

**INTERAGENCY AGREEMENT
BETWEEN KING COUNTY AND THE CITY OF BLACK DIAMOND
FOR SURFACE WATER MANAGEMENT FEE COLLECTION AND REMITTANCE RELATED SERVICES**

This Agreement is made and entered into by King County, Washington, hereinafter referred to as "King County" or "County," and the City of Black Diamond, a Washington municipal corporation, hereinafter referred to as "Black Diamond" or "City," collectively referred to as the "Parties," in order for King County to provide services to the City for managing the database of the City's surface water management (SWM) service charge ratepayers, providing customer service related to the City's SWM service charge, billing the City's SWM service charge to City ratepayers, and collecting said charge and transmitting resulting receipts to the City.

The Parties mutually agree as follows:

I. Purpose

The purpose of this Agreement is to set forth the services the Parties agree the County will provide to the City: 1) management of the City's SWM service charge ratepayer database; 2) provision of customer services related to the City's SWM service charge; 3) billing of the City's SWM service charge to ratepayers through the King County Property Tax Statement and 4) collection of SWM service charges and transmittal of receipts to the City.

II. Administration

- A. The City shall appoint one administrator, and the County shall appoint one administrator from the Water and Land Resources Division ("WLRD") and one administrator from the Finance and Business Operations ("FBO") Division, to review compliance with this Agreement and to resolve any conflicts. The administrators shall meet as needed, as applicable to the specific issue. Either administrator may convene a meeting with a minimum of ten (10) calendar days' written notice to the other administrator, as applicable to the specific issue.
- B. Any conflict that is not resolved by the administrators within ten (10) working days of a meeting held to discuss the conflict shall be referred for resolution to the City Mayor and the WLRD Division Director and/or the FBO Division Director, as

applicable to the specific issue. If the conflict cannot be resolved by the City Mayor and the WLRD Division Director and/or the FBO Division Director, it shall be referred to the City Mayor and the Director of the King County Department of Natural Resources and Parks (DNRP) and/or the Director of the Finance and Business Operations Division of the Department of Executive Services, as applicable to the specific issue. This provision shall not be construed as prohibiting King County or Black Diamond from seeking interpretation or enforcement of the terms of this Agreement, or relief or remedy from a breach of the terms of this Agreement, in law or in equity.

III. Description of Services

Services to be provided are as follows:

- A. Maintaining and updating the ratepayer database containing information needed to determine the appropriate annual SWM service charge for each Black Diamond account, including changes to property and/or property owner characteristics. WLRD automatically receives notifications of new residential parcels and parcel type changes, such as residential parcels changing to commercial parcels or condominiums, but no other information related to parcel or parcel characteristic changes.
- B. Incorporating into the database any changes in the City's SWM service charge rate structure, subject to IV.B.2. below.
- C. Providing customer service to address questions and issues from City representatives and ratepayers related to the City's surface water management service charge.
- D. Billing of the City's annual surface water management service charge to property owners. The charge shall be included on the annual King County Property Tax Statement, which will be sent in the manner established by state law and county ordinance.
- E. Collecting and transferring to the City receipts from the SWM service charge billings. Receipts will be transferred each business day.
- F. King County will also include any delinquent SWM service charges on the annual King County Property Tax Statement and attempt to collect any delinquent SWM

service charges for 10 years before referring any uncollectable charges back to the City for disposition.

- G. Providing reports on amounts collected, prior year delinquencies, and SWM account characteristics as may be provided and/or requested by the City.

IV. Responsibilities of the Parties

A. Upon execution of this Agreement, King County will provide the services as described in Section III. above, with 2017 as the first year for billing and collecting of the SWM fee.

B. Black Diamond:

1. Black Diamond has adopted legislation establishing an annual SWM service charge rate as set forth in Exhibit One, attached to this agreement and incorporated herein and made a part hereof. If the City changes its surface water service charge rate for any given year, it will notify the County of the new rate at least six months prior to the beginning of the calendar year in which the rate change is to become effective, allowing time for the County to make necessary adjustments to the database.
2. By November 1 of each year, Black Diamond will provide King County, via a written document such as a spreadsheet, changes in property characteristics affecting SWM service charge accounts (excluding new residential parcels and parcel type changes, such as residential parcels changing to commercial parcels or condominiums), in order for such changes to be reflected in the following year's SWM account billings.
3. Black Diamond will be responsible for any actions involving a challenge to the validity of the City's SWM service charge, including any defense of the City's SWM service charge raised during any County tax foreclosure proceeding on a Black Diamond property.

V. Costs and Billing

- A. Black Diamond will pay an annual per-account fee for SWM service charge database management and customer service. King County may adjust the annual per-account fee annually (the 2016 fee is \$1.73), based on staff and overhead cost changes

authorized in the adopted King County annual budget. Any increase in the per-account fees to be charged to the City by King County shall be communicated by written notice to the City by no later than September 1 of the calendar year prior to the date on which the rate increase is to take effect.

- B. Black Diamond will pay a one-time fee of \$1.92 per parcel to convert the King County SWM service charge customer database for Black Diamond accounts.
- C. King County will send an invoice to the City for the annual per-account billing fee outlined above in two installments annually (approximately May and October). The one-time conversion fee will be billed in two installments in 2017. The City will pay invoices within 45 days of receipt.
- D. Pursuant to RCW 84.56.035, Black Diamond agrees to pay the County a collection fee equal to one percent (1%) of all SWM service charge revenue collected by the County for Black Diamond under the terms of this Agreement. This collection fee is separate from the per-account fee authorized in V.A. Twice per year (July and January) based upon collections through June 30 and December 31. King County Treasury will deduct the one percent collection fee from receipts collected on behalf of the City. King County may, within its sole discretion, change the frequency of the deductions, provided that written notice is provided to the City at least six months before such change is implemented.

VI. Effectiveness, Duration, Termination and Amendment

- A. This Agreement is effective upon signature by both Parties and will remain in effect until December 31, 2021.
- B. This Agreement may be terminated by either Party for the following billing year by providing written notice by October 1 of the prior year. In the event of termination, payment will be made by the City for work performed by the County to the date of termination, provided that for SWM fees billed prior to the termination date King County will continue to collect those previously billed SWM fees, make disbursements to the City, and retain the collection fee as authorized in Section V. D.
- C. This Agreement may be amended only by written agreement of the Parties.
- D. This Agreement is not assignable by either Party, either in whole or in part.
- E. This Agreement is a complete expression of the Intent of the Parties and any oral or

written representations or understandings not incorporated herein are excluded. The Parties recognize that time is of the essence in the performance of the provisions of this Agreement. Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of breach of any provision of this Agreement shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the Agreement unless stated to be such through written approval by the parties which shall be attached to the original Agreement.

- F. Funding or obligation under this Agreement beyond the current appropriation year is conditional upon appropriation by the County Council and the City Council, respectively, of sufficient funds to support the activities described in this Agreement. Should such appropriation not be approved this Agreement will terminate at the close of the last year for which appropriation has been provided. In such case, the County or City respectively shall provide prompt written notice to the other party that no appropriation has been made for the subsequent year.

VII. General Provisions

- A. The failure of either party to insist upon strict performance of any of the covenants and agreements contained herein, or to exercise any option herein contained in one or more instances, shall not be construed to be a waiver or relinquishment of said covenants, agreements or options and the same shall be in full force and effect.
- B. The provisions of this Agreement are declared to be severable. If any provision of this Agreement is for any reason held by a court of competent jurisdiction to be invalid or unconstitutional, such invalidity or unconstitutionality shall not affect the validity or unconstitutionality of any other provision.
- C. Sections II.B, IV.B.3., V.D., VI.B., VII, and VIII shall survive the termination of this Agreement.

VIII. Indemnification

Black Diamond shall protect, defend, indemnify, and save harmless King County, its officers, officials, employees, and agents, while acting within the scope of their employment, from any and all costs, claims, judgments, penalties, and/or awards of damages, arising out of or in any way resulting from Black Diamond's own negligent acts or omissions in connection with its obligations under the terms of this Agreement. King County shall protect, defend, indemnify, and save harmless Black Diamond, its officers, officials, employees, and agents, while acting within the scope of their employment, from any and all costs, claims, judgments, penalties, and/or awards of damages, arising out of or in any way resulting from King County's own negligent acts or omissions in connection with its obligations under the terms of this Agreement. Each Party agrees that its obligations under this subparagraph extend to any claim, demand, and/or cause

of action brought by, or on behalf of, any of its employees or agents. For this purpose, each Party, by mutual negotiation, hereby waives, with respect to the other Party only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW. In the event that a Party incurs any judgment, award, and/or cost arising therefrom, including attorneys' fees, to enforce the provisions of this Article, all such fees, expenses, and costs shall be recoverable from the responsible Party to the extent of that Party's culpability. This indemnification shall survive the termination of this Agreement.

IX. Counterparts

This Agreement may be executed in counterparts.

IN WITNESS WHEREOF, the Parties hereto have executed this agreement on the 11th day of October, 2016

Approved as to Form

By: Peggy Paho
Title: Deputy Prosecuting Attorney

King County:

By: [Signature]
Title: Department Director
Department of Natural Resources and Parks

By: [Signature]
Title: Division Director
Finance and Business Operations Division of the
Department of Executive Services

Approved as to Form

By: [Signature]
Title: city attorney

City of Black Diamond:

By: [Signature]
Title: Mayor

**Black Diamond SWM Service Charge Rate Structure
Costs for Billing and Revenue Collection Services Provided by King County**

Cost Estimate for SWM Service Billing and Revenue Collection Services

Annual SWM Service Charge Billing (based on 1,362 accounts and estimated 2017 per- account fee of \$1.75*)	\$2,383.50
One-time per-account fee to customize King County database for Black Diamond accounts (based on 1,362 accounts and \$1.92 fee)	\$2,615.00
Annual Revenue Collection (based on 1% of \$261,504 estimated annual revenue – not included in total below)	\$2,615.00
TOTAL	\$4,998.50

*As of the date of execution of the attached agreement, the actual fee has yet to be calculated for 2017. The estimated range is \$1.27 to \$1.98.