

# SNOCOM & SNOPAC JOINT BOARD of DIRECTORS MEETING

## August 1, 2017 - Fire District 1

<b>SNOCOM Board Members &amp; Management in Attendance</b>	Bob Colinas	Brier	Greg Wilson	Mountlake Terrace PD
	Al Compaan	Edmonds Police	David Chan	Fire District 1
	Jim Lawless	Edmonds Police	Robert Eastman	Fire District 1
	George Hurst	Lynnwood	Terry Peterson	SNOCOM
	Bryan Stanifer	Lynnwood Police	Marlin Herolaga	SNOCOM
	Pam Pruitt	Mill Creek	Karen McKay	SNOCOM
	Greg Elwin	Mill Creek Police	Andie Burton	SNOCOM
Seaun Richards	Mountlake Terrace			
<b>SNOPAC Board Members &amp; Management in Attendance</b>	Steve Guptill	Fire District 7	John Flood	Snohomish Police
	James Lever	Everett Police	John Dyer	Lake Stevens Police
	Susy Johnson	SCSO	Darryl Neuhoff	Marysville Fire
	Susan Neely	Snohomish County	Kurt Mills	SNOPAC
	Tim Key	Everett Fire	Steve Lawlor	SNOPAC
	Dan Templeman	Everett Police	Angie Baird	SNOPAC
	Rick Smith	Marysville Police	Brad Cattle	SNOPAC Attorney
	Daniel Cone	Arlington Police		
<b>Others in Attendance</b>	Karen Reed, JTF Facilitator		Glen Koen, Mukilteo Police	Brenda Froland, SNOPAC
	Deanna Gregory, Pacifica Law Group		Doug Dahl, Fire District 1	Sharon Brendle, SNOCOM
	Jon Nehring, Marysville		Ralph Krusey, SERS	
	Corbitt Loch, Lynnwood		Richard Schrock, Fire District 1	

AGENDA ITEMS	REPORTS & COMMENTS	ACTION OR FOLLOW-UP
<b>Call to Order</b>	<p>1. The meeting was called to order at 8:37 a.m. by the JTF Facilitator, Karen Reed. Ms. Reed commented that she will be reviewing some of the issues that were discussed at last month's Board meetings. She added that she, along with Deanna Gregory, have been working on drafting the ILA for the consolidated agency and expects to get a draft version out to the group of attorneys to start the review process.</p> <p>She asked everyone in attendance to state their name for the record.</p>	
<b>Remarks of the JTF Chair and Vice-Chair</b>	2. No comments made.	
<b>Review and Approval of Agenda</b>	3. No changes to the agenda were proposed.	
<b>Recap of Project Status and Remaining Issues</b>	<p>4. <b>Due Diligence Work</b> - Director Mills reported that he and Director Peterson are in the process of reviewing existing contracts and agreements.</p> <p><b>Transition Plan</b> - A draft plan has been created, and the directors will be working on refining this over the next few weeks. Director</p>	

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	<p>Mills expects to bring something back to the Boards next month after a review by the JTF. They have also started meeting with staff in order to keep everyone informed of the issues.</p> <p><b>Employee Survey</b> - Director Peterson reported that the results came back from an employee survey seeking potential names for a new agency. The results were included on the 2nd page of today's meeting packet. He said the plan is to further develop the list and bring it back to the Joint Board for final decision in a few months.</p> <p>Commissioner Chan asked that each of the Board members be given the opportunity to make suggestions themselves for the new agency name. Director Peterson said he would make the survey link available to all the current Board members of both SNOCOM and SNOPAC.</p> <p><b>Attorney Team</b> - The list of these attorneys are included in the meeting packet on page 10. Ms. Reed explained that the JTF recommended starting with a small team to perform the initial review of the ILA.</p>	<p><b>Survey email to be sent out to all board members</b></p>
<p><b>Second Tier ILA Issues Review &amp; Action</b></p>	<p>5. Referring to the list included in the packet, Ms. Reed briefly reviewed each of the remaining second tier issues.</p> <p><b>Name of agency.</b> Final decision will be up to the Joint Boards in September.</p> <p><b>Legal entity structure.</b> The JTF is proceeding with the decision that the new agency be a non-profit corporation.</p> <p><b>Initial term of agreement.</b> The JTF recommends that an agency could leave after 6 years, as long as 18 months of advance notice was given.</p> <p><b>Annual assembly.</b> The JTF recommends a once-a-year meeting (something that NORCOM has done) where elected representatives from all the member agencies, as well as associated and subscriber agencies, come together and receive updates from the Executive Director as to the status of the agency, including yearly recap and upcoming budget. Every two years this same group would caucus and elect their governing board members.</p> <p>Ms. Reed also went over the proposed caucus rules, listed as Exhibit A in the meeting packet. <b><i>After a brief discussion, it was the general consensus that proxy voting would not be allowed.</i></b></p> <p>There was also some discussion around the possibility of what to do if a vacancy came up during a board member's term. <b><i>It was decided that until the caucus could select a replacement, the designated alternate will be used to fill the vacancy.</i></b></p> <p><b>Subscriber Contract Terms.</b> The JTF recommends that details of these contracts be left out of the ILA, but that the new agency be given the maximum flexibility to negotiate with the contracted subscriber. These terms would need to be approved by the Board,</p>	

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	<p>but that approval would not be a supermajority issue.</p> <p><b>Budget development schedule.</b> JTF recommends that the director would have a draft budget available to the Board by August 1st, with approval required by September 15th. Entities would be informed of their assessment by September 25th.</p> <p><b><i>This recommendation would not prevent the Board from establishing a budget committee which would be tasked with drafting and reviewing the budget prior to seeking Board approval.</i></b></p> <p><b>Penalties for non-payment.</b> If a member doesn't pay their quarterly bills, an interest penalty would accrue after 6 months of non-payment. The JTF recommends that interest be at the prime rate, plus 3%. The Board would also have the ability to vote to terminate a member because of non-payment (supermajority vote item).</p> <p><b>Dispute resolution.</b> The JTF has recommended a tiered approach, but would not include arbitration. Mediation would be the last step, with parties deciding on whether it is binding or not. Costs for mediation would be equally shared.</p> <p><b>Budget year.</b> Would be based on a calendar year annual budget, but could progress to biennial budgets, if all members are also allowed. The law now states that fire districts can only have annual budgets.</p> <p><b>2018 assessments.</b> The assessment will be based on the 2018 adopted budgets of SNOCOM and SNOFAC. This will be in effect during the first year of operations, and before the two centers are fully consolidated.</p> <p><b>Budget principles.</b> The JTF has recommended including some of the budget goals in the transition or consolidation plan. These would include the statement of values and principles of the consolidation plan. A statement was approved last September that spoke about participatory governance and efficient use of public resources.</p> <p><b>Withdrawal from the ILA.</b> Including the initial 6 year commitment, an 18 month advance notice has been recommended. Withdrawal would also forfeit any rights to assets of the consolidated agency. A departure plan would be required.</p> <p><b>Reserves - general requirements.</b> This will be kept fairly generic in the ILA. Types and levels of reserves could and probably will change over time. Reserves of the two agencies that are held separately on the last day of operations will be transferred to the reserves of the new agency.</p> <p><b>Assessment formula details.</b> An explanation of the basic structure of the assessment formula was provided in the handout under Exhibits D and E.</p> <p>There was a question concerning records management. Both PSAPs fulfill public record requests and agency requests on audio</p>	

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	<p>recordings. In addition to this, SNOCOM provides some records management on other police paperwork, such as warrants, restraining orders, etc., that SNOAC doesn't provide. Director Mills suggested that the JTF look into this matter and provide a recommendation on maintaining these services. Chief Compaan asked Director Peterson to examine what it would look like to maintain the records management model for all agencies.</p> <p>There followed some additional discussion using only calls for service (CFS) data in developing the assessment formula. Mayor Pruitt of Mill Creek shared that their council is strongly opposed to including assessed value in the assessment formula. They think that CFS should be the only factor involved in determining assessments. Mill Creek is examining this issue on their own. Other Board members expressed concern with this approach due to the possible volatility that exists using only calls for service numbers.</p> <p><b>Smoothing formula details.</b> The JTF recommends a formula based upon actual savings during the first year. This is further explained in Exhibit F of today's packet.</p> <p><b>Term of Board members.</b> The JTF recommends that Board members serve for 2 years. Ms. Reed explained that with a January 1, 2018 effective date, the initial caucus would be held in mid-January, with those new Board members selected serving for 2 years and 3 months. She went on to explain that a transition Board would be needed prior to the first caucus. This Board would only be in charge from January 1st until the new Board gets appointed, and would include 3 current Board members from each of the PSAPs, as well as 2 alternate members, 1 from each original Board. This Board would be in place during that time to conduct initial business of the agency as well as handle any emergencies that came up.</p> <p><b>Board officers.</b> The JTF recommends there be a President and Vice-President, with the position of Secretary and Treasurer being held by staff members.</p> <p><b>Technical advisory committees.</b> The existing TAC groups will need to be consolidated into a single TAC, one for police and one for fire. The JTF recommends that they meet together as a group at least twice a year. There was some discussion about whether a TAC member should be allowed to serve as a Board member. TAC groups only serve in an advisory capacity, so they wouldn't be voting with the Board. Ms. Reed explained that the fire and police appointees on the new Board don't necessarily have to be TAC members, but Chair Guptill reminded everyone that it is highly likely that some of the Board members who are also operational staff would also be a member of one of the TAC groups.</p> <p><b>Latecomer policies.</b> Ms. Reed explained that generally, associate members may join without latecomer fees. This would apply to those associate members from the beginning. However, if there are costs associated with adding a new member that would</p>	<p><b>This issue will be on the agenda for the 9/7 meeting</b></p>

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	<p>be a burden on existing members, there could be an entry fee assessed. This would be as a result of negotiations between the new member and the Board.</p> <p><b>Debt service.</b> The agency doesn't have the power to issue debt, but Ms. Reed explained that the ILA should contain a provision allowing a member agency to issue debt in support of major capital projects. This debt would require supermajority support as well as signed commitments from each Principal. An individual legislative body could not be compelled to commit without their consent.</p> <p><b>Threshold of signatories for the ILA to go into effect.</b> The JTF recommends that there should be no threshold. Boards would be free to pull the consolidation plans if it looks like two-thirds of the members aren't interested in moving forward. In addition, if remaining members choose not to sign at the end of 2017, the Board will treat those agencies as subscribers in the new year until their status is resolved.</p> <p><b>Dissolution, consolidation, merger, or the sale/transfer of all or substantially all assets.</b> The JTF recommends requiring a supermajority vote for approval.</p> <p>In the event of a consolidation, all assets of the two separate PSAPs are scheduled to transfer over automatically to the new agency on January 1, 2018.</p>	
<p><b>Next Steps</b></p>	<p><b>6. Items not included in the ILA.</b> A list of these items were provided in the meeting packet, and included the following:</p> <ul style="list-style-type: none"> <li>▪ <b>Transition Plan.</b> This will include a fairly detailed list and will need to be approved by the Boards.</li> <li>▪ <b>Articles of Incorporation (or Consolidation).</b> If you're a Principal, you may be asked to sign on this document.</li> <li>▪ <b>Board Resolutions approving the consolidation, Articles of Incorporation, the ILA.</b> Ms. Reed and Ms. Gregory will prepare a standard briefing that will be distributed to each agency.</li> <li>▪ <b>Draft the Bylaws.</b> The bylaws will be worked on in the fall, and the initial draft would need to be approved by the new board on the first day of operations. More refined bylaws can be worked on in the following months.</li> </ul> <p>Ms. Reed expects to get the draft ILA out to the small attorney team soon to start the review process. She hopes that Joint Board members will individually be able to see the draft before the September 7th meeting. No action on the ILA is expected to happen at that meeting.</p>	
<p><b>Next Meeting</b></p>	<ul style="list-style-type: none"> <li>▪ September 7, 2017 at Edmonds City Hall, 3rd Floor Brackett Room.</li> <li>▪ SERS will meet immediately following the SNOCOM-SNOPAC Joint Board Meeting.</li> </ul>	

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	<ul style="list-style-type: none"> <li>▪ Additional meeting dates: October 12th and October 19th. Both of these are scheduled to meet at Fire District 1 Headquarters, 8:30 a.m.</li> </ul>	
<b>Adjourn</b>	SNOPAC Chair, Steve Guptill adjourned the meeting at 10:22 a.m.	