

SNOCOM & SNOPAC JOINT BOARD of DIRECTORS MEETING

September 7, 2017 - Edmonds City Hall

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| SNOCOM Board Members & Management in Attendance | Jerry Smith | Mountlake Terrace | Greg Wilson | Mountlake Terrace PD |
| | Bob Colinas | Brier | Chris Alexander | Mukilteo Fire |
| | Al Compaan | Edmonds Police | David Chan | Fire District 1 |
| | Tom Mesaros | Edmonds | Brad Reading | Fire District 1 |
| | Jim Lawless | Edmonds Police | Robert Eastman | Fire District 1 |
| | George Hurst | Lynnwood | Tom Howard | Woodway |
| | Ian Cotton | Lynnwood | Terry Peterson | SNOCOM |
| | Bryan Stanifer | Lynnwood Police | Marlin Herolaga | SNOCOM |
| | Pam Pruitt | Mill Creek | Karen McKay | SNOCOM |
| | Seاون Richards | Mountlake Terrace | | |
| SNOPAC Board Members & Management in Attendance | Steve Guptill | Fire District 7 | Jonathan Ventura | Arlington Police |
| | James Lever | Everett Police | John Flood | Snohomish Police |
| | Susy Johnson | SCSO | Murray Gordon | Citizen-at-Large |
| | Dan Templeman | Everett Police | Darryl Neuhoff | Marysville Fire |
| | Tim Key | Everett Fire | Kurt Mills | SNOPAC |
| | Susan Neely | Snohomish County | Steve Lawlor | SNOPAC |
| | Rick Smith | Marysville Police | Angie Baird | SNOPAC |
| | Ron Brooks | Lake Stevens Police | Brad Cattle | SNOPAC Attorney |
| | Roy Waugh | Fire Commissioner, FD7 | | |
| Others in Attendance | Karen Reed, JTF Facilitator | | Brian Haseleu, Snohomish Co | Brenda Froland, SNOPAC |
| | Deanna Gregory, Pacifica Law Group | | Doug Dahl, Fire District 1 | Sharon Brendle, SNOCOM |
| | Art Ceniza, Lynnwood | | Ralph Krusey, SERS | |
| | Corbitt Loch, Lynnwood | | Jon Nehring, Marysville | |

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| Call to Order | 1. The meeting was called to order at 8:35 a.m. by SNOCOM Board President, Jerry Smith. | |
| Review and Approval of Agenda | 2. The agenda was approved as written. | |
| Project Status | 3. <u>Project schedule.</u> Ms. Reed spoke on the dates remaining in the pre-consolidation process. There are three upcoming joint board meetings: September 21, October 12, and October 19. The latter being a backup date if action isn't taken on October 12th. In addition, she mentioned that there are two opportunities for agency attorneys to participate in a conference call to review and provide feedback on the draft ILA. These are scheduled for September 12th and the 18th. Following action taken on October 19th, packets will be distributed to all the individual agencies for their legislative bodies to consider whether or not they will be joining the new consolidated PSAP. The effective date of the new agency would be January 1, 2018. The transition board will meet | |

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| | <p>that day. In mid-January, caucuses will be held to elect the first full 15 member board.</p> <p><u>Due Diligence Work.</u> Director Mills spoke about this process and explained that they have a draft started and are consulting with their attorneys to formalize their plan. They have also reached out to some of their key vendors to make sure they are tracking the upcoming changes.</p> | |
| <p>Operational Transition Plan</p> | <p>4. Director Peterson explained that this plan contains a mix and match of the most important components to moving the consolidation process forward. This involves the employees, contracts, and funds. It summarizes some of the items that will be addressed in the interlocal agreement (ILA), as well as some items that are not directly addressed in the ILA but are important for the Boards to understand the plan.</p> <p>a. Employees/HR/Benefits. He explained that on the first day of the consolidation, all employees will be transferred to the new agency. Existing policies and practices will be unchanged, and each agency will essentially operate as they do today but under one governing board. Both CBAs with the existing groups will remain, with negotiations to start sometime that year toward a successor agreement. Payroll and benefits will also stay the same for the time being, but payroll will be accounted for under the new agency's federal tax ID number as well as a new UBI number.</p> <p>b. Cash - Assets - Accounts Payable. Director Peterson explained that anything that is held in reserve at the end of the year will be transferred to a reserve account with the new agency. The existing capital plans will be merged into a single capital plan. He spoke about operating fund balances and that all funds would be transferred to the new agency, with the exception of a small amount held back to pay for SNOCOM Year End 2017 invoices received during the first part of 2018. All new 2018 invoices would be routed through and paid by the new agency. A new purchasing policy will need to be created and adopted. The director explained that this task would be one of the first actions of the new transition board. Following a question by one of the board members, Director Peterson assured that new practices will have approval by legal counsel and the State Auditor's office as needed.</p> <p>c. Equipment. All equipment currently owned by either agency will be transferred to the new agency. A new master inventory will be created.</p> <p>d. Contracts. Any existing contracts with vendors will be transferred to the new agency. Director Peterson added that he thought some opportunities to consolidate duplicate agreements will be made during the transition. These may include renegotiations as well as terminating un-needed</p> | |

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| | <p>contracts. Existing agreements with subscriber agencies will also be continued and roll over into the new agency.</p> <p>e. Services and functions. All services that were previously provided by the separate PSAPs will still be provided by the new consolidated agency. Both dispatch operations will continue to be staffed at separate locations. In mid-2019, the enhanced police paperwork services, currently offered by SNOCOM, will be evaluated to make a determination if those services will continue to be offered or if any changes will be made in possible cost recovery.</p> <p>f. Technology. All existing technology offerings will remain unchanged.</p> <p>g. Legal. Director Peterson explained that any legal components necessary for operation will be accomplished during the initial transition period. This includes changing the Tax ID number, UBI, bank accounts, domain name, etc. Existing attorneys will remain until a formal selection process can be undertaken during the transition period.</p> <p>Answering a question from one of the board members, Director Peterson said that the temporary governing board will make an appointment for an Interim Executive Director. The new board would then take further action in their confirmation of that position.</p> | |
| <p>Naming the new Agency</p> | <p>5. The Joint Task Force is asking for a decision today on the naming of the new agency. Director Mills went over the briefing on page 9 of the packet, outlining the process that the JTF used in their recommendation of the consolidated agency's name. He spoke about the survey that was used, and said that they received 128 submissions from employees and board members. The top five suggestions were then voted on. The top three included Snohomish County 911, North Sound 911, and SNOCO 911. There was a strong sense that 911 should be part of the name, due to the fact that the public has a clear understanding of the role of 911 in the emergency response. The JTF recommended that the name of the new agency be Snohomish County 911.</p> <p><i>Mayor Bob Colinas of Brier moved on behalf of SNOCOM to adopt the name, Snohomish County 911, as the name of the new agency. The motion was seconded by Edmonds' Councilmember Tom Mesaros, and approved unanimously.</i></p> <p><i>Mr. Murray Gordon moved on behalf of SNOPAC, to adopt the name, Snohomish County 911, as the name of the new agency. The motion was seconded by Everett Fire Chief Tim Key, and approved unanimously.</i></p> | <p>Both SNOCOM and SNOPAC approved the new agency's name.</p> |
| <p>Interlocal Agreement</p> | <p>6. Remaining Issues with Recommendations from the JTF. Ms. Reed provided a summary of remaining issues that still need to be decided.</p> <p>a. Approving new programs and services as technology</p> | |

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| | <p>evolves. This involves revenues from new contracts or programs and how they will be accounted for. They created two concepts: ancillary services, those that are mandatory and will be provided to all principles and subscribers; or additional services, those that are optional and are provided only to those that contract for these services. For ancillary services the cost will be funded through assessments. For additional services, the cost will be funded through separate contracts. The JTF recommendation is that new ancillary services require simple majority approval.</p> <p>b. Enhanced Police Records Services. These include additional police records functions for item like warrants, restraining orders, and property entries. This service is currently provided to SNOCOM's police agencies and will continue to be provided and funded through assessments for the first 2 years of the agency. In 2019, the Executive Director will make a recommendation to the new board on how the service is handled in the future.</p> <p>c. Budget Committee. Ms. Reed explained that there had been interest in having an outside budget committee formed to review the budget before it goes to the boards. The JTF supports this idea, but would prefer it be accomplished through board resolution, rather than amending the ILA. A resolution would provide more flexibility. Having a Standing Committee of the Agency may be subject to open public meeting act requirements.</p> <p>A question was asked on why this topic couldn't be a part of the bylaws. Lengthy discussion on this topic followed. Ms. Reed said that the initial bylaws could contain a committee structure that everyone would be comfortable with. She said that they will come back with a recommendation on September 21st for what the initial committee structure is that would be included in the bylaws.</p> <p>A request was made that Director Peterson contact CRESA 911 for specific wording on how their bylaws or ILA call for certain required committees.</p> <p>In answering a question about the makeup of the committee, Ms. Reed explained that there would be a regular budget and finance committee, but there may also be an external budget review committee composed of some number of financial staff from amongst the member agencies that the board may determine.</p> <p>d. Member Agency Fees in 2018. Ms. Reed clarified that the budgets each of the agencies will adopt for 2018 will determine what the individual assessments will be for 2018, after consolidation. Operations are status quo, with costs for transitions coming out of reserves.</p> | <p>CRESA language on committees</p> |

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| | <p>e. Subscriber Contracts. It is the recommendation of the JTF not to draft any contracts until they hear from those agencies that intend to be subscribers. The JTF recommends some basic terms and these are listed in the packet on page 13, which includes a recommendation for a risk premium if the subscribing agency requests a cost cap in the agreement.</p> <p>f. TAC role. The JTF recommended that some reduction in requirements be made to the ILA with regard to TACs. In addition to removing the requirement on how often TAC groups must meet and a minimum requirement of 1/3 members for quorum, the other recommended changes are spelled out on page 14 of the packet.</p> <p>g. Impact of not signing the ILA on time. Ms. Reed explained that the proposal is to treat late deciders as subscribers for up to 45 days. The rate would be the same rate as the 2018 assessment, plus a 25% penalty on that pro-rata portion of assessments incurred between January 1 and the date that the ILA or subscriber contract is signed.</p> <p>Mountlake Terrace asked for a fact sheet to be prepared outlining the specifics before their council meets with the directors. Ms. Reed spoke about the draft sample briefing that was included in this morning's packet.</p> <p>h. Membership of new entities as principles. New members who are made up of agencies that could otherwise be principal members are essentially pre-approved by the Board through the ILA. New agencies that are created would still need to sign the ILA, but there would be no additional action by the Board.</p> <p>i. Single Service Principals Definition. Ms. Reed explained that this was defined as a city or town that has signed the ILA and provides either police or fire service, but not both, and receives its non-directly provided service from another principal or subscriber. There was some additional discussion about this topic.</p> <p>Draft Briefing memo for use by member agencies. Ms. Reed outlined the process, up to this point, on how the ILA has been created.</p> <ul style="list-style-type: none"> ▪ Karen Reed worked with the JTF for a year and a half to develop certain policy points, ▪ Pacifica Law Firm was brought in and she and Deanna became the lead drafters of the document. ▪ The document was shared with the directors who corrected and clarified some of the points. ▪ The ILA was then shared with a small team of attorneys to review the draft and make sure it had been drafted legally and clearly. This team included the Attorney for the City of | |

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| | <p>Everett, WCIA’s Attorney, Attorney for the City of Lynnwood, Attorney for Fire District 1, and an Attorney from the Snohomish County Prosecutor’s Office.) This team went through 2 reviews.</p> <p>Two conference calls have been set up to allow any of the agency’s attorneys to engage in discussing this draft ILA. Ms. Reed asked that this be shared with their agency’s legal counsel.</p> <p>Ms. Reed went on to explain that the two boards will need to adopt identical resolutions by two-thirds vote that approves the action of consolidating and four specific documents (ILA, Articles of Consolidation, Plan of Consolidation, Operational Consolidation Plan). The Plan of Consolidation will be sent out next week. She went on to say that later this Fall, assuming the consolidation is still on track, the JTF will ask each of the boards to appoint three members and one alternate to serve on the Transition Board in the first few weeks of January.</p> <p>Individual actions by each agency are to adopt a resolution or ordinance that basically approves the ILA, and decide whether you want to be a principal or subscriber. If an agency chooses to be an associate agency, the ILA won’t need to be signed, but the value of becoming an associate agency is that not incurring a latecomer penalty is guaranteed. A memo that will brief everyone on the ILA will be provided to each of the entities as well as a sample resolution they can adapt to their needs.</p> <p>Ms. Reed briefly went over the memo that was provided in today’s meeting packet. She asked if anyone had any suggestions for additional items that should be included in the briefing to let her or the directors know.</p> <p>Fire District One Commissioner, David Chan stated that members on their Board of Commissioners had raised concerns at their last meeting about including the possibility of future consolidation with SERS in the ILA. Their thought was that when a decision to consolidate with SERS is considered, this topic should go back to each of the individual agencies for a decision to be made. There was additional discussion on this subject combined with funding the next radio upgrade.</p> | |
| Next Steps | <p>7. Ms. Reed requested that everyone read the draft ILA. The conference calls with the attorneys are scheduled for 9/12 and 9/18, from 9-11 a.m. They would like to limit the conference call to attorneys so they can report back to the board on the 21st. They also wish to avoid a possible quorum issue by not inviting board members to participate.</p> | |
| Next Meeting | <ul style="list-style-type: none"> ▪ September 21, 2017 at Edmonds City Hall, 3rd Floor Brackett Room, 8:30 a.m. ▪ Additional meeting dates: October 12th and October 19th. Both of these are scheduled to meet at Fire District 1 Headquarters, 8:30 a.m. | |

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| Adjourn | SNOCOM President, Jerry Smith, adjourned the meeting at 10:02 a.m. | |