on the dispute, any party may pursue mediation through a process to be mutually agreed to in good faith between the parties within 30 days, which may include binding or nonbinding decisions or recommendations. The mediator(s) shall be individuals skilled in the legal and business aspects of the subject matter of this Agreement. The parties to the dispute shall share equally the costs of mediation and assume their own costs.

11. **Joint City-County Committee and Collaborative Initiatives.** A committee composed of 3 county representatives (appointed by the County) and one representative from each City that has signed a like Agreement and chooses to appoint a representative shall meet not less than twice each year. Committee members may not be elected officials. The Committee shall review service issues and make recommendations regarding efficiencies and improvements to services and shall review and make recommendations regarding the conduct and findings of the collaborative initiatives identified below. Subcommittees to focus on individual initiatives may be formed, each of which shall include membership from both county and city members of the Joint City-County Committee. Recommendations of the Joint City-County Committee are non-binding. The collaborative initiatives to be explored shall include:

- a. Proposals to update animal services codes, including fees and penalties, as a means to increase revenues and incentives for residents to license, retain, and care for pets.
- b. Exploring the practicability of engaging a private for-profit licensing system operator.
- c. Pursuing linkages between County and private non-profit shelter and rescue operations to maximize opportunities for pet adoption, reduction in homeless pet population, and other efficiencies.

- d. Promoting licensing through joint marketing activities of cities and the County, including recommending where the County's marketing efforts will be deployed each year.
- e. Exploring options for increasing service delivery efficiencies across the board.
- f. Studying options for repair and/or replacement of the Kent Shelter.
- g. Reviewing results of a compensation and classification study which the County agrees to complete by July 1, 2011, benchmarking the County's Animal Services staffing policies as compared to other publicly operated animal services systems.
- h. Review the results of the County's calculation of the Reconciliation Adjustment Amounts.
- i. Reviewing preliminary proposed budgets for Animal Services.
- j. Providing input into the formatting, content and details of periodic system reports as per Section 12 of this Agreement.
- k. Reviewing and providing input on proposed Animal Services operational initiatives.

12. **Reporting.** The County will provide the City with an electronic report not less than twice each year summarizing call response and system usage data for each of the Contracting Cities and the County and the Animal Services system. The formatting, content and details of the report will be developed in consultation with the Joint City-County Committee.

13. **Amendments.** Any amendments to this Agreement must be in writing. This Agreement may be amended upon approval of the County and at least two thirds (66%) of the legislative bodies of all other Contracting Parties to this Agreement (in both number and in the percentage of the prior total Estimated Payments owing from such Contracting Parties in the then current Service Year), evidenced by the authorized signatures of such approving Parties as of the effective date of the amendment; *provided that* any amendment to this Agreement affecting the Party contribution responsibilities, hold harmless and indemnification requirements, provisions regarding duration, termination or withdrawal, or the conditions of this Section shall require consent of the legislative authorities of all Parties.

14. **General Provisions.**

- a. Other Facilities. The County reserves the right to contract with other shelter service providers for housing animals received from within the City or from City residents, whose levels of service meet or exceed those at the County

shelter for purposes of addressing shelter overcrowding or developing other means to enhance the effectiveness, efficiency or capacity of the animal care and sheltering system within King County.

- b. Severability. The invalidity of any clause, sentence, paragraph, subdivision, section or portion thereof, shall not affect the validity of the remaining provisions of the Agreement.
- c. Survivability. Notwithstanding any provision in this Agreement to the contrary, the provisions of Section 9 (Indemnification and Hold Harmless) shall remain operative and in full force and effect, regardless of the withdrawal or termination of this Agreement.
- d. Waiver and Remedies. No term or provision of this Agreement shall be deemed waived and no breach excused unless such waiver or consent shall be in writing and signed by the Party claimed to have waived or consented. Failure to insist upon full performance of any one or several occasions does not constitute consent to or waiver of any later non-performance nor does payment of a billing or continued performance after notice of a deficiency in performance constitute an acquiescence thereto. The Parties are entitled to all remedies in law or equity.
- e. Grants. Both Parties shall cooperate and assist each other toward procuring grants or financial assistance from governmental agencies or private benefactors for reduction of costs of operating and maintaining Animal Services programs and the care and treatment of animals in those programs.
- f. Force Majeure. In the event either Party's performance of any of the provisions of this Agreement becomes impossible due to war, civil unrest, and any natural event outside of the Party's reasonable control, including fire, storm, flood, earthquake or other act of nature, that Party will be excused from performing such obligations until such time as the Force Majeure event has ended and all facilities and operations have been repaired and/or restored.
- g. Entire Agreement. This Agreement represents the entire understanding of the Parties and supersedes any oral representations that are inconsistent with or modify its terms and conditions.
- h. Notices. Except as otherwise provided in this Agreement, any notice required to be provided under the terms of this Agreement shall be delivered by certified mail, return receipt requested or by personal service to the following person:

For the City: Robert L. Olander, City Manager
 City of Shoreline
 17500 Midvale Avenue North
 Shoreline, WA 98133

For the County: Caroline Whalen, Director
King County Dept. of Executive Services
401 Fifth Avenue, Suite 610
Seattle WA. 98104

- i. Assignment. No Party may sell, transfer or assign any of its rights or benefits under this Agreement without the approval of the other Party.
- j. Venue. The Venue for any action related to this Agreement shall be in Superior Court in and for King County, Washington.
- k. Records. The records and documents with respect to all matters covered by this Agreement shall be subject to inspection and review by the County or City for such period as is required by state law (Records Retention Act, Ch. 40.14 RCW) but in any event for not less than 1 year following the expiration or termination of this Agreement.
- l. No Third Party Beneficiaries. This Agreement is for the benefit of the Parties only, and no third party shall have any rights hereunder.
- m. Counterparts. This Agreement and any amendments thereto, shall be executed on behalf of each Party by its duly authorized representative and pursuant to an appropriate motion, resolution or ordinance. The Agreement may be executed in any number of counterparts, each of which shall be an original, but those counterparts will constitute one and the same instrument.

15. **Terms to Implement Agreement.** Because it is unknown how many parties will ultimately approve the Agreement, and participation of each Contracting Party impacts the costs of all other Contracting Parties, the Agreement will go into effect for the full proposed two and a half year term only if certain Minimum Contracting Requirements are met or waived as described in this section; *provided further*, that if such conditions are not met, then the Agreement will go into effect for a six month term per subparagraph (c) or a 60-day emergency period as provided for below under subparagraph (d). The Minimum Contracting Requirements include:

- a. **For both the City and the County:**
 - i. **2010 Payment Test:** The Final Estimated 2010 Payment, calculated including the County and all Cities that have executed the Agreement prior to July 1, 2010 (regardless of whether such Contracting Parties have opted for a 6 month or 2.5 year initial term), does not exceed the Preliminary Estimated 2010 Payment as set forth in **Exhibit C-1** by more than five percent (5%) or \$3,500, whichever is greater. Either Party may waive its failure to meet this test in order to allow the Agreement to go into effect for the 6 month term.

- ii. **Implied 2011 Payment Test:** In addition, if the City has agreed to an initial term of 2.5 years, the Final Estimated 2010 Payment, calculated including the County and those Cities that have similarly opted for an Initial Term of 2.5 years, does not exceed the Preliminary Estimated 2010 Payment shown for the Party in **Exhibit C-1(A)** by more than five percent (5%) or \$3,500, whichever is greater. Either Party may waive its failure to meet this test in order to allow the Agreement to go into effect for the 2.5 year term.
- b. **For the County:** the **Minimum Contiguity of Service Condition** must be met, such that the County is only obligated to enter into the Agreement if the County will be providing Animal Services in areas contiguous to the City, whether by reason of having an Agreement with another City or due to the fact that the City is contiguous to unincorporated areas (excluding unincorporated islands within the City limits). The Minimum Contiguity of Service Condition may be waived by the County in its sole discretion.
- c. **Term of Agreement Limited to Six Months if Implied 2011 Payment Test Not Met:** If the County's Minimum Contiguity of Service Requirement is met or waived by the County and the 2010 Payment Test with respect to both Parties is met or waived, but the 2011 Test is **not** met or waived for both Parties, then the Agreement shall take effect for a term of only six months (expiring December 31, 2010).
- d. **Emergency 60-day agreement.** Notwithstanding the foregoing, if the 2010 Payment Test is not met, then regardless of whether the County's Minimum Contiguity of Service Requirement is met, this Agreement shall go into effect on July 1, 2010, on an emergency basis for a period of 60-days, terminating August 31, 2010. The City shall by January 15, 2011, pay the Final Estimated 2010 Payment calculated in accordance with Section 6.a, pro-rated to reflect the 60 day (rather than 6-month) term, provided further that there will be no reconciliation of the Estimated Payment amounts so paid.

16. **Administration.** This Agreement shall be administered by the County Administrative Officer or his/her designee, and by Robert L. Olander, City Manager, or his designee.

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IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed effective as of July 1, 2010.

King County

City of Shoreline



Dow Constantine
King County Executive

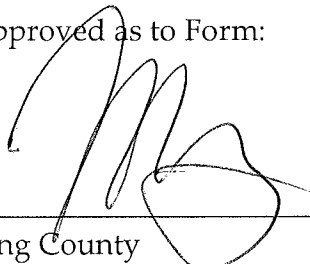
Robert L. Olander
City Manager

July 1, 2010
Date


6/29/10
Date

Approved as to Form:

Approved as to Form:



King County
Deputy Prosecuting Attorney



City Attorney

July 1, 2010
Date

6/29/10
Date