Finance and Administrative Committee Agenda
Eastside Fire & Rescue Headquarters
February 26, 2020
12:00 p.m. – 1:00 p.m.

First Order of Business: Nominate FAC Chair and Vice Chair

Old Business:
1. January 22, 2020 meeting minutes for approval ........................................ Page 02

Regular Business:
1. Governance Discussion ........................................................................ Page 03

Good of the Order

Adjourn

Next Meeting: March 25, 2020 12:00 p.m. at HQ

The FAC meets the fourth Wednesday each month from 12:00-1:00 p.m. at HQ pending items from the EF&R Board.
The meeting was called to order at 12:05 p.m.

Old Business:
1. August 28, 2019 meeting minutes for approval: IT WAS MOVED BY VICE CHAIR GOODMAN, SECONDED BY DIRECTOR MARTIN TO: Approve the meeting minutes. MOTION CARRIED 4-0.
2. Governance Discussion: Chief Clark guided the discussion by reviewing the Articles of Incorporation, the Bylaws, and the Interlocal Agreement. Discussion ensued. Chief Clark will provide updated language on numerous items at the February FAC meeting. This non-profit status solves the two major issues of the employer of record and ownership, and puts EF&R in a more secure position.

Executive Session: None

Good of the Order: None

The meeting adjourned at 1:05 p.m.

Next meeting: February 26, 2020, 12:00 – 1:00 p.m., HQ
EASTSIDE FIRE & RESCUE INTERLOCAL AGREEMENT

THIS AGREEMENT is entered into by and between KING COUNTY FIRE PROTECTION DISTRICT NO. 10, King County, Washington ("District 10"), FIRE DISTRICT 38, King County, Washington ("District 38"), the CITY OF ISSAQUAH, Washington ("Issaquah"), the CITY OF NORTH BEND, Washington ("North Bend"), and the CITY OF SAMMAMISH, Washington ("Sammamish"), all Washington municipal corporations (collectively, the “Parties”).

RECITALS

A. On January 1, 1999, District 10, District 38, Issaquah and North Bend commenced operation of Eastside Fire & Rescue, a fire and emergency medical services joint department, pursuant to Chapter 39.34 RCW (the “Interlocal Cooperation Act”). On January 1, 2001, Sammamish joined Eastside Fire & Rescue.

B. The original Interlocal Agreement establishing Eastside Fire & Rescue expired on December 31, 2007 ("Original Agreement”) (The Original Agreement consisted of the “Agreement for Joint Operation of Fire and Emergency Medical Services” between District 10 and Issaquah, as amended by the “District No. 38 and North Bend Amendment to the Agreement for Joint Operation of Fire and Emergency Medical Services,” by the “City of Sammamish Amendment to the Agreement for Joint Operation of Fire and Emergency Medical Services,” and by the “Equipment Funding (Separate Ownership) Amendment to Agreement for Joint Operation of Fire and Emergency Medical Services”).

C. The Parties extended the operation of Eastside Fire & Rescue another seven years to December 31, 2014, by amending and replacing in its entirety the Original Agreement with another agreement ("2008 Agreement”), and for an additional term of seven years to December 31, 2021, by amending and replacing in its entirety the 2008 Agreement with another agreement ("2015 Agreement”), and for an additional term of five years to December 31, 2026, by amending the 2015 Agreement with another agreement (as amended, the “2017 Agreement”).

D. Under the Interlocal Cooperation Act, certain governmental entities may enter into joint agreements forming nonprofit corporations to perform any powers, privileges or authorities that the participating governmental entities may perform.

E. To more effectively and efficiently provide fire prevention, fire suppression, emergency medical, special rescue and hazardous materials incident response and other public health and safety services for the protection of public health, life and property, the Parties find that it is in the best interests of their inhabitants and taxpayers to organize Eastside Fire & Rescue as a nonprofit corporation, public body and instrumentality of the Parties in accordance with the Interlocal
Cooperation Act and Chapter 24.03 RCW (the “Washington Nonprofit Corporation Act”).

F. The Parties therefore desire to extend the operation of Eastside Fire & Rescue another five years to December 31, 2026, to incorporate Eastside Fire & Rescue as a nonprofit corporation, public body and instrumentality of the Parties, and to amend and replace in its entirety the 2015 Agreement in accordance with the terms and conditions of this new agreement (“Agreement”).

AGREEMENT

The Parties agree as follows:

1. Definitions. The following terms shall have the following meanings:

1.1. “Board of Directors” or “Board” means the joint board of Eastside Fire & Rescue, as described in Paragraph 3.

1.2. “Eastside Fire & Rescue” means the nonprofit corporation, public body and instrumentality of the Parties formed pursuant to this Agreement for operation and management of the combined operating fire departments of Issaquah, North Bend and Sammamish (collectively, the “Cities”) and District 10 and District 38 (collectively, the “Districts”).

1.3. “Fire Chief” means the chief of Eastside Fire & Rescue appointed by the Board of Directors.

1.4. “Personal property” means all property that is owned or used by Eastside Fire & Rescue and that is not land or buildings, including but not limited to vehicles, equipment, durable goods, furniture, fixtures, small tools and supplies.

1.5. “Real property” means all land and buildings that are used by Eastside Fire & Rescue.

2. Nonprofit Incorporation and Term.

2.1. Formation and Name. The Parties hereby create Eastside Fire & Rescue.

2.2. Incorporation. The Parties shall incorporate Eastside Fire & Rescue as a nonprofit corporation, public body and instrumentality of the Parties pursuant to the Washington Nonprofit Corporation Act and as a tax-exempt organization under Section 115 and Section 501(c)(3) of the Code. The Parties may reorganize the form of Eastside Fire & Rescue in any manner as may be permitted by law and by amendment of this Agreement.
2.3. **Term.** This Agreement shall be effective on __________, and shall terminate on December 31, 2026, 2031. It shall be renewed automatically thereafter for successive seventeen-year terms.

3. **Board of Directors.**

3.1. **Authority.** A Board of Directors shall administer, operate, and manage Eastside Fire & Rescue and all jointly owned or separately owned real and personal property of the Parties. The Board’s authority shall include execution of contracts on behalf of Eastside Fire & Rescue for the provision of goods and services, including the authority to enter into or amend existing or future employment contracts with the Fire Chief and such other employees as shall be authorized by the Board. The Board further shall have such additional authority as may from time to time be conferred on it by the legislative bodies of all of the Parties. Except as provided in paragraphs 7, 12.3 and 12.4, the Board shall have no authority to modify or revise the terms of this Agreement.

3.2. **Appointment.** The Board of Directors shall consist of eight elected officials, each of whom shall be currently serving as elected officials of the governing body of one of the Parties. An “elected official” shall be a person elected by the voters to the governing body of one of the Parties, or duly appointed to such an elected position to fill a vacancy on such governing body. The Issaquah City Council shall appoint two Board members, the North Bend City Council shall appoint one Board member, the Sammamish City Council shall appoint two Board members, the District 10 Board of Fire Commissioners shall appoint two Board members, and the District 38 Board of Fire Commissioners shall appoint one Board member. Each Party also shall appoint one of its respective elected officials as an alternate Board member. If a Party must appoint two alternate Board members, the Party may appoint the same elected official to both of the alternate Board member positions. The Board members and the alternates shall serve at the pleasure of each respective Party.

3.3. **Meetings.** A quorum of the Board of Directors shall consist of five members or their alternates. Unless actions of the Board are required by law to be in the form of a resolution, the actions of the Board may be by motion or resolution. Except as provided otherwise in this Agreement, at least five Board members or alternates shall approve a motion or resolution. The Board shall approve motions or resolutions regarding changes to the revenue formula of paragraph 7 by unanimous vote of the entire membership of the Board. All meetings of the Board shall be held in compliance with the Open Public Meetings Act, Chapter 42.30 RCW. The date, time, and place of the regular meetings of the Board shall be
established by resolution of the Board. The Board shall prepare minutes of its meetings, which shall be distributed regularly to the legislative bodies of the Parties.

3.4. **Committees and Task Forces.** The Board of Directors shall have authority to form and appoint committees and task forces to assist the Board in the performance of its duties and responsibilities.

4. **Services.** The Board of Directors shall identify and provide services in accordance with applicable laws and regulations. Services within the boundaries of the Parties include, but are not limited to: fire prevention; fire suppression; emergency medical; rescue; and hazardous materials incident response. Within the boundaries of the Parties, the Board shall provide the following additional services in conformance with City and County ordinances: fire code inspection and enforcement; fire code pre-construction building plan review. The Parties recognize that King County has statutory jurisdiction to enforce the Fire Marshal provisions of the County Code within the unincorporated areas served by the Parties.

5. **Budget.** The Fire Chief or designee shall prepare a proposed budget for a succeeding calendar year or biennium and a multi-year projection pursuant to a process established by the Board of Directors. The process shall meet the service needs and requirements of this Agreement and shall comply with applicable laws and regulations. The legislative bodies of the Parties shall adopt a budget before the end of the calendar year or biennium in accordance with applicable laws and regulations. The Board may submit a recommended budget amendment to the legislative bodies of the Parties, which may adopt a budget amendment in accordance with applicable laws and regulations. The Board of Directors shall establish a benchmark to evaluate cost effectiveness.

6. **Finances -- Special Fund.** The Board of Directors shall create a special operating fund at the King County Financial Management Office for the payment of the operating costs and expenses of Eastside Fire & Rescue. The Board shall be responsible for the proper management and accounting of all funds of Eastside Fire & Rescue. The financial affairs of the Board shall be conducted in accordance with applicable laws and regulations.

7. **Revenues -- Financial Contributions.** Each Party shall contribute funds to support the maintenance and operation of Eastside Fire & Rescue in accordance with the annual revenue formula of this paragraph. The Parties shall pay the financial contributions in equal monthly installments or as otherwise approved by the Board. The revenue formula for the 2015 annual financial contributions of the Parties is set forth in Exhibit A, which is attached and incorporated into this Agreement. Pursuant to paragraph 3.3, the Board of Directors may approve a change in the revenue formula on or before May 30 of the year preceding the calendar year in which the amended revenue formula will become effective.
effective pursuant to paragraph 5. Any amendment to the revenue formula shall take into account the Parties as a whole and individually, considering any criteria deemed appropriate by the Board. The amended revenue formula shall be filed with the Secretary of the Board and shall be attached to this Agreement. A Party that has filed a notice of withdrawal from Eastside Fire & Rescue pursuant to paragraph 16.1 shall not participate in any vote regarding the consideration and approval of an amendment to the revenue formula that is effective after the withdrawal. The Parties also shall contribute all emergency medical service taxes.

8. **Major Capital Expenditures -- Bond Issues.** If the Board of Directors determines that major capital expenditures for real or personal property are necessary for the proper operation of Eastside Fire & Rescue, and should be financed through a bond issue (voter approved or legislative body approved) or levy of excess taxes, the Board shall adopt a report and recommendation and submit it to the legislative bodies of the Parties. If one Party fails to adopt the recommendation, the proposal shall be rejected. If all Parties adopt the recommendation, each Party shall adopt appropriate legislative enactments to authorize a legislative body approved bond issue, or they shall submit an appropriate ballot proposition to the voters at an election selected by all Parties. If the ballot proposition is not approved in one jurisdiction, the proposal shall fail. If one Party does not authorize a bond issue or levy, another Party may issue bonds on behalf of Eastside Fire & Rescue and the Party that does not authorize a bond issue or levy shall remain responsible for payment of debt service on the bonds issued on behalf of Eastside Fire & Rescue.

9. **Employer.** Eastside Fire & Rescue shall employ all necessary employees and volunteers for purposes of this Agreement, pursuant to applicable laws and regulations. District 10 shall assign, and Eastside Fire & Rescue shall assume, all existing collective bargaining agreements with respect to employees of District 10. The Parties hereby delegate to, and Eastside Fire & Rescue hereby accepts, all retirement system obligations of the Parties with respect to the employees of District 10. To the extent required by law, Eastside Fire & Rescue hereby elects to participate in the public employee retirement systems of the State in which the employees of District 10 participate. The adopted budget for Eastside Fire & Rescue shall contain sufficient funds to pay all wages, salaries, employment benefits, payroll taxes, and other expenses of employees and volunteers. Eastside Fire & Rescue shall pay the LEOFF 1 benefits that the employer is obligated to pay to the LEOFF 1 firefighters who retired as employees of the fire departments of the Parties prior to commencement of Eastside Fire & Rescue and who retired as employees of District 10 after commencement of Eastside Fire & Rescue (“LEOFF 1 Payments”). The LEOFF 1 payments shall be deemed a liability of Eastside Fire & Rescue, for which each Party shall remain liable and responsible after withdrawal from Eastside Fire & Rescue or after expiration of this Agreement, in accordance with the revenue formula provided for in paragraph 7 in effect at the time of notice of withdrawal or the expiration of this agreement.
Agreement. In addition to the LEOFF 1 payments, District 10 may request the Parties to share other costs, expenses and liabilities for any claims, judgments, damages or expenses arising from District 10’s Employer status arising prior to the date Eastside Fire & Rescue assumes Employer status by filing a written request with the Board of Directors. The Board of Directors shall approve or deny the request within 30 days of receipt of the request using procedures and guidelines to be adopted by the Board and subject to the provisions set forth in paragraphs 3.3 and 7.

10. **Employees.** The Fire Chief shall be hired, disciplined and discharged by a majority vote of all members of the Board of Directors. The Fire Chief shall report to and be supervised by the Board. The Board shall conduct annually an evaluation of the performance of the Fire Chief, or more frequently if requested by the Board or the Fire Chief. The Fire Chief shall hire, discipline, discharge and supervise all other employees and all volunteers of Eastside Fire & Rescue.

11. **Fire Marshal Appointment.** Each City, in accordance with its respective fire code, shall appoint the Fire Marshal of Eastside Fire & Rescue as the fire marshal and fire prevention officer of the City. The Fire Marshal, while acting as the fire marshal and fire prevention engineer of the City, shall report to and be supervised by the city manager or city administrator, as applicable, of the City. The Fire Marshal shall cooperate with city building officials and the city administrator or city manager, as applicable, to administer, enforce and carry out the City’s fire code. All court costs and other legal costs incurred in the enforcement of the City’s fire code shall be paid by the City and shall not be considered an operating expense of Eastside Fire & Rescue. Any award of costs, attorneys’ fees, penalties or fines in an enforcement action shall be the property of the City.

12. **Property Ownership and Funding.** All real and personal property that is acquired by a Party or the Parties for use by Eastside Fire & Rescue shall be owned and funded as follows:

12.1. **Real Property Ownership.** All real property that is acquired by a Party prior to becoming a member of Eastside Fire & Rescue shall remain the real property of that Party. Upon becoming a member of Eastside Fire & Rescue, the Party shall file with the Board of Directors an inventory of such before-acquired real property. All real property acquired jointly by two or more Parties after becoming members of Eastside Fire & Rescue shall be the joint real property of those Parties, and all real property acquired separately by a Party after becoming a member of Eastside Fire & Rescue shall be the separate real property of that Party. Eastside Fire & Rescue shall have exclusive access to and control over all real property.

12.2. **Personal Property Ownership.** Upon becoming a member of Eastside Fire & Rescue, a Party shall file with the Board of Directors an inventory, a statement of fair market value and a depreciation schedule of all personal
property acquired by the Party prior to becoming a member of Eastside Fire & Rescue. **Exhibit B**, which is attached and incorporated into this Agreement, lists and describes personal property of the Parties over which Eastside Fire & Rescue has exclusive access to and control over, and indicates whether the personal property of a Party is considered separate personal property of the Party or joint personal property of Eastside Fire & Rescue.

12.3. **Eastside Fire & Rescue Property Ownership.** All real and personal property that is owned by Eastside Fire & Rescue is listed and described in **Exhibit C**.

12.4. **Personal Property Replacement.** The Board of Directors shall fund, replace, value, and depreciate all personal property—**as listed and described in Exhibit B. Exhibit B shall include and Exhibit C, including** the establishment and funding of a special account for replacement of personal property. In conjunction with the **biennial or annual budget process of paragraph 5, the Board may, by motion, amend Exhibit B and Exhibit C. The motion shall be reduced to writing, shall be filed with the Secretary of the Board, and shall be attached to this Agreement.**

12.5. **Real Property Maintenance and Repair.** The Board of Directors shall fund the maintenance and repair of all real property in accordance with **Exhibit C, which is attached and incorporated into this Agreement. Exhibit C and Exhibit D, Exhibit D shall include the establishment and funding of a special account for maintenance and repair of real property. In conjunction with the **biennial or annual budget process of paragraph 5, the Board may, by motion, amend Exhibit C and Exhibit D. The motion shall be reduced to writing, shall be filed with the Secretary of the Board, and shall be attached to this Agreement.**

12.6. **Improvements to Real Property.** The Board of Directors shall determine and carry out all improvements to real property. Upon request by a Party or Parties, the Board may carry out improvements to separate real property that are paid for entirely by a Party or Parties.

13. **Indemnification and Hold Harmless.** Each Party shall protect, defend, indemnify, and hold harmless all other Parties to this Agreement, and their officers, employees and agents, from any and all costs, claims, judgments or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of such Party, and its officers, employees and agents, in performing or administrating this Agreement. Eastside Fire & Rescue shall protect, defend, indemnify, and hold harmless the Parties to this Agreement, and their officers, employees and agents, from any and all costs, claims, judgments or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of Eastside Fire & Rescue, and its officers, employees and agents, in performing or administrating this Agreement.
14. **Insurance.** The Board of Directors shall provide insurance coverage for all operations, facilities, equipment, and personnel of Eastside Fire & Rescue.

15. **Operational Rules and Regulations.** The Board of Directors shall, from time to time, adopt and implement necessary rules and regulations consistent with this Agreement to govern operations of Eastside Fire & Rescue.

16. **Withdrawal by Party.**

16.1. **Right to Withdraw.** Any Party may withdraw from Eastside Fire & Rescue at the end of the initial seven-year term, or at the end of any successive seventeen-year term, by filing with the other Parties a notice of withdrawal in January of 2029 or in January of the seventh/eighth year of the initial term or any succeeding term, as applicable.

16.2. **Responsibility and Liability Upon Withdrawal.** If the employer of Eastside Fire & Rescue lays off any employees as a result of the withdrawal, the withdrawing Party shall be responsible for payment of accrued employee benefits, continuation of employee benefits required by law and unemployment compensation for a period not to exceed twenty-five years. For purposes of this paragraph, “employee” means an individual whose employment with Eastside Fire & Rescue has been terminated as a direct result of the party withdrawing from Eastside Fire & Rescue. If the withdrawing Party establishes its own fire department upon withdrawal, it shall give preference in hiring to all laid-off employees, if authorized by law, collectively bargain with the International Association of Firefighters Local 2878 (“Union”) and assume employment of laid-off employees. Employment with the withdrawing Party shall fall under the collective bargaining agreement (“CBA”) negotiated between Eastside Fire & Rescue and the Union. Upon expiration of the CBA, the withdrawing Party and the Union shall re-negotiate. If the withdrawing Party contracts for service with another entity, the Party shall collectively bargain with the Union and transition employment of laid-off employees to the new entity providing service. After withdrawal, the withdrawing Party shall remain liable and responsible for its pro rata share of all liabilities, payments and obligations incurred by or attributed to Eastside Fire & Rescue during the membership of the withdrawing Party in Eastside Fire & Rescue, in accordance with the revenue formula provided for in paragraph 7 in effect at the time of notice of withdrawal. In addition, the withdrawing Party shall be liable for all expenses incurred by Eastside Fire & Rescue attributable to requests and directions made by the withdrawing Party pursuant to withdrawal, including payment of overtime if the withdrawing Party requests that Eastside Fire & Rescue refrain from hiring employees prior to withdrawal. Within 30 days after the date of withdrawal, Eastside Fire & Rescue shall settle with the withdrawing Party all liabilities, payments and obligations that became fixed on or before the date of withdrawal. Within 30 days after any liabilities, payments or obligations become fixed after
the date of withdrawal, Eastside Fire & Rescue shall settle such liabilities, payments and obligations with the withdrawing Party.

16.3. **Return of Property.** The Board shall return all separate real property and separate personal property to the withdrawing Party on or before the effective date of withdrawal. The Board shall determine the fair market value of all joint real property and joint personal property. The withdrawing Party on or before the effective date of withdrawal shall receive or pay, as applicable, in cash or property, its percentage or ratio of the net fair market value of the joint real property and the joint personal property, in accordance with the withdrawing Party’s equity in Eastside Fire & Rescue as determined by the financial statements of Eastside Fire & Rescue for the year of withdrawal. If the withdrawing Party disputes the Board’s determination of fair market value of the joint real property or joint personal property, the withdrawing Party shall pay for and accept an appraisal of the fair market value of the property by an appraiser selected by the Party and the Board.

17. **Termination by All Parties.** Upon expiration of this Agreement, including automatic renewals thereof, the Parties shall be governed by the following provisions:

17.1. **Preference in Hiring.** Any Party that establishes a new fire department upon expiration of this Agreement shall give preference in hiring to all collectively bargain with the Union and assume employment of laid-off employees of Eastside Fire & Rescue, if authorized by law. Employment with the Party shall fall under the CBA negotiated between Eastside Fire & Rescue and the Union. Upon expiration of the CBA, the Party and the Union shall re-negotiate. Any Party that contracts for service with another entity upon expiration of this Agreement shall collectively bargain with the Union and transition employment of laid-off employees to the new entity providing service.

17.2. **Liability.** A Party shall remain liable and responsible for its pro rata share of all liabilities, payments and obligations incurred by or attributed to Eastside Fire & Rescue during the membership of the Party in Eastside Fire & Rescue, in accordance with the revenue formula of paragraph 7 for the last year of Eastside Fire & Rescue.

17.3. **Return of Property.** The Board shall return all separate real and personal property to each Party. The Board shall determine the fair market value of all joint real property and all joint personal property. Each Party shall receive or pay, as applicable, in cash or property, its percentage or ratio of the net fair market value of the joint real property and personal property, in accordance the Party’s equity in Eastside Fire & Rescue as determined by the financial statements of Eastside Fire & Rescue for the last year of Eastside Fire & Rescue. If a Party disputes the
Board’s determination of fair market value of the property, the Party shall pay for and accept an appraisal of the fair market value of the property by an appraiser selected by the Party and the Board.

18. **Annexations.** The Parties acknowledge that upon annexation by a City of the territory of a District, the provisions of RCW 35.02.190, 35.02.200, 35.02.205, 35A.14.380, 35A.14.801 and 35A.14.400 require, in some cases, the transfer of assets and/or payment of cash, properties or contracts for services between the City and the District. The Parties agree that the asset transfer and payment required by such statutes shall be accounted for on the financial statements and audit reports of Eastside Fire & Rescue, and that the final accounting for the asset transfer and payment shall occur on withdrawal of a City or a District from Eastside Fire & Rescue or on expiration of this Agreement, as applicable. The Parties further agree that the annual financial contributions of the City and the District involved in the annexation, pursuant to the revenue formula, shall be changed for the annexed territory on the date that the City is entitled to receive property taxes from the annexed territory.

19. **Incorporations.** If a city formed subsequent to execution of this Agreement incorporates within all or a portion of a District, all powers, duties and decisions to be made by the District pursuant to Chapters 35.02, 35A.14 and 52.04 RCW, as presently existing or as amended, shall be exercised by the Board of Fire Commissioners rather than the Board of Directors.

20. **Volunteers.** Eastside Fire & Rescue acknowledges the role and need for volunteer responders, and shall make available opportunities for citizens of the Parties to volunteer in their communities by taking active efforts to recruit, train and maintain volunteers.

21. **Addition of Parties.** The legislative body of a governmental agency or entity that either abuts or is in close proximity to a Party may adopt and file with the Board of Directors a resolution to join Eastside Fire & Rescue. Upon receipt of the request, the Board of Directors, by affirmative vote of a majority of the entire membership of the Board, may by motion or resolution authorize consideration of the request through a plan and process adopted by such motion or resolution. The plan and process shall include necessary amendments to this Agreement and a schedule for and components of such consideration, which schedule and components shall include, but not be limited to a written report of the operational and financial impact on and philosophical compatibility with Eastside Fire & Rescue. The Board, by affirmative vote of a majority of the entire membership of the Board, shall submit its recommendation regarding the request to the governing bodies of all Parties. To be effective, a request to join Eastside Fire & Rescue, and any necessary amendments to this Agreement, shall be approved by resolution of all of the governing bodies of the Parties. If a Party has filed a notice of withdrawal from Eastside Fire & Rescue pursuant to paragraph 16.1, that withdrawing Party shall not participate in any vote regarding the consideration and approval of a new Party of Eastside Fire & Rescue. The
membership of the Parties, for voting purposes on the request to join Eastside Fire & Rescue, shall be determined without the participation of the withdrawing Party.

22. **Liaison/Administrator.** The Fire Chief shall assign one employee to serve as a Fire Liaison/Administrator to each party. The fire liaison/administrator shall perform duties as requested by the Fire Chief, which may include attendance at Party governing body or staff meetings; provided, that these duties shall not, in the opinion of the Fire Chief, interfere with or be disruptive to the overall operation and management of Eastside Fire & Rescue.

23. **Notices.** All notices, requests, demands and other communications required by this Agreement shall be in writing and, except as expressly provided elsewhere in this Agreement, shall be deemed to have been given at the time of delivery if personally delivered or three calendar days after the time of mailing if mailed by first class mail, postage prepaid.

24. **Severability.** If any provision of this Agreement or its application is held invalid, the remainder of this Agreement or the application of the remainder of this Agreement shall not be affected.

25. **Survivorship.** The rights and duties of paragraphs 9, 13, 16.2, 17.1 and 17.2 shall survive expiration of this Agreement.

26. **Entire Agreement -- Modification.** This Agreement represents the entire agreement between the Parties. No change, termination or attempted waiver of any of the provisions of this Agreement shall be binding on any of the Parties unless executed in writing by authorized representatives of all of the Parties. This Agreement shall not be modified, supplemented or otherwise affected by the course of dealing between the Parties.

27. **Benefits.** This Agreement is entered into for the benefit of the Parties to this Agreement only and shall confer no benefits, direct or implied, on any third persons.

28. **Amendment of Original Agreement, 2008 Agreement, 2015 Agreement and 2015-2017 Agreement.** The 2015-2017 Agreement is amended and replaced in its entirety by this Agreement; provided, that the property inventories filed by the Parties pursuant to the Original Agreement, the 2008 Agreement or the 2015 Agreement shall remain valid, unless modified by Section 12.2 of this Agreement, and the indemnification and hold harmless provisions of the Original Agreement, the 2008 Agreement, the 2015 Agreement and the 2015-2017 Agreement shall survive.

CITY OF ISSAQUAH

KING COUNTY FIRE DISTRICT NO. 10
CITY OF NORTH BEND

By ________________________                      By ________________________
Date ________________________                    Date ________________________

CITY OF SAMMAMISH

By ________________________                      By ________________________
Date ________________________                    Date ________________________

FIRE DISTRICT 38

By ________________________                      By ________________________
Date ________________________                    Date ________________________
BYLAWS
OF
EASTSIDE FIRE & RESCUE

Article 1
OFFICES

The principal office of Eastside Fire & Rescue (the “Corporation”) shall be located at its
principal place of business, initially 175 Newport Way Northwest, Issaquah, WA 98027, or such
other place as the Board of Directors may designate. The Corporation may have such other
offices as the Board of Directors may designate from time to time.

Article 2
DEFINITIONS

All capitalized terms used but not otherwise defined in these Bylaws have the meanings
set forth in the Eastside Fire & Rescue Interlocal Agreement (the “Interlocal Agreement”).

Article 3
BOARD OF DIRECTORS

3.1 General Powers. The business and affairs of the Corporation shall be conducted
under the direction of its Board of Directors as constituted under the Interlocal Agreement and
Corporation’s Articles of Incorporation. The Board of Directors shall be deemed the “board of
directors” as that term is used in the Washington Nonprofit Corporation Act, Chapter 24.03
RCW (the “Act”) and shall have all power and authority granted under the Interlocal Agreement.

3.2 Duties of Directors. Each director shall perform the duties of a director, including
the duties as a member of any committee of the Board of Directors upon which the director may
serve: (i) in good faith; (ii) with the care an ordinary prudent person in a like position would
exercise under similar circumstances; and (iii) in a manner the officer reasonably believes to be
in the best interests of the Corporation.

3.3 Composition of Board. The number, qualifications and appointment of the
directors and alternates of the Board of Directors shall be as provided in the Interlocal Agreement. Each director shall serve at the pleasure of the Party that the director represents.

3.4 Term. Each director shall serve for terms as determined by the legislative body of
the appointing Party, as provided in the Interlocal Agreement. However, any term will
automatically terminate if the respective director is no longer an elected official of the appointing
Party.

3.5 Vacancies. Any director vacancy in office shall be filled by the respective
appointing Party, as provided in the Interlocal Agreement.

3.6 Resignation; Removal. A director may resign at any time, which shall be
effective upon delivering notice of resignation to the President Chair, or in the case of resignation
by the President Chair, to the Vice President Chair. Except as otherwise provided by law, directors
may be removed from office only by action of the appointing Party, as provided in the Interlocal Agreement.

3.7 Compensation. Directors shall not receive compensation for their services as such, although the reasonable expenses of directors for attendance at Board of Directors meetings or otherwise directly incident to their duties as directors may be paid or reimbursed by the Corporation, as determined by the Board of Directors.

3.8 Standing or Temporary Committees. The Board of Directors may by motion or resolution form and appoint committees and task forces to assist the Board of Directors. Unless the motion or resolution creating a committee or task force specifies that it will conduct its affairs in accordance with the Washington Open Public Meetings Act (Chapter 42.30 RCW), such committee or task force may not act on behalf of the Board of Directors, conduct hearings or take testimony or public comment.

Article 4
MEETINGS OF BOARD OF DIRECTORS

4.1 Annual Meeting. Each calendar year, the Board of Directors shall designate one regular meeting as its annual meeting of the Parties, as required by RCW 24.03.075, and if not so designated, shall be the regular meeting in which officers of the Board of Directors are appointed. The failure to designate or hold an annual meeting at the time provided in these Bylaws does not affect the validity of any corporate action.

4.2 Regular Meetings. By resolution or motion, the Board of Directors shall specify the date, time and place for the holding of regular meetings of the Board of Directors.

4.3 Special Meetings. The PresidentChair of the Board of Directors or a majority of directors may call a special meeting of the Board of Directors in accordance with the requirements and procedures of the Open Public Meetings Act, which shall control over any contrary provision in the Act.

4.4 Place and Conduct of Meetings. All meetings shall be held at the principal office of the Corporation or at such other place so designated consistent with the Open Public Meetings Act. All meetings of the Board shall be held in compliance with the Open Public Meetings Act. The Board shall prepare minutes of its meetings, which shall be distributed regularly to the legislative bodies of the Parties.

4.5 Quorum. A majority of Directors (or alternates) constitutes a quorum for the transaction of any business at any meeting of the Board of Directors.

4.6 Participation by Telephone. Members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of such Board of Directors or committee by means of a conference telephone or similar communications equipment if all persons participating in the meeting can hear each other at the same time and participation complies with the Open Public Meetings Act. Participation by such means shall constitute presence in person at a meeting.
4.7 Manner of Acting. The actions of the Board of Directors shall be by motion or resolution. Except as provided otherwise in the Interlocal Agreement, at least five directors or alternates shall approve a motion or resolution. The Board of Directors shall approve actions regarding changes to the revenue formula of the Corporation as provided in the Interlocal Agreement.

Article 5
OFFICERS

5.1 Positions. The officers of the Corporation shall consist of a president (who shall also be known as “Chair” of the Board of Directors), a vice president (who shall also be known as “Chair, a Vice Chair” of the Board of Directors), a secretary and a treasurer. The president and the vice president, a Secretary and a Treasurer, each of whom shall be elected from among by the Board of Directors for annual terms ending on the date of each annual meeting. The secretary and the treasurer shall be appointed by the Fire Chief. Each officer shall hold office until a successor is selected. Other officers may be designated by the Board of Directors, such officers to hold office for such period, have such authority and perform such duties as are provided in these Bylaws or as may be provided by resolution of the Board of Directors. Any officer may be assigned by the Board of Directors any additional title that the Board of Directors deems appropriate. Any two or more offices may be held by the same person, except the offices of presidentChair and secretarySecretary.

5.2 PresidentChair. The presidentChair shall preside at all meetings of the Board of Directors and shall exercise and perform all duties incident to the office of presidentChair and such other duties as from time to time may be assigned by resolution or motion of the Board of Directors. The presidentChair shall sign deeds, leases, bonds, contracts or other instruments which the Board of Directors has approved and authorized to be executed, except in cases where the signing and execution is expressly delegated by the Board of Directors to some other officer or individual or is required by law to be otherwise signed or executed.

5.3 Vice PresidentChair. In the absence of the presidentChair, the vice presidentVice Chair shall perform the duties of the presidentChair, except as may be limited by resolution of the Board of Directors, with all the powers of and subject to all the restrictions upon the presidentChair. The vice presidentVice Chair shall perform such other duties as from time to time may be assigned by the Board of Directors.

5.4 Secretary. The secretarySecretary shall be responsible for ensuring that minutes of meetings of the Board of Directors are recorded and maintained, and to the extent minutes of meetings of committees of the Board of Directors are recorded, that such minutes are maintained; see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; be custodian of the corporate records of the Corporation or appoint such person or entity as is appropriate to act as such custodian; ensure that records are kept of the name and address of each director and each officer; sign with the presidentChair, or other officer authorized by the presidentChair or the Board of Directors, deeds, leases, bonds, contracts or other instruments; and in general perform all duties incident to the office of secretarySecretary and such other duties as from time to time may be assigned to him or her by the Board of Directors.
5.5 Treasurer. The treasurer shall have charge of and be responsible for all funds and securities of the Corporation; ensure that monies due and payable to the Corporation from any source whatsoever are properly received and that receipts are given for said monies; ensure that all such monies are deposited in the name of the Corporation in banks, trust companies or other depositories selected in accordance with the provisions of these Bylaws; and in general perform all of the duties incident to the office of treasurer and such other duties as may be assigned to him or her by the Board of Directors. If requested by the Board of Directors, at the Corporation’s expense, the treasurer shall give a bond for the faithful discharge of his or her duties in such amount and with such surety or sureties as the Board of Directors may determine.

5.6 Delegation. In the case of absence or inability to act of any officer or of any person herein authorized to act in his or her place, the Board of Directors may from time to time delegate the powers or duties of such officer to any other officer, any director or any other person whom it may select. The president may delegate duties or powers, in addition to those listed herein to officers and employees of the Corporation as necessary or appropriate to the conduct of the affairs of the Corporation.

5.7 Duty of Officers. An officer, with discretionary authority, shall discharge the officer’s duties under that authority: (i) in good faith; (ii) with the care an ordinary prudent person in a like position would exercise under similar circumstances; and (iii) in a manner the officer reasonably believes to be in the best interests of the Corporation.

5.8 Election and Term of Office. The officers of the Corporation shall be elected each year by the Board of Directors at its annual meeting. Unless an officer dies, resigns, or is removed from office, he or she shall hold office until the next annual meeting of the Board of Directors or, if later, until his or her successor is elected.

5.9 Vacancies. A vacancy in any office created by the death, resignation, removal, disqualification, creation of a new office or any other cause may be filled by the Board of Directors for the unexpired portion of the term or for a new term established by the Board of Directors at any regular or special meeting of the Board of Directors.

5.10 Resignation. Any officer may resign at any time by delivering written notice to the Board of Directors. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

5.11 Removal. Any officer or agent elected or appointed by the Board of Directors may be removed from office, with or without cause, by the Board of Directors whenever in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.
Article 6
STAFF AND CONSULTANTS

The Fire Chief shall be hired, disciplined and discharged by a majority vote of all directors of the Board of Directors. The Fire Chief shall report to and be supervised by the Board of Directors. The Board of Directors shall conduct annually an evaluation of the performance of the Fire Chief, or more frequently if requested by the Board of Directors or the Fire Chief. The Fire Chief shall hire, discipline, discharge and supervise all other employees and all volunteers of the Corporation and shall carry out all other duties specified by the Interlocal Agreement and as determined by the Board of Directors. The Board of Directors may hire or retain legal counsel and independent auditors. The Board of Directors may hire or retain such other consultants as it may determine, subject to the Interlocal Agreement.

Article 7
INDEMNIFICATION

The indemnification rights and the right to advancement of expenses of the Corporation’s directors, officers, employees and agents shall be as set forth in the Articles of Incorporation.

Article 8
ADMINISTRATIVE PROVISIONS

8.1 Books and Records. The Corporation shall keep the following records at its principal office:

(a) Current copies of its Articles of Incorporation and Bylaws, as amended;
(b) Correct and adequate records of accounts and finances;
(c) A record of officers’ and directors’ names and addresses;
(d) Minutes of the proceedings of its Board of Directors, and any minutes that may be maintained by committees having any authority of the Board of Directors; and
(f) Such other records as may be necessary, advisable or required by the Act.

All books and records of the Corporation shall be subject to disclosure under the Public Records Act (Chapter 42.56 RCW) and other laws regarding inspection and copying of public records.

8.2 Fiscal Year. The accounting year of the Corporation shall be the twelve months ending December 31.

8.3 Loans to Directors and Officers Prohibited. No loans or advances shall be made by the Corporation to any of its directors or officers.
8.4 Seal. The Corporation need not have a corporate seal. If the Board of Directors adopts a corporate seal, the seal of the Corporation shall be circular in form and consist of the name of Eastside Fire & Rescue.

8.5 Amendment of Bylaws. These Bylaws may be amended or repealed by majority vote of the directors then in office at any meeting of the Board of Directors.

8.6 Priority of Interlocal Agreement. In the event of a conflict or inconsistency between these Bylaws and the Interlocal Agreement, the provisions of the Interlocal Agreement shall prevail.

CERTIFICATE OF ADOPTION

The undersigned Secretary of Eastside Fire & Rescue does hereby certify that the above and foregoing Bylaws of said Corporation were adopted by the Board of Directors as the Bylaws of said Corporation and that the same do now constitute the Bylaws of this Corporation.

DATED this ___ day of __________, 2020.

______________________________
__________________, Secretary