

**CITY OF MERCER ISLAND
RESOLUTION NO. 1645**

**A RESOLUTION OF THE CITY OF MERCER ISLAND, WASHINGTON,
RELATING TO FIRE AND EMERGENCY MEDICAL SERVICES; AUTHORIZING
THE EXECUTION OF AN INTERLOCAL AGREEMENT WITH EASTSIDE FIRE
& RESCUE FOR REGIONAL FIRE AND EMERGENCY MEDICAL SERVICES**

WHEREAS, the City of Mercer Island currently provides fire and emergency medical services to approximately 6.32 square miles within the City of Mercer Island and the surrounding waters; and

WHEREAS, the City issued a request for proposals to pursue a regional services model for fire services with the intent of providing enhanced fire safety and emergency management services for Mercer Island residents and businesses while reducing costs and improving operational efficiencies; and

WHEREAS, the City recognizes that a regional fire services model would allow the City to access expanded resources and equipment, as well as increased training and career growth opportunities for existing employees, supporting them in their ability to respond to a broad range of emergencies on Mercer Island; and

WHEREAS, Eastside Fire and Rescue, an organization that provides regional fire and emergency medical services to multiple communities, provided a proposal that commits Eastside to maintaining current staffing levels, maintaining the City's ownership of fire facilities and assets, and preserving the City's control over service levels for fire safety and emergency medical services; and

WHEREAS, the City and Eastside Fire and Rescue ("Parties") are authorized, pursuant to the Interlocal Cooperation Act, Chapter 39.34 of the Revised Code of Washington, to enter into an Agreement to allow the Parties to cooperate with each other to provide high-quality fire and emergency medical services to the public in the most efficient manner possible; and

WHEREAS, the Parties agree that the adoption of this Agreement by the City is categorically exempt from SEPA review, as a governmental procedural action; and

WHEREAS, the City Council finds it is in the best interests of the residents of the Mercer Island to enter into an Interlocal Agreement for Fire and Emergency Medical Services with Eastside under a regional services model;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON AS FOLLOWS:

Section 1. Approval of Interlocal Agreement. The City Council hereby approves the execution of the Interlocal Agreement between the City of Mercer Island and Eastside Fire and Rescue for Fire and Emergency Medical Services ("Agreement") in substantially the form accompanying this Resolution as Exhibit A (also Exhibit 2 to AB 6307).

Section 2. Authorization. The City Manager or designee is authorized to prepare and execute any additional measures or documents that may be necessary to effectuate this transaction consistent with the approved form of the document attached and the terms of this

Resolution, including future amendments to the Agreement that are consistent with the City's budget, create no new liability or expense to the City, or trigger no material change in the scope of the Agreement.

Section 3. Effective Date. This Resolution shall be effective immediately upon adoption by the City Council.

PASSED BY THE CITY COUNCIL OF THE CITY OF MERCER ISLAND, WASHINGTON, AT ITS MEETING ON THE __ DAY OF JULY, 2023.

CITY OF MERCER ISLAND

Salim Nice, Mayor

ATTEST:

Andrea Larson, City Clerk

EXHIBIT A
**(Interlocal Agreement between the City of Mercer Island and Eastside Fire and Rescue
for Fire and Emergency Medical Services)**

INTERLOCAL AGREEMENT FOR FIRE AND EMERGENCY MEDICAL SERVICES

This Agreement is entered into between EASTSIDE FIRE & RESCUE (“Eastside”), a nonprofit corporation organized under chapter 24.03 RCW, and the CITY OF MERCER ISLAND, WASHINGTON (“Mercer Island”).

RECITALS

1. Eastside currently provides fire and emergency medical services to the cities of Issaquah, North Bend, and Sammamish and within King County Fire District Nos. 10 and 38 and Woodinville Fire & Rescue, including the city of Carnation and other unincorporated areas in the eastern Puget Sound region.
2. Mercer Island currently provides fire and emergency medical services to approximately 6.32 square miles within the City of Mercer Island and the surrounding waters.
3. Eastside and Mercer Island each maintain and operate their own fire departments to provide fire protection, fire suppression, and emergency medical services in their respective jurisdictions.
4. The governing body of the City of Mercer Island is considering that fire and emergency medical services may be more sustainably, efficiently, and effectively provided to its residents by transitioning these services to a regional fire services agency.
5. The purpose of this Agreement is to allow Eastside to provide fire protection, fire suppression, emergency medical, and related administrative services to Mercer Island.

TERMS OF AGREEMENT

To carry out the purposes of this Agreement and in consideration of the benefits to be received by each party, it is agreed as follows:

1. DEFINITIONS.

1.1. The following terms, when used in this Agreement, are defined as follows and in **Exhibit F** hereto:

- (a) “Fire Chief” means the duly appointed Fire Chief, or acting Fire Chief, of Eastside.
- (b) “Material Breach” means either:
 - (i) Eastside’s failure to provide services at the level specified in Section 3 of this Agreement;

- (ii) Mercer Island's failure to pay the amounts specified in this Agreement; or
- (iii) Any other failure of a party to perform a contractual obligation that prohibits the other party from performing its payment or service obligations.

2. TERM, RENEWALS, AND TERMINATION.

2.1. Initial Term. This Agreement takes effect on January 1, 2024 ("Commencement Date") and shall remain in effect through December 31, 2033 ("Initial Term") unless earlier terminated for material breach in accordance with Section 2.5. The "Implementation Date" of this Agreement shall be January 1, 2024, unless the parties mutually agree in writing to delay implementation to a later date certain. The Implementation Date is the date on which Eastside's service obligations will begin, Mercer Island's payment obligations begin, and the employees and assets are transferred.

2.2. Renewal Terms. At the conclusion of the Initial Term, this Agreement shall automatically renew for successive ten-year terms (each a "Renewal Term"), unless a written notice of termination is given pursuant to Section 2.3.

2.3. Voluntary Termination. The parties acknowledge that in entering into this Agreement, significant financial and personnel resources have been expended and substantial planning efforts have been undertaken and relied on. Therefore, termination of this Agreement shall not be effective unless a party transmits to the other party a written notice of termination in January 2031, or in January of the eighth year of any Renewal Term, as applicable. If such written notice is timely provided, the termination shall be effective as of the end of the then-current Initial Term or Renewal Term, as applicable.

2.4. Responsibility and Liability Upon Termination.

- (a) If Eastside lays off any employees as a result of Mercer Island's termination of this Agreement, Mercer Island 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 five years, provided the payments shall not include amounts paid by Mercer Island in annual charges or one-time transition costs. For purposes of this paragraph, "employee" means an individual whose employment with Eastside has been terminated as a direct result of Mercer Island's termination of this Agreement. If Mercer Island establishes its own fire department upon termination of this Agreement, it shall collectively bargain with the International Association of Firefighters Local 2878 ("Eastside Union") to assume employment of laid-off employees upon substantially the same terms of employment as contained in the collective bargaining agreement ("CBA") negotiated

between Eastside and the Eastside Union. If Mercer Island contracts for service with another entity, Mercer Island shall collectively bargain with the Eastside Union and transition employment of laid-off employees to the new entity providing service to Mercer Island.

- (b) Upon termination of this Agreement, Mercer Island shall remain liable and responsible for its pro rata share of all liabilities, payments, and obligations incurred by or attributed to Mercer Island during the Initial Term (or any Renewal Term). In addition, upon termination by Mercer Island, Mercer Island shall be liable for all expenses incurred by Eastside attributable to requests and directions made by Mercer Island pursuant to termination, including payment of overtime if Mercer Island requests that Eastside refrain from hiring employees prior to termination. Within 30 days after the date of termination, Eastside shall settle with Mercer Island all liabilities, payments, and obligations that became fixed on or before the date of termination. Within 30 days after any liabilities, payments, or obligations became fixed after the date of termination, Eastside shall settle such liabilities, payments, and obligations with Mercer Island.
- (c) Eastside shall return all separate real property and separate personal property, as identified in the Exhibits hereto, to Mercer Island on or before the effective date of termination. Eastside shall determine the fair market value of all joint real property and joint personal property. On or before the effective date of the termination, Mercer Island shall receive or pay, as applicable, in cash or property, its percentage or ratio of the net fair market value of any joint real property and joint personal property, as determined in accordance with Eastside's financial statements for the year of termination. If Mercer Island disputes Eastside's determination of fair market value of the joint real property or joint personal property or Mercer Island's proportionate share thereof, Mercer Island shall pay for and accept an appraisal of the fair market value of the property by an appraiser selected jointly by Mercer Island and Eastside.

2.5. Termination for Material Breach. Notwithstanding the provisions of Sections 2.2 and 2.3, above, either party may terminate this Agreement in the event of a material breach by the other party, pursuant to the following process:

- (a) The non-breaching party shall provide the breaching party with written notice which sets forth the alleged material breach(es)
- (b) The breaching party shall have 90 days following receipt of the notice from the non-breaching party (the "cure period") to cure such alleged material breach(es), or within such longer period of time as allowed by the non-breaching party in its notice.

- (c) If the breaching party fails to cure such material breaches during the cure period, the non-breaching party may terminate this Agreement upon the expiration of the cure period by providing the breaching party with written notice of termination of this Agreement. In that event, the termination shall be subject to the wind-up provisions set forth in Section 2.5(d). The right to terminate this Agreement set forth in this paragraph shall be in addition to the other rights and remedies available to the parties under applicable law.
- (d) In the event of a material breach of this Agreement that has not been cured by the expiration of the cure period, the parties shall, unless the parties mutually agree otherwise in writing, continue to perform their respective obligations under this Agreement for a minimum of 12 months after the expiration of the cure period (the “wind-up period”). The wind-up period shall be reduced to six months if the material breach involves Mercer Island’s failure to make the required payments or Eastside’s failure to provide the services required as set forth in Section 3. During the wind-up period, the parties shall coordinate their efforts to transition services in a reasonable and efficient manner. If Eastside continues to provide all services as defined in Section 3 during the wind-up period, Mercer Island will be responsible for all payments required under this Agreement until the conclusion of the wind-up period.

2.6. Termination Pursuant to Membership in Eastside. If Mercer Island later decides to join Eastside as a voting member governed by the Eastside Fire & Rescue Interlocal Agreement or any successor agreement thereto (“Eastside ILA”), then the parties to this Agreement shall mutually decide on a termination date and an appropriate plan and process for Mercer Island becoming a member of Eastside, subject to approval by the governing bodies of Eastside’s then-current members through the process provided in the Eastside ILA.

3. SERVICES PERFORMED BY EASTSIDE FOR MERCER ISLAND

- 3.1. Fire Suppression Services.** Eastside shall furnish fire protection, fire suppression, and all hazard emergency response services necessary for the protection of life and property to all properties and persons presently within the boundaries of, or annexed to, Mercer Island, including all real and personal properties owned or leased by Mercer Island. Eastside shall render these services to Mercer Island on the same basis as they are rendered to other areas served by Eastside, without regard to political boundaries but rather by providing the most efficient and effective service to the entire area served by Eastside.
- 3.2. Emergency and Non-emergency Medical Services.** Eastside shall furnish emergency medical services, and non-emergency medical services under RCW 35.21.930, to all properties and persons presently within or annexed to

Mercer Island, including all real and personal properties leased or owned by Mercer Island. Eastside shall render these services to Mercer Island on the same basis as they are rendered to other areas served by Eastside, without regard to political boundaries but rather by providing the most efficient and effective service to the entire area served by Eastside.

- 3.3. Level of Service.** Eastside shall maintain the following staffing levels to support fire suppression and emergency medical services to Mercer Island during the term of this Agreement:
- (a) **Station 91 Staffing.** One engine (cross-staffed with an aid car) and one Battalion Chief truck, with one Battalion Chief; one Officer, one Engineer, and one Firefighter.
 - (b) **Station 92 Staffing.** One engine (cross-staffed with an aid car and midi), with one Officer, one Engineer, and one Firefighter.
 - (c) **Fire Marshal's Office.** One Fire Marshal.
 - (d) **Overall Staffing Levels.** For purposes of this Agreement, the parties anticipate that Eastside will maintain employment of 28 uniformed firefighters and 1 fire marshal that are primarily assigned to the City's Stations 91 and 92 to maintain appropriate coverage at each worksite.

Eastside reserves the right to temporarily modify staffing levels from time to time as circumstances may require in its sole reasonable discretion.

- 3.4. Fire Prevention Services.** Eastside shall provide fire prevention and public education services to property owners, residents, and businesses located within Mercer Island's service area. It is assumed that Eastside will, throughout the year, receive from residents, property owners, and/or businesses within the City, requests for other prevention and education services and Eastside will accommodate those requests, as staffing allows, as it would do under similar circumstances for requests elsewhere within the Eastside service area.
- 3.5. Fire Marshal Services (fire code compliance and inspection).** Eastside agrees to provide the following fire marshal services for properties and projects within Mercer Island's service area, utilizing State Codes and local ordinances as applicable: pre-construction plan review and approval; testing of sprinkler and other fire suppression systems and detection systems in new construction; occupancy inspections; wood stove inspections; fireworks permits and other related permits; code interpretation in conjunction with construction; inspection of commercial buildings and witness testing of fire alarm systems for certification in new construction; and ongoing existing building, facilities, and properties inspections; and fire investigations. In connection with providing Fire Marshal services, Eastside shall also be

available for periodic meetings with and consulting for appropriate city or county officials. Should an outside resource be required for any plan review services (e.g., third-party peer review, recording fees, etc.), Mercer Island shall reimburse Eastside directly. Additionally, it is understood that the Fire Marshal may be required to assist in other Eastside service areas, just as the Eastside Fire Marshal and Fire Prevention staff may be assigned to Mercer Island. It is the Parties' intention that the Mercer Island Fire Marshal will provide fire marshal services primarily to the City of Mercer Island.

- (a) Eastside shall report fire code violations to the City of Mercer Island and shall cooperate with city and county building and code enforcement officials to administer and enforce the applicable fire codes, but Eastside shall have no direct responsibility for code enforcement, which shall remain the responsibility of the building, planning, and/or code enforcement officers of Mercer Island. Any legal costs incurred by Eastside in the enforcement of fire codes shall be paid by Mercer Island and shall not be an operating expense of Eastside. Any awards of costs, attorneys' fees, penalties, or fines in an enforcement action shall be the property of the enforcing city or county.
- (b) All permits shall be issued by and under the authority of the permitting authorities within Mercer Island's service area. Eastside shall work closely with such authorities as needed to carry out the fire code and ensure a timely and coordinated permitting process.

3.6. Hazardous Materials Incident Response. Eastside shall provide operational level hazardous materials response capabilities at the same level currently provided to its service area, either by Eastside employees or by contract. The service to be provided by Eastside does not include cleanup, remediation, or cost recovery from hazardous materials, nor shall Eastside be responsible for response levels beyond that of "Operations" as identified in NFPA 472. Eastside shall not bear any responsibility for any costs of Hazmat Response within Mercer Island's jurisdictional boundaries.

3.7. Dispatch Services. Dispatch services shall be provided to Mercer Island through Eastside's contractual arrangement with NORCOM.

3.8. Fire Chief and Administrative Services.

- (a) **Fire Chief.** Mercer Island shall designate Eastside's duly appointed Fire Chief, or acting Fire Chief, as the fire chief of Mercer Island. Eastside's Fire Chief shall have and exercise all powers granted to the fire chief in Mercer Island's governing documents. Eastside's Fire Chief shall hire, discipline, discharge, and supervise all employees and volunteers of Eastside, including all employees and volunteers who provide service within Mercer Island's service area.

- (b) **Administrative Services.** Eastside shall provide all administrative oversight and support functions necessary to effectively deliver the services provided under this Agreement, including Mercer Island's accounts payable, accounts receivable, audit, and bookkeeping functions, as well as personnel management and supervision.

3.9. Mercer Island Addendum. In addition to the services and associated terms set out in Section 3, Eastside shall provide the services set out in **Exhibit F** hereto in accordance with the terms set out in this Agreement and in **Exhibit F**. Further, the parties acknowledge that the Exhibits to this Agreement may be modified by the City Manager without further action by the Mercer Island City Council, provided the City Manager shall report all modifications to the City Council as soon as practicable following the modification, and provided further that no modifications shall be made without City Council pre-approval where the modification results in a cost increase in excess of budget authority.

4. PAYMENT FOR SERVICES.

4.1. Charges Due Annually. For the services provided by Eastside pursuant to this Agreement, Mercer Island shall pay Eastside the following amounts annually:

- (a) **Personnel Costs.** Personnel Costs consisting of all employee and employee-related expenses, including wages, benefits, and overtime costs incurred to render services described in Section 3. For 2024, Mercer Island shall pay Personnel Costs of \$6,093,411, subject to the adjustments described in Section 4.3(b) below.
- (b) **Operations Costs.** Operations Costs consisting of all operating expenses incurred annually to adequately render services described in Section 3 to Mercer Island. For 2024, Mercer Island shall pay Operations Costs of \$1,065,449, subject to the adjustments described in Section 4.3(a) below.
- (c) **Contract Administration Charge.** An annual Contract Administration Charge equal to 10 percent (10%) of the sum of Personnel Costs and Operations Costs. For 2024, the Contract Administration Charge is \$715,886. The Contract Administration Charge is not subject to the Reconciliation adjustment described in Section 4.3(b) below.
- (d) **Equipment Replacement Charge.** An annual Equipment Replacement Charge to cover routine replacement of items listed in **Exhibit A**. For 2024, the Equipment Replacement Charge is estimated to be \$114,000. The annual Equipment Replacement Charge does not include or offset Mercer Island's apparatus and vehicle replacement obligations under Section 5.6 below.

- (e) **Capital Facilities Maintenance Charge.** An annual Capital Facilities Maintenance Charge to cover routine maintenance of capital facilities to meet the Eastside facility standards as set forth in Eastside Board Policy 0005 (as currently in effect or as subsequently amended). See **Exhibit D**. For 2024, the Capital Facilities Maintenance Charge is \$30,000.

4.2. Start-Up Costs. As a one-time fee to cover Mercer Island's proportionate share of Eastside's Liability Reserve Fund, as set forth in Eastside Board Financial Policy 0002, Section 5.5 (as currently in effect or as subsequently amended), Mercer Island shall be responsible for paying Eastside 100% vacation value and 50% sick leave value calculated as of December 31, 2023, provided payment shall occur in three equivalent annual payments, beginning on January 1, 2024..

4.3. Annual Adjustments to Charges.

- (a) **Annual Escalator.** The annual charge to Mercer Island for Operations Costs, Equipment Replacement and Capital Facilities Maintenance described in Section 4.1 above shall increase by 3 percent annually.

- (b) **Reconciliation.** The annual charge to Mercer Island shall be subject to the following process to reconcile the Personnel Costs estimated at the beginning of the year to the Actual Personnel incurred by Eastside over the course of the year ("Reconciliation Adjustment"):

- (i) **Actual Personnel Costs.** Mercer Island shall pay to Eastside the Actual Personnel Costs incurred to render services described in Section 3. Actual Personnel Costs shall include the fully burdened rate based on actual wages (including overtime) and benefits paid and accrued during the year.

- (ii) **Timing.** The initial calculation of Personnel Costs for a particular year shall be established and provided to Mercer Island no later than October 15th based on budgeted personnel cost for the subsequent calendar year, and such budgeted amount shall then be reconciled to the Actual Personnel Costs by no later than March 31st of the year following the contract year. Example: By October 15th, 2024, Eastside will establish a budgeted Personnel Cost for calendar year 2025. Mercer Island will pay this amount for services rendered in 2025. Eastside will then reconcile the budgeted amount to the Actual Personnel Cost and provide Mercer Island with a reconciliation for 2025 no later than March 31, 2026.

- (iii) **Payment.** Following receipt of the reconciliation from Eastside, Mercer Island shall pay any difference between the initial Personnel Costs and Actual Personnel Costs, no later than April 30th; provided, that if initial Personnel Costs paid by Mercer Island

exceed Actual Personnel Costs for a given year, such difference shall be credited against Personnel Costs due for the following year, unless this Agreement will expire at the end of the year for which such costs were paid by Mercer Island, in which case such difference shall be refunded to Mercer Island.

4.4. Payment Procedures. Eastside shall invoice and Mercer Island shall pay all invoiced amounts within 30 days. In the event the Implementation Date is established on a date prior to January 1, 2024, the cost of services for that portion of 2023 following the Implementation Date shall be prorated on a 365-day basis. (For example, if the Implementation Date is November 1, Mercer Island would pay 61/365 or 17 percent of the full annual amount.)

4.5. Charges Under RCW 52.30.020. Eastside may exercise its powers under RCW 52.30.020 or other provisions of state or federal law related to fire protection and emergency medical services by contracting directly with state agencies, state institutions, or municipal corporations owning real property or improvements within Mercer Island's service area.

5. PROPERTY OWNERSHIP AND FUNDING. All real and personal property that is owned or acquired by Mercer Island for use by Eastside in carrying out this Agreement shall be owned and funded as follows:

5.1. Real Property Ownership. Stations 91 and 92, and the real property upon which they are situated, and all other real property that is acquired by Mercer Island prior to the Commencement Date of this Agreement shall remain the real property of Mercer Island. Following execution of this Agreement and before the Commencement Date, Mercer Island shall file with Eastside's Fire Chief an inventory of such before-acquired real property. All real property acquired jointly by Mercer Island and Eastside after the Commencement Date shall be the joint real property of Mercer Island and Eastside, and all real property acquired separately by Mercer Island or Eastside after the Commencement Date shall be the separate real property of that party. Eastside shall have exclusive access to and control over all real property listed in **Exhibit B**, attached hereto. Such real property shall be under the exclusive direction and control of Eastside, subject to Mercer Island's right, with reasonable notice, to enter the premises to inspect the facilities and equipment, and to otherwise assure compliance with the terms of this Agreement and applicable laws and regulations.

5.2. Real Property Maintenance and Repair. The Eastside Board of Directors shall fund the maintenance and repair of all real property in accordance with **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 Eastside's budgeting process, the Eastside Board of Directors may, by motion, amend **Exhibit C** and **Exhibit D**. Any such motion

shall be reduced to writing, filed with the Secretary of the Board, and attached to this Agreement.

- 5.3. Improvements to Real Property.** The Eastside Board shall determine and carry out all improvements to real property. Upon request by Mercer Island, the Eastside Board may carry out improvements to Mercer Island's separate real property that are paid for entirely by Mercer Island.
- 5.4. Personal Property Ownership.** Following execution and before the Effective Date of this Agreement, Mercer Island shall file with Eastside's Fire Chief an inventory, a statement of fair market value, and a depreciation schedule of all personal property acquired by Mercer Island prior to the Commencement Date. **Exhibit B**, which is incorporated in and attached to this Agreement, lists and describes the personal property over which Eastside has exclusive access and control while this Agreement remains in effect, and indicates whether the personal property is considered separate personal property of Mercer Island or joint personal property of Eastside and Mercer Island.
- 5.5. Personal Property Replacement.** The Eastside Board of Directors shall fund, replace, value, and depreciate all personal property listed and described in **Exhibit B** and **Exhibit C**, including the establishment and funding of a special account for replacement of personal property. In conjunction with Eastside's budgeting process, the Board may, by motion, amend **Exhibit B** and **Exhibit C**; provided, that no transfer of ownership of real property from Mercer Island to Eastside may be effectuated without the approval of Mercer Island's City Council. Any such motion shall be reduced to writing, filed with the Secretary of the Board, and attached to this Agreement. Mercer Island shall provide Eastside with all applicable service and maintenance records, shop manuals, and other documents related to Mercer Island's personal property.
- 5.6. Apparatus and Vehicle Replacement.** Except as provided in Section 5.7 below, Mercer Island shall be responsible for purchasing replacement apparatus and vehicles to be used by Eastside in providing services under this Agreement in accordance with Mercer Island's adopted capital equipment replacement schedule, attached hereto as **Exhibit E**.
- 5.7. Capital Improvements.** Eastside shall be responsible for the equipment replacement and capital facilities maintenance expenditures ("Capital Expenditures Program") identified in **Exhibit D**. Eastside shall update its Capital Expenditures Program in conjunction with its budgeting process with input from Mercer Island's City Council. In the event of a dispute between Eastside and Mercer Island over the Capital Expenditures Program or the funding of capital improvements or equipment, such dispute shall be resolved in accordance with the Dispute Resolution process set forth in Section 12.

- 5.8. General Obligations Bond.** Any existing and acquired general obligation bonds by Mercer Island will remain the obligation of Mercer Island.
- 5.9. Records.** Except as specifically provided elsewhere in this Agreement, there will be no transfer of records between the parties.
- 5.10. Utilities.** Eastside shall be responsible for payment of all utilities for the real property.
- 5.11. SEPA Mitigation.** Mercer Island, under certain circumstances, has the ability to require actions of mitigation which may have an impact upon fire protection for development or other activities within Mercer Island's service area. Prior to the City of Mercer Island's issuance of a SEPA threshold determination for development or other activity within Mercer Island's service area which: (i) may materially increase the cost of providing the administrative and operational services specified herein; and for which Mercer Island may require mitigation, Mercer Island and Eastside shall meet and discuss the impact on the services provided under this Agreement and the appropriate mitigation, if any, to recommend to the City of Mercer Island's SEPA responsible official.

6. EMPLOYEE TRANSFERS.

- 6.1. Employer.** Eastside shall serve as the employer of all employees and shall employ all employees necessary to fulfill the purposes of this Agreement, consistent with applicable laws and regulations. Eastside assumes all retirement system obligations with respect to employees who transition from Mercer Island to Eastside pursuant to this Agreement, except as set forth in Section 6.5 below. The adopted budget of Eastside shall contain sufficient funds to pay all wages, salaries, employee benefits, payroll taxes, and other expenses of employees.
- 6.2. Transition of Mercer Island Employees to Eastside.** In taking on additional personnel to provide services under this Agreement, Eastside will give first consideration to Local 1762 Mercer Island fire employees. Should the individual who serves as the Mercer Island Fire Marshal on the Commencement Date of this Agreement, accept employment and transfer to Eastside, that person will be placed in Law Enforcement Officers' and Fire Fighters' Retirement System (LEOFF) Plan 2, as described in Eastside's Response to Mercer Island's Request for Proposal in **Exhibit H**. If the employee filling the position of Fire Marshal as of the Commencement Date of this Agreement transfers to Eastside as the Fire Marshal and later vacates the position for any reason, Mercer Island and Eastside agree to evaluate Mercer Island's need for a Fire Marshal and the Mercer Island City Manager shall have final approval of changes made, if any, to the position of Fire Marshal.

- 6.3. Collective Bargaining.** Each party shall undertake to collectively bargain the impacts of this Agreement upon the respective labor unions representing each party's employees. The Eastside Union and the International Association of Firefighters Union Local 1762 ("Mercer Island Union") shall each independently approve agreements, with Eastside and Mercer Island respectively, establishing the conditions under which the Mercer Island firefighters will be integrated into the Eastside Union.
- 6.4. Indemnification Regarding Mercer Island Personnel Claims.** Mercer Island shall indemnify, defend, and hold Eastside harmless from any and all demands, claims, actions, judgments, or liabilities of any kind (including defense costs and awards of attorney fees) by former Mercer Island personnel, that arise out of or relate to Mercer Island's acts or omissions prior to the Commencement Date of this Agreement.
- 6.5. Mercer Island LEOFF 1 Responsibility.** Mercer Island shall retain the liability for retired LEOFF 1 Mercer Island personnel to include medical and long-term care insurance payments and any other expenses incurred by Mercer Island LEOFF 1 personnel in accordance with Mercer Island policies and procedures.

7. OVERSIGHT AND ADMINISTRATION.

- 7.1. Mercer Island Meetings.** Eastside will provide a Mercer Island Liaison (appointed by Eastside) to attend Mercer Island's City Council meetings and other such duties as assigned by the Fire Chief, provided that such duties do not, in the opinion of the Fire Chief, interfere with or disrupt the overall operation and management of Eastside. The Liaison shall provide Mercer Island's City Council with regular updates on Eastside operations.
- 7.2. Annual Report.** The Fire Chief or designee shall provide an annual report to the Mercer Island City Council regarding the services provided under this Agreement on or before July 1 of each year beginning in 2024.
- 7.3. Administration of Agreement.** The Fire Chief shall be the administrator of this Agreement. The Fire Chief shall have authority to establish administrative policies and procedures to carry out the purposes of this Agreement.

8. EXISTING AGREEMENTS.

- 8.1. Mutual and Automatic Aid Agreements.** Eastside shall assume Mercer Island's contractual responsibility and obligations for the provision of mutual and automatic aid under agreements between Mercer Island and other fire agencies. At such time as these agreements are renegotiated and re-executed, Eastside will represent Mercer Island's interests and shall be signatory to the agreements. Mercer Island's City Council shall not have authority to approve Eastside's execution of mutual aid agreements (or amendments to existing agreements) unless the other parties to such

agreements specifically require that Mercer Island be a named party to such agreements.

9. INDEMNIFICATION AND HOLD HARMLESS.

9.1. Mercer Island shall protect, defend, indemnify, and hold harmless Eastside (including its officers, employees, and agents) from any and all costs, claims, judgments, or awards of damages, including attorney fees, arising out of or in any way resulting from the negligent acts or omissions of Mercer Island (including its officers, employees, and agents) in performing any obligations or exercising any authorities under this Agreement. Eastside shall protect, defend, indemnify, and hold harmless Mercer Island (including its officers, employees, and agents) from any and all costs, claims, judgments, or awards of damages, including attorney fees, arising out of or in any way resulting from the negligent acts or omissions of Eastside (including its officers, employees, and agents) in performing any obligations or exercising any authorities under this Agreement.

10. INSURANCE.

10.1. Eastside Insurance. Eastside shall provide insurance coverage for all of Eastside and Mercer Island's operations (as pertains to this ILA), equipment (as pertains to this ILA), personnel (as pertains to this ILA), and the property set forth in **Exhibit B** incorporated by this reference as if fully set forth herein.

The insurance coverage shall include all risk property insurance, insuring fire station contents at replacement cost, and general liability insurance, including errors and omissions coverage.

11. INDEPENDENT MUNICIPAL GOVERNMENTS.

11.1. Independent Governments. The parties recognize and agree that Eastside, its members, and Mercer Island are independent government agencies. Except for the specific terms of this Agreement, nothing herein shall be construed to limit the discretion of the governing bodies of the parties. This Agreement shall not be construed as creating an association, joint venture, or partnership between the parties, nor to impose any partnership obligations or liabilities on either party.

11.2. No Agency. Except as specifically provided in this Agreement, neither party has any right, power, or authority to enter into any binding agreement or undertaking with a third party for or on behalf of the other party.

11.3. Debts and Obligations. Neither Mercer Island nor Eastside, except as expressly stated in this Agreement, or as required by law, shall be liable for any debts or obligations of the other party.

11.4. Assignment of Resources. Eastside shall have the sole discretion to temporarily allocate and assign the resources available to it without regard to political boundaries and to determine the exact method by which the services described in this Agreement are provided within the jurisdictional boundaries of Eastside and Mercer Island.

12. DISPUTE RESOLUTION.

12.1. Prior to any other action, the City Manager and the Fire Chief shall meet and attempt to negotiate a resolution to any and all disputes.

12.2. If the parties are unable to resolve the dispute through negotiation, either party may demand mediation with a mediator selected by mutual agreement. Mediation shall occur within 30 days of the demand for mediation unless the chosen mediator is unavailable within that time frame and the parties agree to a delay to accommodate the mediator's schedule. The parties shall share equally the costs of mediation and shall be responsible for their own costs in preparation and participation in the mediation, including expert witness fees and attorney fees.

12.3. If a mediator or the timing of the mediation cannot be agreed upon, or if the mediation fails to resolve the dispute, then either party may submit the matter to the American Arbitration Association for binding arbitration according to its Commercial Arbitration Rules, unless the parties agree in writing to an alternative dispute resolution process. The arbitration shall be before a single disinterested arbitrator with both parties sharing equally in the cost of the arbitrator and arbitration. The location of the arbitration shall be mutually agreed or established by the arbitrator, and the laws of Washington will govern its proceedings. Each party shall be responsible for its own costs in preparing for and participating in the arbitration, including expert witness fees and attorney fees.

12.4. Unless otherwise agreed in writing, this dispute resolution process shall be the sole, exclusive, and final remedy to or for either party for any dispute regarding this Agreement, and its interpretation, application, or breach, regardless of whether the dispute is based in contract, tort, a violation of federal law, state statute, or local ordinance, or for any breach of administrative rule or regulation and regardless of the amount or type of relief demanded. A party may enforce the final arbitration award in any court of competent jurisdiction.

13. MISCELLANEOUS

13.1. Non-Exclusive Agreement. The parties to this Agreement acknowledge that Eastside retains authority to enter into similar agreements with other municipal agencies.

- 13.2. Non-Waiver of Breach.** The failure of either party to insist upon strict performance of any of the covenants and agreements contained in this Agreement, or to exercise any option conferred by this Agreement in one or more instances, shall not be construed to be a waiver, estoppel, or abandonment of those covenants, agreements, or options, all of which shall remain in full force and effect.
- 13.3. Governing Law.** This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of Washington.
- 13.4. Assignment.** Any assignment of this Agreement by either party without the prior written consent of the non-assigning party is void. If the non-assigning party gives its consent to any assignment, the terms of this Agreement shall continue in full force and effect and no further assignment may be made without additional written consent.
- 13.5. Modification.** No waiver, alteration, or modification of any of the provisions of this Agreement is binding unless in writing and signed by a duly authorized representative of each party and subject to ratification by the governing body of each party unless otherwise provided herein. This Agreement may not be modified, supplemented, or otherwise affected by the parties' course of dealing or course of performance.
- 13.6. Compliance with Laws.** Each party agrees to comply with all local, federal, and state laws, rules, and regulations that are now effective or in the future become applicable to this Agreement.
- 13.7. Entire Agreement.** This Agreement, together with the Exhibits hereto and Mercer Island's Request for Proposal and Eastside's response thereto (**Exhibit H** hereto), constitutes the entire Agreement between the parties. The written terms and provisions of this Agreement, together with the Exhibits hereto, supersede all prior communications, negotiations, representations, and/or agreements, whether verbal or written, between the parties.
- 13.8. Severability.** If any section of this Agreement or its application to a particular person or entity is adjudicated to be invalid, such action shall not affect the validity of any other section not so adjudicated or its applicability to other persons or entities.
- 13.9. Interpretation.** Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Agreement. The language in this Agreement shall not be construed strictly for or against any party.
- 13.10. Notices.** All notices, requests, demands, and other communications required by this Agreement shall be in writing to the addresses listed below, and, except as provided elsewhere in this Agreement, shall be deemed to have been given at the time of delivery if personally delivered to the recipient, or

three calendar days after the time of mailing if mailed by first class mail, postage prepaid.

Eastside Fire & Rescue:
Attn: Fire Chief
175 Newport Way NW
Issaquah, WA 98027

City of Mercer Island
Attn: City Manager
9611 SE 36th St
Mercer Island, WA 98040

13.11. 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.

13.12. Survival. The rights and duties of Sections 2.4, 6, 9, and 12 shall survive expiration or termination of this Agreement.

13.13. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall constitute an original, and all of which together constitute this one Agreement.

ACKNOWLEDGED AND AGREED TO BY:

EASTSIDE FIRE & RESCUE

CITY OF MERCER ISLAND

Signature

Signature

Print Name

Jessi Bon

Print Name

Title

City Manager

Title

Date

Date

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Lisa Marshall
Attorney for Eastside Fire & Rescue

Bio Park
Attorney for City of Mercer Island

EXHIBIT A

ASSETS IN EASTSIDE'S EQUIPMENT REPLACEMENT FUND

Gas Detectors
SCBA
SCBA Compressors
Radios
Defibrillators
Thermal Imaging Cameras
Bunker Gear
Ballistic Vests
Mobile Data Computers
Computers/Computer Equipment
PT Equipment
Rescue Tools/Airbags
Hose
Pump Test Trailer

EXHIBIT B

MERCER ISLAND - REAL AND PERSONAL PROPERTY UNDER EASTSIDE'S EXCLUSIVE ACCESS AND CONTROL

Fire Station 91 – 3030 78th Ave SE, Mercer Island, WA (Parcel 531510-1155)

Fire Station 92 – 8473 SE 68th St, Mercer Island, WA (Parcel 302405-9111)

All vehicles titled to Mercer Island at time of contract implementation (see table below).

#	Description	Replacement Reserve	Year	Life	Replacement Date
521	2018 Pierce Pumper	Apparatus	2018	15	2033
498	2017 Chevy 4WD	Fleet	2017	10	2027
502	Fire AID Unit Ford E350	Fleet	2017	20	2037
485	2016 Toyota Rav 4	Fleet	2016	10	2026
487	2016 Toyota Rav 4	Fleet	2016	10	2026
490	2016 Chevrolet Suburban	Fleet	2016	8	2024
495	2016 Toyota Rav 4	Fleet	2016	10	2026
497	2015 Fire Midi Pumper	Apparatus	2015	16	2031
538	Tech Rescue Trailer	Fleet	2014		
268	Tech Rescue Trailer	N/A	1995		
471	Fire Rescue Truck	Apparatus	2013	10	2023
449	2012 North Star Ambulance	N/A	2012	20	2032
458	Lease Purchase-Max Pumper	Apparatus	2012	20	2032
411	09 Suburban 4WD	N/A	2009	8	
399	Fire Maxi Pumper	Apparatus	2008	20	2028
400	Fire Maxi Pumper	Apparatus	2008	20	2028
403	Fire Mini Pumper	Apparatus	2008	16	2024
387	07 NS 138-3 Ambulance Ford E350	N/A	2007	10	*

* New aid car ordered in 2022; not yet received. Aid #449 will become reserve.

All vehicles listed will be utilized for their useful life. However, only those that are also identified in **Exhibit E** will be included in future replacement by Mercer Island. Additionally, any of these vehicles that end up identified in the 2025 – 2026 Eastside Equipment Replacement Plan will be included for future replacement at Eastside's expense. All vehicles will remain titled to Mercer Island until replacement, at which time the funding party will take title to the new vehicle, and the old vehicle will be surplussed with the proceeds remitted to the original purchaser.

Following execution of this Agreement and prior to the Commencement Date, Mercer Island will supplement this list to include all personal property acquired by Mercer Island prior to the Commencement Date.

EXHIBIT C

EASTSIDE PERSONAL PROPERTY

The ownership of all personal property not expressly identified in **Exhibit B** is owned by Eastside (a Non-Profit Corporation), to include items listed in Table 1 below, provided following execution of this Agreement and prior to the Commencement Date, Mercer Island will supplement this list to include all personal property acquired by Mercer Island prior to the Commencement Date.

Replacement and maintenance of these items will be purchased out of the Eastside General Fund or the jointly funded Equipment Replacement Fund.

Table 1

IT Equipment
Bunker Gear
Self-Contained Breathing Apparatus
Rescue Equipment
Office Supplies
Radios
Furniture
Uniforms
Hose
Any other property not expressly listed in Exhibit B

EXHIBIT D

EASTSIDE CAPITAL EXPENDITURES PROGRAM

Per paragraph 5.2, this exhibit “shall include the establishment and funding of a special account for maintenance and repair of real property.” The Eastside Board of Directors has adopted and maintains two policies in direct support of this exhibit: (i) Policy 0008 - Equipment Replacement Fund, and (ii) Policy 0005 – Capital Facilities Maintenance Fund.

The Equipment Replacement and Capital Facilities Maintenance schedules adopted by the Eastside Board shall serve as **Exhibit D** and shall be updated in connection with Eastside’s annual/biennial budget process.

Mercer Island-owned facilities will be added to **Exhibit D** as part of the comprehensive 2025-2026 budget creation and adoption process.

					2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Cash Balance				\$390,708	\$678,515	\$478,603	\$1,288,525	\$1,456,220	\$1,834,485	\$2,097,973	\$2,854,070	\$1,389,437	\$2,398,341	\$2,271,228	\$2,958,276	\$3,881,031
	Contributions				\$1,090,938	\$1,123,666	\$1,157,376	\$1,192,097	\$1,227,860	\$1,264,696	\$1,302,637	\$1,341,716	\$1,381,968	\$1,423,427	\$1,466,129	\$1,510,113	\$1,555,417
	Contract Agency Contributions				\$175,591	\$180,859	\$186,285	\$191,873	\$197,630	\$203,558	\$209,665	\$215,955	\$222,434	\$229,107	\$235,980	\$243,059	\$250,351
	Purchases				\$978,723	\$1,504,437	\$533,739	\$1,216,276	\$1,047,224	\$1,204,767	\$756,206	\$3,022,304	\$595,497	\$1,779,647	\$1,015,061	\$830,418	\$743,616
	Net				\$678,515	\$478,603	\$1,288,525	\$1,456,220	\$1,834,485	\$2,097,973	\$2,854,070	\$1,389,437	\$2,398,341	\$2,271,228	\$2,958,276	\$3,881,031	\$4,943,183
	Type	New	Replace	Replace	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
8839	Engine 173	2010	20	2030								\$969,234					
8840	Engine 178	2010	20	2030								\$969,234					
8842	Engine 183	2012	20	2032										\$1,008,391			
8843	Engine 187	2016	20	2036													
8845	Engine 185	2016	20	2036													
8845	Engine 172	2016	20	2036													
	Engine 182 (Quint)			See line 46													
8832	Backup Engine	2001	25	2026													
8833	Backup Engine	2001	25	2026													
8834	Backup Engine	2003	25	2028													
8835	Reserve (wildland 76)	2004	25	N/A													
8836	Reserve (wildland 74)	2004	25	N/A													
8841	Reserve (E288)	2012	25	N/A													
	Subtotal				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,938,468	\$0	\$1,008,391	\$0	\$0	\$0
	Tax				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$193,847	\$0	\$100,839	\$0	\$0	\$0
	Total				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,132,315	\$0	\$1,109,230	\$0	\$0	\$0
	Type	New	Replace	Replace	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
7842	Aid 171	2017	10	2027					\$247,236								
7843	Aid 183	2017	10	2027					\$247,236								
7840	Aid 178	2014	10	2024	\$228,408										\$278,428		
7839	Aid 187	2011	10	2021				\$242,388									
7838	Aid 185	2011	10	2021				\$242,388									
7841	Back up Aid Unit	2015	20	2035													
7826	Back up Aid Unit	1999	20	2019													
	REPLACEMENT TRICKLE FROM FRONT-LINE AID UNITS																
7828	Aid 276 (reserve)	1999	20	2019													
7832	Aid 288 (reserve)Eliminate	1999	20	2019													
	REPLACEMENT TRICKLE FROM BACK UP AID UNIT																
7836	Public Educ. Aid	2006	20	N/A													
7831	Swiftwater Aid (Eliminate)	2000	20	N/A													
7825	Aid 189 (Surplus?)	1999	20	N/A													
	Subtotal				\$228,408	\$0	\$0	\$484,776	\$494,472	\$0	\$0	\$0	\$0	\$0	\$278,428	\$0	\$0
	Tax				\$22,841	\$0	\$0	\$48,478	\$49,447	\$0	\$0	\$0	\$0	\$0	\$27,843	\$0	\$0
	Total				\$251,249	\$0	\$0	\$533,254	\$543,919	\$0	\$0	\$0	\$0	\$0	\$306,271	\$0	\$0
	Type	New	Replace	Replace	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
9811	Ladder 171	2018	20	2038													
9810	Engine 182 (Quint)	2009	20	2029													
	REPLACEMENT TRICKLE DOWN FROM FRONT-LINE UNIT (quint is temporarily being used as Engine 182)																
	Subtotal				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Tax				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	Total				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

	Type	New	Replace	Replace	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
3806	Tender 173	2002	35	2037	?												
3809	Tender 187	2017	30	2047													
3807	Tender 185	2002	35	2037	?												
3808	Tender 183	2011	30	2041													
6806	TRT Rescue 187	2002	22	2024		\$606,226											
1851	BC 171	2019	5	2024		\$96,554					\$106,603						\$117,699
1852	BC181	2019	5	2024		\$96,554					\$106,603						\$117,699
1853	BC - OPS - Back-up	2019	5	2024	REPLACEMENT TRICKLE FROM FRONT-LINE BC UNITS												
6807	Air Unit 185	1994	30	2024		\$150,000											
5822	F550 B182	2020	15	2035													\$178,531
6810	Brush 178	2010	20	2030								\$161,701					
8838	Brush 187	2008	20	2028						\$155,422							
2815	Marine	2019	20	2039													
5820	COM	2019	30	2049													
	Subtotal				\$0	\$949,333	\$0	\$0	\$0	\$155,422	\$213,206	\$161,701	\$0	\$0	\$0	\$235,397	\$178,531
	Tax				\$0	\$94,933	\$0	\$0	\$0	\$15,542	\$21,321	\$16,170	\$0	\$0	\$0	\$23,540	\$17,853
	Total				\$0	\$1,044,267	\$0	\$0	\$0	\$170,964	\$234,527	\$177,871	\$0	\$0	\$0	\$258,937	\$196,384
	Type	New	Replace	Replace	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
5819	Mail Van	2015	10	2025			\$36,570										\$44,578
1846	Explorer Fire Chief	2015	12	2027					\$50,730								
1855	Explorer DC	2021	12	2033											\$57,130		
5821	Shop Pick up Truck	2008	15	2023	\$49,735												
1856	Explorer DC	2021	12	2033											\$57,130		
	UTV (Polaris)	2012	12	2024		\$25,365											
	UTV (Club)	2012	12	2024		\$25,365											
1840	AFM	2008	15	2023	\$46,866												
1841	AFM	2008	15	2023	\$46,866												
1842	AFM	2008	15	2023	\$46,866												
5816	Facilities	2008	15	2023	\$67,570												
5817	Shop Service	2011	15	2026				\$71,706									
	Forklift	2016	20	2036													
	Subtotal				\$257,904	\$50,730	\$36,570	\$71,706	\$50,730	\$0	\$0	\$0	\$0	\$0	\$114,260	\$0	\$44,578
	Tax				\$25,790	\$5,073	\$3,657	\$7,171	\$5,073	\$0	\$0	\$0	\$0	\$0	\$11,426	\$0	\$4,458
	Total				\$283,694	\$55,803	\$40,227	\$78,876	\$55,803	\$0	\$0	\$0	\$0	\$0	\$125,686	\$0	\$49,036
	Type	New	Replace	Replace	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Gas Detectors	2017	5	2022	\$13,739		\$10,510	\$52,883				\$7,891				\$16,748	
	SCBA	2015	15	2030						\$474,867							
	Radio	0	0	2022													
	Defib	2022	8	2030								\$225,504					
	SCBA Compressors	2017	8	2025			\$63,178	\$128,883		\$67,045	\$68,386				\$74,023	\$75,503	
	MDC	2020	5	2025													
	TI Camera	2017	5	2022	\$29,298				\$31,713					\$35,014			
	Pump Test Trailer	2021	30	2051													
	Bunker Gear	2017	1	2018	\$133,926	\$136,605	\$139,337	\$142,124	\$144,966	\$147,865	\$150,823	\$153,839	\$156,916	\$160,054	\$163,255	\$166,520	\$169,851
	Ballistic Vests	2017	10	2027									\$134,097				
	Computers	2017	1	2018	\$167,587	\$170,938	\$174,357	\$162,844	\$166,401	\$185,029	\$188,730	\$192,504	\$181,355	\$185,282	\$204,287	\$204,287	\$208,373
	PT Equipment	2017	1	2018	\$22,081	\$22,523	\$22,974	\$23,433	\$23,902	\$24,380	\$24,867	\$25,365	\$25,872	\$26,389	\$26,917	\$27,456	\$28,005
	Rescue Tool/Airbags	2017	15	2032										\$158,746			
	Hose	2017	1	2018	\$36,804	\$37,541	\$38,291	\$39,057	\$39,838	\$40,635	\$41,448	\$42,277	\$43,122	\$43,985	\$44,864	\$45,762	\$46,677
	Subtotal				\$403,436	\$367,607	\$448,647	\$549,224	\$406,820	\$939,821	\$474,253	\$647,380	\$541,361	\$609,470	\$530,095	\$519,528	\$452,905
	Tax				\$40,344	\$36,761	\$44,865	\$54,922	\$40,682	\$93,982	\$47,425	\$64,738	\$54,136	\$60,947	\$53,009	\$51,953	\$45,291
	Total				\$443,780	\$404,368	\$493,512	\$604,146	\$447,503	\$1,033,803	\$521,679	\$712,118	\$595,497	\$670,417	\$583,104	\$571,481	\$498,196

Equipment Replacement Fund Schedule

Item	Career	Volunteer	Admin/Shop
	Less than (years)	Less than (years)	Less than (years)
Flooring (Vinyl)	20	30	20
Flooring (Tile)	30	40	30
Flooring (Concrete)	25	25	25
Carpet	15	30	20
Paint (interior)	20	30	20
Paint (exterior)	20	25	20
Generator	25	35	25
Cabinetry	25	35	25
Windows	50	50	50
Vehicle Exhaust	25	35	25
Septic System(s)	40	50	40
Shop Lifts	0	0	30
Roof 40 yr	40	40	40
Roof 50 yr	50	50	50
Roof 30 yr	30	30	30
HVAC	15	30	15
Blank	0	0	0
Garage Door (roll-up)	25	35	25
Garage Door (bi-fold)	50	50	50
Asphalt (replace)	50	50	50
Asphalt (seal)	5	5	5
Communications Systems	20	20	20
Deck	25	25	25
Fixtures	25	35	25
Appliances	15	30	15
Walkways	50	50	50
Entry Hardware (key way)	5	5	5
Entry Hardware (cardlock)	15	15	15
Hot Water	8	12	8

- 1) **Carpet (when due for replacement) will be replaced by solid surface flooring (example; vinyl, polished concrete, laminate).**
- 2) **Septic systems shall be connected to sewer, if available, when due for replacement.**
- 3) **Roof replacement assumes replacement of gutters and skylights.**
- 4) **All stations will be upgraded to a cardlock system no later than 12/31/19.**
- 5) **Parking lot sealing includes lot striping.**
- 6) **Interior paint includes ceiling tile replacement when applicable.**

CFMF Scheduled Maintenance Expenditures			
Fund Balance		\$ 395,880.00	\$ 100,880.00
Contributions		\$ -	\$ -
Expenditures		\$ 295,000.00	\$ 365,000.00
Net		\$ 100,880.00	\$ (264,120.00)
Description	Station	2023	2024
Interior door repair	87	\$ 20,000.00	
Classroom upgrade	HQ	\$ 50,000.00	
	85		\$ 50,000.00
Painting - Exterior	81		\$ 15,000.00
Brivo card lock system	31	\$ 30,000.00	
	33	\$ 15,000.00	
	35	\$ 20,000.00	
	Annex	\$ 5,000.00	
Resealing concrete floors			
	72		\$ 25,000.00
	78	\$ 15,000.00	
	85		\$ 35,000.00
Extractors - Replace	72		\$ 15,000.00
Septic/Sewer updates	81	\$ 10,000.00	
LED lighting upgrades (bays)	73	\$ 15,000.00	
	81	\$ 5,000.00	
	85	\$ 15,000.00	
Hazardous Tree Removal	31	\$ 10,000.00	
Exhaust Equipment	31		\$ 100,000.00
	33		\$ 50,000.00
	35		\$ 50,000.00
4 Post Vehicle Lift System	HQ	\$ 40,000.00	
Classroom soundproofing	HQ	\$ 20,000.00	
Unanticipated Repairs		\$ 25,000.00	\$ 25,000.00
Total Planned Expenditures:		\$ 295,000	\$ 365,000

EXHIBIT E

MERCER ISLAND'S FLEET REPLACEMENT SCHEDULE

#	Description	Replacement Reserve	Year	Life	Replacement Date
521	2018 Pierce Pumper	Apparatus	2018	15	2033
498	2017 Chevy 4WD	Fleet	2017	10	2027
502	Fire AID Unit Ford E350	Fleet	2017	20	2037
490	2016 Chevrolet Suburban	Fleet	2016	8	2024
495	2016 Toyota Rav 4	Fleet	2016	10	2026
497	2015 Fire Midi Pumper	Apparatus	2015	16	2031
538	Tech Rescue Trailer	Fleet	2014		
471	Fire Rescue Truck	Apparatus	2013	10	2023
458	Lease Purchase-Max Pumper	Apparatus	2012	20	2032
399	Fire Maxi Pumper	Apparatus	2008	20	2028
400	Fire Maxi Pumper	Apparatus	2008	20	2028
403	Fire Mini Pumper	Apparatus	2008	16	2024
268	Tech Rescue Trailer	N/A	1995		
TBD	New aid car ordered in 2022	Fleet	2022	20	2042

EXHIBIT F

MERCER ISLAND ADDENDUM

The Parties intend for the following terms to supplement the Underlying Agreement, provided that where there is a conflict between a term in this Addendum and the Underlying Agreement, this Addendum shall bind.

1. **Additional Definitions:** For the purposes of this Addendum and the Underlying Agreement, the parties agree that the following terms are defined as follows:
 - a. *Routine Maintenance* refers to any maintenance task that is done on a planned and ongoing basis to identify and prevent problems before they result in a facility or equipment failure.
 - b. *Capital Improvement(s)* shall mean changes, modifications, additions, or upgrades other than routine maintenance to the Real Property and Facilities on **Exhibit B** of the Underlying Agreement constructed or implemented by Eastside with Mercer Island's prior approval.
2. **Real Property Capital Improvements.**

For real property and associated facilities listed on **Exhibit B** to the Underlying Agreement, all capital improvements shall require pre-approval by Mercer Island, provided the parties agree to collaborate regarding management and performance of the capital improvements, and further provided at the time of development, approval, and implementation of a capital improvement Mercer Island and Eastside will collaboratively approach the capital improvement from a budget and planning process to allocate the parties roles for the specific project. All capital improvements during each of the first three (3) years of the Initial Term with an estimated cost in excess of the annual Capital Facilities Maintenance Charge paid by Mercer Island shall be expensed to Mercer Island as incurred, provided all such costs shall require Mercer Island's pre-approval.

In evaluating capital improvement proposals from Eastside, Mercer Island commits to the development and adoption of a useful life facility standard for capital improvements, to maintain and extend the active life of their facilities that harmonizes with Eastside's related policies.

3. **Existing Agreements and Special Events.**

In addition to the provisions of Section 8.1, Eastside agrees to provide fire and/or emergency medical personnel for the City's existing Agreement(s) with the Mercer Island School District for special events upon request of Mercer Island, provided Eastside shall provide Mercer Island with an estimate of associated costs for the provision of these additional services in advance of the special event. Similarly,

the parties agree to work collaboratively to negotiate the provision of fire and/or emergency medical personnel for other special events at a pre-approved cost. For purposes of this subsection, requests for additional Eastside services hereunder shall be submitted with sufficient notice in advance of the event to enable Eastside to adequately staff such event(s). Unless otherwise agreed to by the Parties, “sufficient notice” shall be no longer than thirty (30) calendar days.

4. Hazardous Materials Incident Response.

Nothing in Section 3.6 of the Underlying Agreement shall modify the City’s authority to implement its Cost Recovery Program for Motor Vehicle Incidents, Hazardous Material Spills, Incident Response, and/or Clean-Up, consistent with Resolution 1605. Eastside agrees to provide data to the City and its Contractor(s) when necessary for the City to effectuate the terms of Resolution 1605 and the associated agreements.

5. Existing Revenue Allocation.

Pursuant to Section 4 of the Underlying Agreement, the parties acknowledge that Mercer Island shall retain all existing Fire-specific revenues, including but not limited to EMS utility tax (Reso No. 1640), EMS transport fee (MICC 4.60.010), MI GEMT program annual distribution, and KC EMS levy, provided the parties may agree to revise this allocation in the future if conditions warrant. Mercer Island’s retention of these Fire-specific revenues shall not impact the payments due and owing from Mercer Island to Eastside under Section 4.

6. Reporting.

In addition to the reporting requirements set out in Section 7 of the Underlying Agreement, Eastside will provide the City Manager with updates pertaining to collective bargaining negotiations and potential impacts prior to and during bargaining and shall be available to address the City Council on this topic upon request of the City Manager.

7. Return of Real Property and Personal Property Upon Termination.

In addition to the terms of Section 2.4(c), in the event of termination Mercer Island shall retain ownership of all real property, apparatus, and vehicles owned by or purchased by Mercers Island to be used by Eastside in providing services under this Agreement, as well as personal property purchased for the operation of the aforementioned real property, apparatus, and vehicles.

8. Transition Committees.

Mercer Island and Eastside agree to formulate committees comprised of staff members to work collaboratively after the execution of this Agreement and prior to

the Commencement date, to establish procedures to govern implementation issues [e.g., public information Officers/Media Outreach, Uniform patches, branding and logos for facilities, vehicles, and apparatus].

EXHIBIT G

COOPERATIVE PURCHASING ADDENDUM

WHEREAS, the Interlocal Cooperation Act, as codified at Chapter 39.34 of the Revised Code of Washington (RCW) provides for interlocal cooperation between governmental agencies; and

WHEREAS, pursuant to RCW 39.34.030, the City of Mercer Island, a Washington municipal corporation, and Eastside Fire & Rescue, a public agency (together, the “Parties”), desire to utilize each other’s procurement agreements to leverage cooperative purchasing power; and

WHEREAS, this Addendum is intended to authorize the cooperative purchasing by the Parties when in furtherance of the purposes of the Interlocal Agreement for Fire & Emergency Services (the “Underlying Agreement”)

NOW, THEREFORE, the Parties agree as follows:

1. **Authority.** Each party agrees to extend to the other party the right to purchase supplies, materials, equipment, and services from its contracts with vendors, suppliers, providers, and contractors for such supplies, materials, equipment, and services permitted by law.
2. **Duration and Termination.** This Addendum shall be in effect upon the date of mutual execution set out below until the termination of the Underlying Agreement, provided either party may cancel this Addendum at any time in writing. The parties may jointly modify the terms of this Addendum by written agreement.
3. **Administration.** No separate legal or administrative entity is created by this agreement.
4. **Property Ownership.** Ownership of property acquired pursuant to this agreement shall vest in the party making the purchase, which shall have the sole right of disposal of the property.
5. **Compliance With Legal Requirements:** Each party accepts responsibility for compliance with federal, state, or local laws and regulations including, in particular, bidding requirements applicable to its acquisition of goods and services or disposal of property.
6. **Financing:** The method of financing of payment shall be through budgeted funds or other available funds of the party for whose use the property is actually acquired or disposed. Each party accepts no responsibility for the payment of the acquisition price of any goods or services intended for use by the other party, except where expressly provided in the Underlying Agreement.
7. **Filing:** Executed copies of this agreement shall be filed or posted on the parties’ website as required by RCW 39.34.040 prior to this agreement becoming effective.

8. **Non-Delegation/Non-Assignment.** Neither party may delegate the performance of any contractual obligation to a third party, unless mutually agreed in writing. Neither party may assign this agreement without the written consent of the other party.

Accepted for the City of Mercer Island

Accepted for the Eastside Fire & Rescue

By: _____

By: _____

Title:

Title:

Date: _____

Date: _____

EXHIBIT H
RFP AND EASTSIDE RESPONSE TO RFP

CITY OF MERCER ISLAND REQUEST FOR PROPOSALS

MERCER ISLAND FIRE SERVICES – REGIONAL PROPOSAL FRAMEWORK

Purpose of Request

The City of Mercer Island (“City”) is considering adopting a regional fire services model and is seeking proposals from the City of Bellevue and Eastside Fire & Rescue to provide fire and emergency services on Mercer Island. A regional fire services model is defined as a single, larger fire agency providing comprehensive fire services across multiple communities. The purpose of adopting a regional fire services model is to maintain or enhance current levels of service while balancing the shared responsibility for long-term cost-effective fire and emergency medical service delivery.

The information included below is intended to guide the development of a proposal with the understanding that final terms will be negotiated once an agency is selected.

Minimum criteria in considering adopting a regional fire services model include:

- Maintains or improves current fire and emergency medical service levels and both fire stations on Mercer Island remain open.
- Mercer Island Fire Department employees will be hired by the public agency in their current or comparable positions. Does not include the Fire Chief, Deputy Fire Chief, or Administrative Assistant positions.
- Creates opportunities for career growth, enhanced training, and other professional development for Mercer Island Fire Department employees.
- Achieves operating efficiencies and cost savings for the City of Mercer Island.

Schedule

The following is a tentative schedule for review and consideration of the proposals:

Issue RFP	April 5, 2023
Deadline for Submittal of Proposals	May 3, 2023, 4:00 PM PST
Internal Review of Proposals	May 2023
City Council Review of Proposals	May/June 2023
Next Steps	Timeline TBD

Scope of Work

The following Scope of Work is intended to inform the development of a proposal, with final terms to be negotiated if a regional fire services agency is selected. Responses to the request for proposals shall include the following:

1. Fire and Emergency Medical Services.
 - a. Will perform all services necessary for fire suppression, emergency medical services, hazardous materials response, technical rescue, and emergency response within the jurisdictional

boundaries of the City of Mercer Island as currently provided by the Mercer Island Fire Department.

- b. Will perform full-service fire marshal duties including development permit and plan reviews, annual hazard inspections, fire flow tests, and other fire protection system tests, fire investigations, and will support city code compliance efforts as appropriate.
- c. Provision of fire and emergency medical services with same or lower service response times as currently provided by the Mercer Island Fire Department.
- d. Fully integrate with the City of Mercer Island's Mobile Integrated Health program.
- e. Will create updated automatic and mutual aid agreements if needed, noting in the proposal how these may differ than existing arrangements for the Mercer Island Fire Department.

2. Level of Service and Staffing Integration.

- a. Will maintain or increase the level of fire and emergency medical service and staffing currently provided by the City of Mercer Island, which is as follows:
 - i. One (1) Battalion Chief, or Lieutenant in charge of Station 91 and 92
 - ii. One (1) Lieutenant at Station 92
 - iii. One (1) Lieutenant at Station 91
 - iv. Two (2) Firefighters at Station 91 and two (2) Firefighters at Station 92 (total of four firefighters on each shift).
 - v. One (1) Fire Marshal
- b. The uniformed employees of the Mercer Island Fire Department will be integrated into the IAFF local of the regional fire service agency. Uniformed employees will continue in their current positions, job assignments, and seniority, or as agreed through collective bargaining prior to the implementation of the regional fire services model.
- c. The City of Mercer Island recognizes that regional fire service agencies may utilize a different staffing structure, including different job titles and rankings as compared to the City's staffing structure. The proposal should include consideration for full integration of the positions identified above and include information on where variations or differences exist.

3. Other Considerations. The proposal shall include recommendations and costs associated with other components of the fire and emergency medical service operation, not contemplated in the above two sections, including the following:

- a. Address provision of benefits for fire employees including medical, dental, vision, retirement, and other.
- b. Address transition of accrued leave including sick and vacation for fire employees.
- c. Identify the preferred term length for a regional fire services agreement with parameters for options to amend or renew the agreement.
- d. Identify other specialty services not currently provided by the City of Mercer Island that would be included as part of this partnership.

- e. Address how the City's appurtenant funding mechanisms for fire and emergency medical service will be handled as part of the contemplated regional fire services agreement. This includes the City's annual contribution from the King County EMS Levy, the annual emergency medical service utility charge, revenues from emergency medical transport fees, and Federal funding associated with the Ground Emergency Medical Transportation program.
 - f. Address the recommended approach to facility maintenance, management, and repair in collaboration with the City of Mercer Island. The City anticipates retaining ownership of all existing fire stations, facilities, real property, apparatus, vehicles, and equipment and will oversee all capital projects.
 - g. Address approach to providing full-service fleet maintenance.
 - h. Describe the internal administration of fire and emergency medical services and the reliance, if any, on the City of Mercer Island's internal service departments (e.g., Human Resources, Payroll, IT, Finance, etc.)
 - i. Address the regional fire service agency's leadership and oversight structure, and how they would collaborate and engage with the Mercer Island City Council, City Manager, and other staff.
 - j. Describe the approach and level of service anticipated as it relates to communication, public relations, community engagement, and community education. Proposal should also address how the City's Communications Manager and agency will collaborate.
 - k. The City of Mercer Island manages a comprehensive emergency management program and intends to continue this program. The proposal should identify opportunities to further collaborate on emergency management services.
 - l. Outline the desired schedule for payment under the proposed agreement.
4. **Costs of Services.** Proposals shall include the cost for providing the services described above and highlight items that will require additional consideration. Costs that cannot yet be evaluated, but that will be part of the regional services model, should be identified in the proposal materials.

Collective Bargaining

The City of Mercer Island acknowledges the need and welcomes the opportunity to collectively bargain the impact of the transition to regional fire services with Mercer Island IAFF Local 1762.

Evaluation Factors for Review of Proposal

In addition to the items identified above, the City of Mercer Island may consider the following in evaluating proposals:

- Experience in providing regional fire services and satisfaction of current contract agencies.
- Immediate and long-term impacts to current Mercer Island Fire employees.
- Ability to maintain or enhance current levels of service while balancing the shared responsibility for long-term cost-effective fire and emergency medical service delivery.
- Governance model, reporting cycles, and annual metrics used to measure service delivery for contract agencies.

- Direct and indirect costs in the near and long-term.

Terms and Conditions

- A. The City reserves the right to accept and select any proposal or to negotiate with any agency, which in its sole discretion will best serve the public interest of Mercer Island.
- B. The City reserves the right to reject any and all proposals, and to waive minor irregularities in any proposal. The City is not obligated to accept any proposal or to negotiate with any agency in response to any proposal.
- C. The City reserves the right to request clarification of information submitted, and to request additional information.
- D. The City shall not be responsible for reimbursing any costs incurred by the agency in preparing, submitting, or presenting its response to the RFP.

Instructions for Submittal of Proposals

- A. Proposals must be submitted electronically in PDF format via email by Wednesday, May 3 at 4:00 pm PST. When a proposal has been received, a response email will be sent to confirm receipt. Proposals should be marked as follows and sent to:
To: jessi.bon@mercerisland.gov
Subject: Regional Fire Services Proposal
- B. Proposals should be prepared simply and economically, providing a straightforward, concise description of provider capabilities to satisfy the requirements of the request. Emphasis should be on completeness and clarity of content. Identification of issues that agency submitting proposal will need to address with the City if their proposal is selected is welcome.
- C. Proposals delivered after the posted deadline may not be considered for selection.

Contacts

All communication concerning this RFP should be directed in writing to:

Jessi Bon, City Manager
Email: jessi.bon@mercerisland.gov

Any oral communications will be considered unofficial and non-binding on the City.



City of Mercer Island City Council
c/o Jessi Bon, City Manager
City of Mercer Island
9611 SE 36th Street
Mercer Island, WA 98040

RE: Proposal for Regional Fire Services Model

Dear City Manager Bon,

Eastside Fire & Rescue (EF&R) is honored to submit the enclosed response to the RFP published by the City of Mercer Island in consideration of adopting a regional fire service model.

EF&R was created in 1999 through an interlocal agreement between King County Fire District 10, King County Fire District 38, and the cities of Issaquah, Sammamish, and North Bend. In 2020, the founding agencies solidified their partnership by establishing a non-profit corporation to carry out the governmental functions of an all-hazards fire department. EF&R maintains contracts for fire and emergency medical services with Woodinville Fire & Rescue and the Snoqualmie Tribe, and a contract with the City of Mercer Island to provide Fire Chief and Deputy Chief services.

EF&R is proud to provide an all-hazards response to all partners and contract agencies. This response to the City's RFP serves as a baseline proposal for a service level necessary for fire suppression, emergency medical services, hazardous materials response, technical rescue, and disaster response within the City of Mercer Island:

- Daily emergency operations oversight, staffing, and supervision shall be provided by one Battalion Chief located at Station 91, supported by three additional response Battalion Chiefs throughout EF&R.
- Stations 91 and 92 will each have a Station Captain, Lieutenants, Engineers, and Firefighters assigned accordingly.
- Station Captains shall provide oversight of station-specific needs and projects. Captains are eligible for Acting Battalion Chief assignments based on completed training.
- Total suppression staffing of 28: four Battalion Chiefs, two Station Captains, six Lieutenants, eight Engineers, and eight Firefighters shall be assigned equally across four shifts with a 1-on, 2-off, 1-on, 4-off work schedule.
- One Mercer Island Fire Marshal shall be incorporated into EF&R's Fire Marshal's Office.
- Technical rescue services will be enhanced by EF&R's strategically located Specialty Stations.
- Hazardous Materials Response capabilities will be improved as EF&R is a member of the Eastside Hazardous Materials Consortium and staffs a designated unit with Haz-Mat technician level certified firefighters.
- Mercer Island's Mutual and Automatic aid obligations shall be supported by this proposed deployment model.
- Fire and EMS training will be provided through EF&R's membership in the South King County Fire Training Consortium (SKCFTC)

- Dispatch services will remain with NORCOM in alignment with EF&R and its contract agencies.
- The City will see no reduction in response times as this proposal maintains current staffing levels and resource deployment model.
- All wages and benefits will be in accordance with EF&R's CBA with Local 2878.

Eastside Fire & Rescue at a Glance

Eastside Fire & Rescue is a full-service department that includes Fire Administration, Human Resources, Finance, Payroll, Emergency Management, Mobile Integrated Health, Fire Prevention, Public Education & Information, Data Analytics and GIS, Facilities, and Fleet Maintenance. Insurance, Legal services, and IT are included and provided by the appropriate third party. Under this proposed full-service model, the City stands to recognize considerable capacity gained within its respective supporting departments.

- **Fire Administration** includes two Deputy Directors, three Deputy Chiefs, and one Fire Chief. Our purpose is to serve something greater than ourselves while upholding the Department's mission and values. EF&R is proud to support a parallel path to leadership roles for both sworn and civilian employees. The Fire Chief or designee will report directly to the City Manager and engage with leadership and council as directed.
- **Human Resources** is comprised of two HR Specialists who are passionate about fostering a positive and inclusive work environment for all employees. The team handles recruitment, hiring, and onboarding processes for new employees; benefit and leave administration; confidential employee records; performance management tracking; promotional processes; and workers compensation claim management. The Deputy Director of Administration provides division oversight and is responsible for confidential employee and legal issues.
 - Eastside Fire & Rescue is taking an intentional and holistic approach to advancing DEI within our department, built on four pillars: leadership and focus; outreach and recruiting; hiring; and retention and inclusion. Starting in 2022, EF&R hired an outside consultant to provide training and education in this area. Our involvement extends outside of EF&R and includes hosting the two-day 2023 Future Women in Fire/EMS event, hosting the 2023 King County Fire Chiefs Association (KCFCA) Diversity Recruitment and Hiring workshop, and remaining an active member of the KCFCA DEI committee.
- **Finance** has a five-member team consisting of one Finance Director, one Budget Finance Analyst (CPA), one Payroll Lead, one Finance Specialist, and one Payroll Specialist. Together, they handle the many financial aspects of the fire department for EF&R, Fire District #10, and Woodinville Fire & Rescue. The non-payroll tasks include, but are not limited to, preparing and filing the annual financial statements with the state auditor; coordinating and responding to the annual state financial and accountability audits; creating and managing annual and biennial revenue and expense budgets; preparing vouchers for accounts payable; receiving and mailing warrants; preparing, issuing, and receiving invoices; and many other tasks.
 - **Payroll** prepares the semi-monthly payroll for over 220 full-time employees. Maintaining knowledge of three collective bargaining agreements, employment contracts, and relevant policies is critical for compliance. These practices are aligned with the requisite reporting for the Department of Retirement Systems, Internal Revenue Service, Labor & Industries, and Employment Security Department. Timekeeping falls under the purview

of the payroll specialist and internal audits are frequent to ensure accuracy. The payroll specialist also manages the billing to other governmental agencies for declared disasters, wildland events, etc.

- **Administrative Assistants.** When you call or stop by, you will be greeted with a smile by one of our four Administrative Team members. In addition to supporting our community members when they have questions or need assistance, the team provides support to every division. Some of the team's responsibilities include training and travel coordination; contract administration; public records requests; records retention; document management; oversight of EF&R's public meeting rooms; implementation and maintenance of multiple software programs; and a wide variety of other tasks. The Admin Team is always ready to help!
- **Fire Marshal's Office (FMO)** currently includes one Fire Marshal, two Assistant Fire Marshals, and one Inspector. We strive to prevent the loss of life and property through community and firefighter safety. Ensuring firefighter safety during emergency operations is seen through education, training, plan review, and inspections of new construction and existing structures. Community safety is increased by reducing risk through prevention services such as providing technical expertise and education to the community, businesses, developers, contractors, and city departments. EF&R sees great potential in expanding its FMO capacity with the addition of Mercer Island's Fire Marshal to the team.
- **Mobile Integrated Healthcare C.O.R.E. Connect (CORE)** is EF&R's Mobile Integrated Healthcare response unit. CORE represents Community, Outreach, Resources, and Education. This community-based service connects individuals with the most appropriate services and resources for their unique needs. CORE is operated by a mobile, multidisciplinary team of firefighters and care coordinators. Each member brings a unique skillset and specialized training to best meet the needs of the individual. They deliver quality care by coordinating resources, developing care plans, providing case management, and connecting individuals to the right level of care. The CORE team has worked closely with the City's YFS Administrator and MIH Intervention Specialist during the City's implementation of its MIH program. The ability to collaborate will only enhance the services and resources we provide to the communities we serve.
- **Emergency Management's** focus is on community resilience and is staffed with one Emergency Manager, one Emergency Management Analyst, and one Wildfire Mitigation Specialist. The Emergency Management division strives to create the highest possible state of emergency readiness and to be prepared to react promptly to save lives and property when threatened or affected by an emergency or major disaster. Achieving this vision of prepared and resilient communities is a shared responsibility. The team partners with governmental agencies, non-governmental organizations, and the private sector. In creating a Community Wildfire Protection Plan program, we will help individuals and families understand their roles in preparing for disasters. The team welcomes the opportunity to collaborate closely with Mercer Island's Emergency Manager.
- **Volunteer Programs** offer multiple opportunities for community members to be engaged in the fire service through a variety of ways. Our Chaplain program provides support to the community and organization during times of crisis and non-crisis events. Fire Corps is involved in community events such as Safety Fairs, Salmon Days, Pancake Breakfasts, etc. Community members can be on the HAM radio operations team to utilize their skills when traditional communications are unavailable. Fire Corps has an unmanned aerial system (UAS or drone)

program which assists first responders with search and rescue, hazard identification, and fire monitoring.

- **Vehicle Maintenance** is provided by four Mechanics and one Shop Supervisor. The shop group maintains all EF&R response apparatus and staff vehicles with safety in the forefront so that our front-line personnel are ready to respond at a moment's notice to serve the community. Our certified Emergency Vehicle Technicians have the capability to service rigs in their station with a mobile service truck, reducing out-of-service times. Since 2020, EF&R has maintained the City's fire fleet, providing our technicians with valuable familiarity.
 - EF&R supports the effort to reduce carbon emissions and environmental impacts of emergency apparatus maintenance and operations and strives to implement future control measures. Currently, two hybrid command vehicles are operational, a reclaimed water system is used for apparatus pump testing, and recycle protocols are in place for all vehicle fluids and batteries.
- **Facilities** are maintained by two trained and certified Facilities Technicians and provide critical infrastructure to our operations. They perform routine maintenance and repairs, lead larger agency projects, and coordinate with vendors when appropriate. EF&R facilities are designed and maintained with a focus on fit, form, and function. Capital projects shall be funded and supervised by the City with direct support from EF&R.
- **Logistics** is led by one day-shift Captain to oversee the program with the support of two part-time Couriers. Several logistics components (PPE, Uniforms, EMS supplies and Janitorial supplies, etc.) have been consolidated into a single location. This has streamlined the distribution of supplies and equipment, reduced redundancy costs, and strengthened EF&R's independent sustainability.
- **Training** is delivered through a partnership with a regional training consortium comprised of 15 King County fire departments responsible for training over 1,300 firefighters with the satellite Training Consortium office located at EF&R's station 31. The addition of the City's fire personnel into the consortium would increase regional interoperability and provide expansive training and career path opportunities for its employees. EF&R's personnel fill five of the 32 Training Officer positions assigned to the consortium.
- **Special Operations** includes multiple disciplines. Each of EF&R's five technical rescue stations are staffed with technicians that are trained in the discipline(s) specific to that station.
 - Technical rescue:
 - Rope rescue
 - Trench
 - Confined space
 - Structural collapse
 - Water rescue:
 - Boat operations
 - Still water rescue
 - Swift water rescue
 - Hazardous Materials Response
 - Wildland

Mercer Island Fire Department personnel are well trained and equipped in a variety of these specialties and would complement EF&R with their valuable knowledge and experience.

- **Operations** provides fire, EMS, hazardous materials, and technical rescue services to over 221 square miles and 181,000 community members from 12 fire stations. These stations are divided into three battalions. Battalion 3 covers the Woodinville area; Battalion 8 covers the City of Sammamish, City of Carnation, City of North Bend, and King County Fire District #38, and a portion of King County Fire District #10; and Battalion 7 covers the City of Issaquah, and King County Fire District #10. Each battalion is led by one Battalion Chief, and each station has one Captain, three Lieutenants, four Engineers, and one to three Firefighters assigned across four shifts. EF&R staffs nine engine companies, two ladder trucks, four brush trucks, four water tenders, three dedicated aid cars, one marine unit, and one transport capable UTV. EF&R responds to a varied demographic from metropolitan city centers to a vast wilderness area. A partnership with Mercer Island would add a fourth battalion and provide the depth in resources and response capabilities to maintain or enhance response times within the City, demonstrating the value in regionalization.

EF&R's organizational structure offers tremendous ongoing career advancement opportunities for the City's fire personnel. The initial transition will result in promotions at the Battalion Chief, Captain, Lieutenant, and Engineer levels.

- **PIO/Public Education** is led by EF&R's Public Information Officer/Public Educator who focuses on meaningful communication and community interaction. This position provides information to the community that is educational and informative. The PIO uses social media and traditional communication platforms to reach a wide variety of demographics. The public education program offers a coordinated approach to interacting with the community, including local schools, to provide public safety education. EF&R's PIO/Public Educator has an active regional presence and would be a great partner in the City's communication efforts.
- **Information Technology** is contracted with AirNote and managed by two principal members with long-standing fire service experience, providing them with a valuable understanding of the needs of a fire department. Currently, they manage the server, firewalls, laptop computers, desktop computers, and MDC inventory. In addition, AirNote manages all internet and software licensing. A seamless transition to on-board additional facilities and apparatus can be anticipated.
- **Data Analytics & GIS** is led by EF&R's Data Analyst who manages response/staffing modeling, GIS project work, iOS device management, special printing projects, and numerous other special projects. This position can provide additional expertise to the City's current GIS capabilities.

Costing Model

Eastside Fire & Rescue most recently successfully implemented a contract for service with Woodinville Fire & Rescue that became effective on October 1, 2021. While it is impossible to predict the future and provide an exact fee for service, EF&R's costing model and Interlocal Agreement have thus far proved successful. The overall fee for service is divided into six sections: personnel, operations, contract administration, equipment replacement, capital facilities maintenance, and one-time start-up costs. Each area is explained below followed by a table with the 2024 estimated fees.

Personnel Costs include wages and benefits for all employees that will become employees of EF&R based on the relevant EF&R collective bargaining agreement(s) and policies. Wage increases for

2024 are based on the June CPI-W which is scheduled to be published on July 12, 2023 (a four percent increase was used in budget development for 2024). Personnel costs also include a portion of the operations overtime budget that is estimated to be attributable to Mercer Island.

Operations Costs include the estimated portion attributable to Mercer Island for the annual cost of supplies and services incurred to operate the fire department. These expenses include, but are not limited to, such things as EMS supplies, tools, equipment, uniforms and accessories, fuel, maintenance and repairs, NORCOM dispatch fee, etc.

Contract Administration Fee represents 10 percent of the total of the personnel and operations costs. This fee covers the personnel infrastructure of operating the fire department – the overhead or cost of doing business. With the contract for service, Mercer Island receives the services of all of the personnel listed in the “At-A-Glance” section above.

Equipment Replacement Fund is a reserve fund to replace specific items on an asset replacement schedule. The EF&R partner agencies and Woodinville Fire & Rescue contribute to this fund. Mercer Island’s share is estimated based on the number of suppression personnel and stations. This amount will need to be finalized upon the incorporation of Mercer Island’s current equipment into EF&R’s Equipment Replacement Fund. Items included in the Equipment Replacement Fund include, but are not limited to, bunker gear, computers, SCBA, radios, defibrillators, etc. The contribution to the Equipment Replacement Fund is estimated to increase by 3 percent per year.

Mercer Island will maintain ownership of all vehicles and apparatus. Those assets will be incorporated into the EF&R schedule to track replacement timelines; Mercer Island will be responsible for the cost of replacing its vehicles and apparatus in accordance with the schedule. Any current lease obligations shall be retained by the City.

Capital Facilities Maintenance Fund includes funds for planned expenses. The projects included are decided upon and approved by the Board of Directors during the budget cycle. Like the Equipment Replacement Fund, the Capital Facilities Maintenance Fund is also estimated to increase by 3 percent per year.

One-Time Start-up Costs include an amount to cover the accrued time liability of the Mercer Island personnel (the cost of time on the books) and an estimated cost to upgrade the SCBA masks to align with those used by EF&R operations personnel. The calculation for the accrued time liability is based on an estimated 2024 hourly rate for each employee and the vacation and sick leave hours in their individual banks. The dollar amount shown represents 100 percent of the estimated value of the total vacation time and 50 percent of the estimated value of the total sick time. As this amount is over one million dollars, EF&R would be willing to adjust the schedule to allow for up to four annual payments.

2024 Financial Proposal	
Personnel & Operations	\$7,158,860
10% Administrative Fee	\$715,886
Equipment Replacement Fund	\$114,000
Capital Facilities Maintenance Fund	\$30,000
Contract Cost for Proposed Services	\$8,018,746
Time Accrual Liability Fund (one-time cost)	\$1,207,806
Costs to align critical safety equipment (one-time cost)	\$33,600

Subject to legal review and mutual agreement between the City of Mercer Island and EF&R: Emergency Medical Services fee for transport is in alignment with EF&R's service delivery. The Department is well versed in the cost recovery process and can assist the City with their transport revenue. In addition, EF&R has experience with EF Recovery and can work with the City's vendor to process recovery collections. If desired, EF&R can incorporate the City's collection processes into EF&R's and reconcile annually to offset contract costs for services.

All of us here at EF&R value the relationship we have built with the City of Mercer Island. We remain dedicated to continuing this relationship, either as partners or as neighbors.

Thank you for your time and consideration, and we look forward to discussing our proposal with you further.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ben Lane", written over a horizontal line.

Ben Lane, Fire Chief

INTERLOCAL AGREEMENT FOR FIRE AND EMERGENCY MEDICAL SERVICES

This Agreement is entered into between EASTSIDE FIRE & RESCUE (“Eastside”), a nonprofit corporation organized under chapter 24.03 RCW, and the CITY OF MERCER ISLAND, WASHINGTON (“Mercer Island”).

RECITALS

1. Eastside currently provides fire and emergency medical services to the cities of Issaquah, North Bend, and Sammamish and within King County Fire District Nos. 10 and 38 and Woodinville Fire & Rescue, including the city of Carnation and other unincorporated areas in the eastern Puget Sound region.
2. Mercer Island currently provides fire and emergency medical services to approximately 6.32 square miles within the City of Mercer Island and the surrounding waters.
3. Eastside and Mercer Island each maintain and operate their own fire departments to provide fire protection, fire suppression, and emergency medical services in their respective jurisdictions.
4. The governing body of the City of Mercer Island is considering that fire and emergency medical services may be more efficiently and effectively provided to its residents by contracting with another service provider.
5. The purpose of this Agreement is to allow Eastside to provide fire protection, fire suppression, emergency medical, and related administrative services to Mercer Island.

TERMS OF AGREEMENT

To carry out the purposes of this Agreement and in consideration of the benefits to be received by each party, it is agreed as follows:

1. DEFINITIONS.

1.1. The following terms, when used in this Agreement, are defined as follows:

- (a) “Fire Chief” means the duly appointed Fire Chief, or acting Fire Chief, of Eastside.
- (b) “Material Breach” means either:
 - (i) Eastside’s failure to provide services at the level specified in Section 3 of this Agreement;
 - (ii) Mercer Island’s failure to pay the amounts specified in this Agreement; or

- (iii) Any other failure of a party to perform a contractual obligation that prohibits the other party from performing its payment or service obligations.

2. TERM, RENEWALS, AND TERMINATION.

2.1. Initial Term. This Agreement takes effect on January 1, 2024 (“Commencement Date”) and shall remain in effect through December 31, 2033 (“Initial Term”) unless earlier terminated for material breach in accordance with Section 2.5. The “Implementation Date” of this Agreement shall be January 1, 2024, unless the parties mutually agree in writing to delay implementation to a later date certain. The Implementation Date is the date on which Eastside’s service obligations will begin, Mercer Island’s payment obligations begin, and the employees and assets are transferred.

2.2. Renewal Terms. At the conclusion of the Initial Term, this Agreement shall automatically renew for successive ten-year terms (each a “Renewal Term”), unless a written notice of termination is given pursuant to Section 2.3.

2.3. Voluntary Termination. The parties acknowledge that in entering into this Agreement, significant financial and personnel resources have been expended and substantial planning efforts have been undertaken and relied on. Therefore, termination of this Agreement shall not be effective unless a party transmits to the other party a written notice of termination in January 2031, or in January of the eighth year of any Renewal Term, as applicable. If such written notice is timely provided, the termination shall be effective as of the end of the then-current Initial Term or Renewal Term, as applicable.

2.4. Responsibility and Liability Upon Termination.

- (a) If Eastside lays off any employees as a result of Mercer Island’s termination of this Agreement, Mercer Island 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 five years. For purposes of this paragraph, “employee” means an individual whose employment with Eastside has been terminated as a direct result of Mercer Island’s termination of this Agreement. If Mercer Island establishes its own fire department upon termination of this Agreement, it shall collectively bargain with the International Association of Firefighters Local 2878 (“Eastside Union”) to assume employment of laid-off employees upon substantially the same terms of employment as contained in the collective bargaining agreement (“CBA”) negotiated between Eastside and the Eastside Union. If Mercer Island contracts for service with another entity, Mercer Island shall collectively bargain with the Eastside Union and transition employment of laid-off employees to the new entity providing service to Mercer Island.

- (b) Upon termination of this Agreement, Mercer Island shall remain liable and responsible for its pro rata share of all liabilities, payments, and obligations incurred by or attributed to Mercer Island during the Initial Term (or any Renewal Term). In addition, Mercer Island shall be liable for all expenses incurred by Eastside attributable to requests and directions made by Mercer Island pursuant to termination, including payment of overtime if Mercer Island requests that Eastside refrain from hiring employees prior to termination. Within 30 days after the date of termination, Eastside shall settle with Mercer Island all liabilities, payments, and obligations that became fixed on or before the date of termination. Within 30 days after any liabilities, payments, or obligations became fixed after the date of termination, Eastside shall settle such liabilities, payments, and obligations with Mercer Island.
- (c) Eastside shall return all separate real property and separate personal property, as identified in the Exhibits hereto, to Mercer Island on or before the effective date of termination. Eastside shall determine the fair market value of all joint real property and joint personal property. On or before the effective date of the termination, Mercer Island shall receive or pay, as applicable, in cash or property, its percentage or ratio of the net fair market value of any joint real property and joint personal property, as determined in accordance with Eastside's financial statements for the year of termination. If Mercer Island disputes Eastside's determination of fair market value of the joint real property or joint personal property or Mercer Island's proportionate share thereof, Mercer Island shall pay for and accept an appraisal of the fair market value of the property by an appraiser selected jointly by Mercer Island and Eastside.

2.5. Termination for Material Breach. Notwithstanding the provisions of Sections 2.2 and 2.3, above, either party may terminate this Agreement in the event of a material breach by the other party, pursuant to the following process:

- (a) The non-breaching party shall provide the breaching party with written notice which sets forth the alleged material breach(es)
- (b) The breaching party shall have 90 days following receipt of the notice from the non-breaching party (the "cure period") to cure such alleged material breach(es), or within such longer period of time as allowed by the non-breaching party in its notice.
- (c) If the breaching party fails to cure such material breaches during the cure period, the non-breaching party may terminate this Agreement upon the expiration of the cure period by providing the breaching party with written notice of termination of this Agreement. In that event, the termination shall be subject to the wind-up provisions set forth in Section

2.5(d). The right to terminate this Agreement set forth in this paragraph shall be in addition to the other rights and remedies available to the parties under applicable law.

- (d) In the event of a material breach of this Agreement that has not been cured by the expiration of the cure period, the parties shall, unless the parties mutually agree otherwise in writing, continue to perform their respective obligations under this Agreement for a minimum of 12 months after the expiration of the cure period (the “wind-up period”). The wind-up period shall be reduced to six months if the material breach involves Mercer Island’s failure to make the required payments or Eastside’s failure to provide the services required as set forth in Section 3. During the wind-up period, the parties shall coordinate their efforts to transition services in a reasonable and efficient manner. If Eastside continues to provide all services as defined in Section 3 during the wind-up period, Mercer Island will be responsible for all payments required under this Agreement until the conclusion of the wind-up period.

2.6. Termination Pursuant to Membership in Eastside. If Mercer Island later decides to join Eastside as a voting member governed by the Eastside Fire & Rescue Interlocal Agreement or any successor agreement thereto (“Eastside ILA”), then the parties to this Agreement shall mutually decide on a termination date and an appropriate plan and process for Mercer Island becoming a member of Eastside, subject to approval by the governing bodies of Eastside’s then-current members through the process provided in the Eastside ILA.

3. SERVICES PERFORMED BY EASTSIDE FOR MERCER ISLAND

3.1. Fire Suppression Services. Eastside shall furnish fire protection, fire suppression, and all hazard emergency response services necessary for the protection of life and property to all properties and persons presently within the boundaries of, or annexed to, Mercer Island, including all real and personal properties owned or leased by Mercer Island. Eastside shall render these services to Mercer Island on the same basis as they are rendered to other areas served by Eastside, without regard to political boundaries but rather by providing the most efficient and effective service to the entire area served by Eastside.

3.2. Emergency and Non-emergency Medical Services. Eastside shall furnish emergency medical services, and non-emergency medical services under RCW 35.21.930, to all properties and persons presently within or annexed to Mercer Island, including all real and personal properties leased or owned by Mercer Island. Eastside shall render these services to Mercer Island on the same basis as they are rendered to other areas served by Eastside, without regard to political boundaries but rather by providing the most efficient and effective service to the entire area served by Eastside.

- 3.3. Level of Service.** Eastside shall maintain the following staffing levels to support fire suppression and emergency medical services to Mercer Island during the term of this Agreement:
- (a) **Station 91 Staffing.** One engine (cross-staffed with an aid car) and one Battalion Chief truck, with one Battalion Chief; one Officer, one Engineer, and one Firefighter.
 - (b) **Station 92 Staffing.** One engine (cross-staffed with an aid car and midi), with one Officer, one Engineer, and one Firefighter.
 - (c) **Fire Marshal's Office.** One Fire Marshal.
 - (d) **Overall Staffing Levels.** For purposes of this Agreement, the parties anticipate that Eastside will maintain employment of 28 uniformed firefighters and 1 fire marshal that are primarily assigned to the City's Stations 91 and 92 to maintain appropriate coverage at each worksite.

Eastside reserves the right to temporarily modify staffing levels from time to time as circumstances may require in its sole reasonable discretion.

- 3.4. Fire Prevention Services.** Eastside shall provide fire prevention and public education services to property owners, residents, and businesses located within Mercer Island's service area. It is assumed that Eastside will, throughout the year, receive from residents, property owners, and/or businesses within the City, requests for other prevention and education services and Eastside will accommodate those requests, as staffing allows, as it would do under similar circumstances for requests elsewhere within the Eastside service area.
- 3.5. Fire Marshal Services (fire code compliance and inspection).** Eastside agrees to provide the following fire marshal services for properties and projects within Mercer Island's service area, utilizing State Codes and local ordinances as applicable: pre-construction plan review and approval; testing of sprinkler and other fire suppression systems and detection systems in new construction; occupancy inspections; wood stove inspections; fireworks permits and other related permits; code interpretation in conjunction with construction; inspection of commercial buildings and witness testing of fire alarm systems for certification in new construction; and ongoing existing building, facilities, and properties inspections; and fire investigations. In connection with providing Fire Marshal services, Eastside shall also be available for periodic meetings with and consulting for appropriate city or county officials. Should an outside resource be required for any plan review services, Mercer Island shall reimburse Eastside directly. Additionally, it is understood that the Fire Marshal may be required to assist in other Eastside service areas, just as the Eastside Fire Marshal and Fire Prevention staff may be assigned to Mercer Island. It is the Parties' intention that the Mercer Island

Fire Marshal will provide fire marshal services primarily to the City of Mercer Island.

(a) Eastside shall report fire code violations to the City of Mercer Island and shall cooperate with city and county building and code enforcement officials to administer and enforce the applicable fire codes, but Eastside shall have no direct responsibility for code enforcement, which shall remain the responsibility of the building, planning, and/or code enforcement officers of Mercer Island. Any legal costs incurred by Eastside in the enforcement of fire codes shall be paid by Mercer Island and shall not be an operating expense of Eastside. Any awards of costs, attorneys' fees, penalties, or fines in an enforcement action shall be the property of the enforcing city or county.

(b) All permits shall be issued by and under the authority of the permitting authorities within Mercer Island's service area. Eastside shall work closely with such authorities as needed to carry out the fire code and ensure a timely and coordinated permitting process.

3.6. Hazardous Materials Incident Response. Eastside shall provide operational level hazardous materials response capabilities at the same level currently provided to its service area, either by Eastside employees or by contract. The service to be provided by Eastside does not include cleanup, remediation, or cost recovery from hazardous materials, nor shall Eastside be responsible for response levels beyond that of "Operations" as identified in NFPA 472. Eastside shall not bear any responsibility for any costs of Hazmat Response within Mercer Island's jurisdictional boundaries.

3.7. Dispatch Services. Dispatch services shall be provided to Mercer Island through Eastside's contractual arrangement with NORCOM.

3.8. Fire Chief and Administrative Services.

(a) **Fire Chief.** Mercer Island shall designate Eastside's duly appointed Fire Chief, or acting Fire Chief, as the fire chief of Mercer Island. Eastside's Fire Chief shall have and exercise all powers granted to the fire chief in Mercer Island's governing documents. Eastside's Fire Chief shall hire, discipline, discharge, and supervise all employees and volunteers of Eastside, including all employees and volunteers who provide service within Mercer Island's service area.

(b) **Administrative Services.** Eastside shall provide all administrative oversight and support functions necessary to effectively deliver the services provided under this Agreement, including Mercer Island's accounts payable, accounts receivable, audit, and bookkeeping functions, as well as personnel management and supervision.

4. PAYMENT FOR SERVICES.

4.1. **Charges Due Annually.** For the services provided by Eastside pursuant to this Agreement, Mercer Island shall pay Eastside the following amounts annually:

- (a) **Personnel Costs.** Personnel Costs consisting of all employee and employee-related expenses, including wages, benefits, and overtime costs incurred to render services described in Section 3. For 2024, Mercer Island shall pay Personnel Costs of \$6,093,411, subject to the adjustments described in Sections 4.3(b) and 4.3(c) below.
- (b) **Operations Costs.** Operations Costs consisting of all operating expenses incurred annually to adequately render services described in Section 3 to Mercer Island. For 2024, Mercer Island shall pay Operations Costs of \$1,065,449, subject to the adjustments described in Section 4.3(a) below.
- (c) **Contract Administration Charge.** An annual Contract Administration Charge equal to 10 percent (10%) of the sum of Personnel Costs and Operations Costs. For 2024, the Contract Administration Charge is \$715,886. The Contract Administration Charge is not subject to the Reconciliation adjustment described in Section 4.3(b) below.
- (d) **Equipment Replacement Charge.** An annual Equipment Replacement Charge to cover routine replacement of items listed in **Exhibit A**. For 2024, the Equipment Replacement Charge is estimated to be \$114,000. The annual Equipment Replacement Charge does not include or offset Mercer Island's apparatus and vehicle replacement obligations under Section 5.6 below.
- (e) **Capital Facilities Maintenance Charge.** An annual Capital Facilities Maintenance Charge to cover routine maintenance of capital facilities to meet the Eastside facility standards as set forth in Eastside Board Policy 0005 (as currently in effect or as subsequently amended). See Exhibit D. For 2024, the Capital Facilities Maintenance Charge is \$30,000.

4.2. **Start-Up Costs.** As a one-time fee to cover Mercer Island's proportionate share of Eastside's Liability Reserve Fund, as set forth in Eastside Board Financial Policy 0002, Section 5.5 (as currently in effect or as subsequently amended), Mercer Island shall be responsible for paying Eastside the sum of \$1,207,806 on or before the Implementation Date of this Agreement or on a schedule as mutually agreed upon between Eastside and Mercer Island. Additionally, should the implementation date be prior to January 1, 2024, Mercer Island shall pay, on or before the Implementation Date, a one-time charge of \$110,262.00 representing the cost to Eastside of adding and

funding the accounts of 29 employees to the VEBA health reimbursement arrangement plan for qualified medical expenses.

4.3. Annual Adjustments to Charges.

- (a) **Annual Escalator.** The annual charge to Mercer Island for Operations Costs, Equipment Replacement and Capital Facilities Maintenance described in Section 4.1 above shall increase by 3 percent annually.
- (b) **Reconciliation.** The annual charge to Mercer Island shall be subject to the following process to reconcile the Personnel Costs estimated at the beginning of the year to the Actual Personnel incurred by Eastside over the course of the year (“Reconciliation Adjustment”):

 - (i) **Actual Personnel Costs.** Mercer Island shall pay to Eastside the Actual Personnel Costs incurred to render services described in Section 3. Actual Personnel Costs shall include the fully burdened rate based on actual wages (including overtime) and benefits paid and accrued during the year.
 - (ii) **Timing.** The initial calculation of Personnel Costs for a particular year shall be established by October 15th based on budgeted personnel cost for the subsequent calendar year, and such budgeted amount shall then be reconciled to the Actual Personnel Costs by no later than March 31st of the year following the contract year. Example: By October 15th, 2024, Eastside will establish a budgeted Personnel Cost for calendar year 2025. Mercer Island will pay this amount for services rendered in 2025. Eastside will then reconcile the budgeted amount to the Actual Personnel Cost and provide Mercer Island with a reconciliation for 2025 no later than March 31, 2026.
 - (iii) **Payment.** Following receipt of the reconciliation from Eastside, Mercer Island shall pay any difference between the initial Personnel Costs and Actual Personnel Costs, no later than April 30th; provided, that if initial Personnel Costs paid by Mercer Island exceed Actual Personnel Costs for a given year, such difference shall be credited against Personnel Costs due for the following year, unless this Agreement will expire at the end of the year for which such costs were paid by Mercer Island, in which case such difference shall be refunded to Mercer Island.

4.4. Payment Procedures. Eastside shall invoice and Mercer Island shall pay all invoiced amounts within 30 days. In the event the Implementation Date is established on a date prior to January 1, 2024, the cost of services for that portion of 2023 following the Implementation Date shall be prorated on a 365-

day basis. (For example, if the Implementation Date is November 1, Mercer Island would pay 61/365 or 17 percent of the full annual amount.)

- 4.5. Charges Under RCW 52.30.020.** Eastside may exercise its powers under RCW 52.30.020 or other provisions of state or federal law related to fire protection and emergency medical services by contracting directly with state agencies, state institutions, or municipal corporations owning real property or improvements within Mercer Island’s service area.
- 5. PROPERTY OWNERSHIP AND FUNDING.** All real and personal property that is owned or acquired by Mercer Island for use by Eastside in carrying out this Agreement shall be owned and funded as follows:

 - 5.1. Real Property Ownership.** Stations 91 and 92, and the real property upon which they are situated, and all other real property that is acquired by Mercer Island prior to the Commencement Date of this Agreement shall remain the real property of Mercer Island. Following execution of this Agreement and before the Commencement Date, Mercer Island shall file with Eastside’s Fire Chief an inventory of such before-acquired real property. All real property acquired jointly by Mercer Island and Eastside after the Commencement Date shall be the joint real property of Mercer Island and Eastside, and all real property acquired separately by Mercer Island or Eastside after the Commencement Date shall be the separate real property of that party. Eastside shall have exclusive access to and control over all real property listed in **Exhibit B**, attached hereto. Such real property shall be under the exclusive direction and control of Eastside, subject to Mercer Island’s right, with reasonable notice, to enter the premises to inspect the facilities and equipment, and to otherwise assure compliance with the terms of this Agreement and applicable laws and regulations.
 - 5.2. Real Property Maintenance and Repair.** The Eastside Board of Directors shall fund the maintenance and repair of all real property in accordance with **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 Eastside’s budgeting process, the Eastside Board of Directors may, by motion, amend **Exhibit C** and **Exhibit D**. Any such motion shall be reduced to writing, filed with the Secretary of the Board, and attached to this Agreement.
 - 5.3. Improvements to Real Property.** The Eastside Board shall determine and carry out all improvements to real property. Upon request by Mercer Island, the Eastside Board may carry out improvements to Mercer Island’s separate real property that are paid for entirely by Mercer Island.
 - 5.4. Personal Property Ownership.** Following execution and before the Effective Date of this Agreement, Mercer Island shall file with Eastside’s Fire Chief an inventory, a statement of fair market value, and a depreciation schedule of all

personal property acquired by Mercer Island prior to the Commencement Date. **Exhibit B**, which is incorporated in and attached to this Agreement, lists and describes the personal property over which Eastside has exclusive access and control while this Agreement remains in effect, and indicates whether the personal property is considered separate personal property of Mercer Island or joint personal property of Eastside and Mercer Island.

- 5.5. Personal Property Replacement.** The Eastside Board of Directors shall fund, replace, value, and depreciate all personal property listed and described in **Exhibit B** and **Exhibit C**, including the establishment and funding of a special account for replacement of personal property. In conjunction with Eastside's budgeting process, the Board may, by motion, amend **Exhibit B** and **Exhibit C**; provided, that no transfer of ownership of real property from Mercer Island to Eastside may be effectuated without the approval of Mercer Island's City Council. Any such motion shall be reduced to writing, filed with the Secretary of the Board, and attached to this Agreement. Mercer Island shall provide Eastside with all applicable service and maintenance records, shop manuals, and other documents related to Mercer Island's personal property.
- 5.6. Apparatus and Vehicle Replacement.** Except as provided in Section 5.7 below, Mercer Island shall be responsible for purchasing replacement apparatus and vehicles to be used by Eastside in providing services under this Agreement in accordance with Mercer Island's adopted capital equipment replacement schedule, attached hereto as **Exhibit E**.
- 5.7. Capital Improvements.** Eastside shall be responsible for the equipment replacement and capital facilities maintenance expenditures ("Capital Expenditures Program") identified in **Exhibit D**. Eastside shall update its Capital Expenditures Program in conjunction with its budgeting process with input from Mercer Island's City Council. In the event of a dispute between Eastside and Mercer Island over the Capital Expenditures Program or the funding of capital improvements or equipment, such dispute shall be resolved in accordance with the Dispute Resolution process set forth in Section 12.
- 5.8. General Obligations Bond.** Any existing and acquired general obligation bonds by Mercer Island will remain the obligation of Mercer Island.
- 5.9. Records.** Except as specifically provided elsewhere in this Agreement, there will be no transfer of records between the parties.
- 5.10. Utilities.** Eastside shall be responsible for payment of all utilities for the real property.
- 5.11. SEPA Mitigation.** Mercer Island, under certain circumstances, has the ability to require actions of mitigation which may have an impact upon fire protection for development or other activities within Mercer Island's service area. Prior

to the City of Mercer Island's issuance of a SEPA threshold determination for development or other activity within Mercer Island's service area which: (i) may materially increase the cost of providing the administrative and operational services specified herein; and for which Mercer Island may require mitigation, Mercer Island and Eastside shall meet and discuss the impact on the services provided under this Agreement and the appropriate mitigation, if any, to recommend to the City of Duvall's SEPA responsible official.

6. EMPLOYEE TRANSFERS.

- 6.1. Employer.** Eastside shall serve as the employer of all employees and shall employ all employees necessary to fulfill the purposes of this Agreement, consistent with applicable laws and regulations. Eastside assumes all retirement system obligations with respect to employees who transition from Mercer Island to Eastside pursuant to this Agreement, except as set forth in Section 6.5 below. The adopted budget of Eastside shall contain sufficient funds to pay all wages, salaries, employee benefits, payroll taxes, and other expenses of employees.
- 6.2. Transition of Mercer Island Employees to Eastside.** In taking on additional personnel to provide services under this Agreement, Eastside will give first consideration to Mercer Island employees.
- 6.3. Collective Bargaining.** Each party shall undertake to collectively bargain the impacts of this Agreement upon the respective labor unions representing each party's employees. The Eastside Union and the International Association of Firefighters Union Local 1762 ("Mercer Island Union") shall each independently approve agreements, with Eastside and Mercer Island respectively, establishing the conditions under which the Mercer Island firefighters will be integrated into the Eastside Union.
- 6.4. Indemnification Regarding Mercer Island Personnel Claims.** Mercer Island shall indemnify, defend, and hold Eastside harmless from any and all demands, claims, actions, judgments, or liabilities of any kind (including defense costs and awards of attorney fees) by former Mercer Island personnel, that arise out of or relate to Mercer Island's acts or omissions prior to the Commencement Date of this Agreement.
- 6.5. Mercer Island LEOFF 1 Responsibility.** Mercer Island shall retain the liability for retired LEOFF 1 Mercer Island personnel to include medical and long-term care insurance payments and any other expenses incurred by Mercer Island LEOFF 1 personnel in accordance with Mercer Island policies and procedures.

6.6. Accrued Employee Leave Balances. Mercer Island shall be responsible for the full amount of Mercer Island employee leave balances existing on the Commencement Date of this Agreement.

7. OVERSIGHT AND ADMINISTRATION.

7.1. Mercer Island Meetings. Eastside will provide a Mercer Island Liaison (appointed by Eastside) to attend Mercer Island's City Council meetings and other such duties as assigned by the Fire Chief, provided that such duties do not, in the opinion of the Fire Chief, interfere with or disrupt the overall operation and management of Eastside. The Liaison shall provide Mercer Island's City Council with regular updates on Eastside operations.

7.2. Annual Report. The Fire Chief or designee shall provide an annual report to the Mercer Island City Council regarding the services provided under this Agreement on or before July 1 of each year beginning in 2024.

7.3. Administration of Agreement. The Fire Chief shall be the administrator of this Agreement. The Fire Chief shall have authority to establish administrative policies and procedures to carry out the purposes of this Agreement.

8. EXISTING AGREEMENTS.

8.1. Mutual and Automatic Aid Agreements. Eastside shall assume Mercer Island's contractual responsibility and obligations for the provision of mutual and automatic aid under agreements between Mercer Island and other fire agencies. At such time as these agreements are renegotiated and re-executed, Eastside will represent Mercer Island's interests and shall be signatory to the agreements. Mercer Island's City Council shall not have authority to approve Eastside's execution of mutual aid agreements (or amendments to existing agreements) unless the other parties to such agreements specifically require that Mercer Island be a named party to such agreements.

9. INDEMNIFICATION AND HOLD HARMLESS.

9.1. Mercer Island shall protect, defend, indemnify, and hold harmless Eastside (including its officers, employees, and agents) from any and all costs, claims, judgments, or awards of damages, including attorney fees, arising out of or in any way resulting from the negligent acts or omissions of Mercer Island (including its officers, employees, and agents) in performing any obligations or exercising any authorities under this Agreement. Eastside shall protect, defend, indemnify, and hold harmless Mercer Island (including its officers, employees, and agents) from any and all costs, claims, judgments, or awards of damages, including attorney fees, arising out of or in any way resulting from the negligent acts or omissions of Eastside (including its officers, employees, and agents) in performing any obligations or exercising any authorities under this Agreement.

10. INSURANCE.

10.1. Eastside Insurance. Eastside shall provide insurance coverage for all of Eastside and Mercer Island's operations, facilities, equipment, and personnel. The insurance coverage shall include all risk property insurance, insuring fire station contents at replacement cost, and general liability insurance, including errors and omissions coverage.

11. INDEPENDENT MUNICIPAL GOVERNMENTS.

11.1. Independent Governments. The parties recognize and agree that Eastside, its members, and Mercer Island are independent government agencies. Except for the specific terms of this Agreement, nothing herein shall be construed to limit the discretion of the governing bodies of the parties. This Agreement shall not be construed as creating an association, joint venture, or partnership between the parties, nor to impose any partnership obligations or liabilities on either party.

11.2. No Agency. Except as specifically provided in this Agreement, neither party has any right, power or authority to enter into any binding agreement or undertaking with a third party for or on behalf of the other party.

11.3. Debts and Obligations. Neither Mercer Island nor Eastside, except as expressly stated in this Agreement, or as required by law, shall be liable for any debts or obligations of the other party.

11.4. Assignment of Resources. Eastside shall have the sole discretion to temporarily allocate and assign the resources available to it without regard to political boundaries and to determine the exact method by which the services described in this Agreement are provided within the jurisdictional boundaries of Eastside and Mercer Island.

12. DISPUTE RESOLUTION.

12.1. Prior to any other action, the Chair of the Mercer Island City Council and the Fire Chief shall meet and attempt to negotiate a resolution to any and all disputes.

12.2. If the parties are unable to resolve the dispute through negotiation, either party may demand mediation with a mediator selected by mutual agreement. Mediation shall occur within 30 days of the demand for mediation, unless the chosen mediator is unavailable within that time frame and the parties agree to a delay to accommodate the mediator's schedule. The parties shall share equally the costs of mediation and shall be responsible for their own costs in preparation and participation in the mediation, including expert witness fees and attorney fees.

- 12.3.** If a mediator or the timing of the mediation cannot be agreed upon, or if the mediation fails to resolve the dispute, then either party may submit the matter to the American Arbitration Association for binding arbitration according to its Commercial Arbitration Rules, unless the parties agree in writing to an alternative dispute resolution process. The arbitration shall be before a single disinterested arbitrator with both parties sharing equally in the cost of the arbitrator and arbitration. The location of the arbitration shall be mutually agreed or established by the arbitrator, and the laws of Washington will govern its proceedings. Each party shall be responsible for its own costs in preparing for and participating in the arbitration, including expert witness fees and attorney fees.
- 12.4.** Unless otherwise agreed in writing, this dispute resolution process shall be the sole, exclusive, and final remedy to or for either party for any dispute regarding this Agreement, and its interpretation, application, or breach, regardless of whether the dispute is based in contract, tort, a violation of federal law, state statute, or local ordinance, or for any breach of administrative rule or regulation and regardless of the amount or type of relief demanded. A party may enforce the final arbitration award in any court of competent jurisdiction.

13. MISCELLANEOUS

- 13.1. Non-Exclusive Agreement.** The parties to this Agreement acknowledge that Eastside retains authority to enter into similar agreements with other municipal agencies.
- 13.2. Non-Waiver of Breach.** The failure of either party to insist upon strict performance of any of the covenants and agreements contained in this Agreement, or to exercise any option conferred by this Agreement in one or more instances, shall not be construed to be a waiver, estoppel, or abandonment of those covenants, agreements, or options, all of which shall remain in full force and effect.
- 13.3. Governing Law.** This Agreement shall be interpreted, construed, and enforced in accordance with the laws of the State of Washington.
- 13.4. Assignment.** Any assignment of this Agreement by either party without the prior written consent of the non-assigning party is void. If the non-assigning party gives its consent to any assignment, the terms of this Agreement shall continue in full force and effect and no further assignment may be made without additional written consent.
- 13.5. Modification.** No waiver, alteration, or modification of any of the provisions of this Agreement is binding unless in writing and signed by a duly authorized representative of each party and subject to ratification by the governing body

of each party. This Agreement may not be modified, supplemented, or otherwise affected by the parties' course of dealing or course of performance.

- 13.6. Compliance with Laws.** Each party agrees to comply with all local, federal, and state laws, rules, and regulations that are now effective or in the future become applicable to this Agreement.
- 13.7. Entire Agreement.** This Agreement, together with the Exhibits hereto, constitutes the entire Agreement between the parties. The written terms and provisions of this Agreement, together with the Exhibits hereto, supersede all prior communications, negotiations, representations, and/or agreements, whether verbal or written, between the parties.
- 13.8. Severability.** If any section of this Agreement or its application to a particular person or entity is adjudicated to be invalid, such action shall not affect the validity of any other section not so adjudicated or its applicability to other persons or entities.
- 13.9. Interpretation.** Any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not apply in interpreting this Agreement. The language in this Agreement shall not be construed strictly for or against any party.
- 13.10. Notices.** All notices, requests, demands, and other communications required by this Agreement shall be in writing to the addresses listed below, and, except as provided elsewhere in this Agreement, shall be deemed to have been given at the time of delivery if personally delivered to the recipient, or three calendar days after the time of mailing if mailed by first class mail, postage prepaid.
- | | |
|-------------------------|-----------------------------|
| Eastside Fire & Rescue: | City of Mercer Island |
| Attn: Fire Chief | Attn: City Manager |
| 175 Newport Way NW | 9611 SE 36 th St |
| Issaquah, WA 98027 | Mercer Island, WA 98040 |
- 13.11. 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.
- 13.12. Survival.** The rights and duties of Sections 2.4, 6, 9, and 12 shall survive expiration or termination of this Agreement.
- 13.13. Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall constitute an original, and all of which together constitute this one Agreement.

ACKNOWLEDGED AND AGREED TO BY:

EASTSIDE FIRE & RESCUE

Signature

Print Name

Title

Date

CITY OF MERCER ISLAND

Signature

Jessi Bon

Print Name

City Manager

Title

Date

APPROVED AS TO FORM:

David A. Linehan
Attorney for Eastside Fire & Rescue

APPROVED AS TO FORM:

Bio Park
Attorney for City of Mercer Island

EXHIBIT A

ASSETS IN EASTSIDE'S EQUIPMENT REPLACEMENT FUND

Gas Detectors
SCBA
SCBA Compressors
Radios
Defibrillators
Thermal Imaging Cameras
Bunker Gear
Ballistic Vests
Mobile Data Computers
Computers/Computer Equipment
PT Equipment
Rescue Tools/Airbags
Hose
Pump Test Trailer

Exhibit A

EXHIBIT B

MERCER ISLAND - REAL AND PERSONAL PROPERTY UNDER EASTSIDE'S EXCLUSIVE ACCESS AND CONTROL

Fire Station 91 – 3030 78th Ave SE, Mercer Island, WA (Parcel 531510-1155)

Fire Station 92 – 8473 SE 68th St, Mercer Island, WA (Parcel 302405-9111)

All vehicles titled to Mercer Island at time of contract implementation (see table below).

#	Description	Replacement Reserve	Year	Life	Replacement Date
521	2018 Pierce Pumper	Apparatus	2018	15	2033
498	2017 Chevy 4WD	Fleet	2017	10	2027
502	Fire AID Unit Ford E350	Fleet	2017	20	2037
485	2016 Toyota Rav 4	Fleet	2016	10	2026
487	2016 Toyota Rav 4	Fleet	2016	10	2026
490	2016 Chevrolet Suburban	Fleet	2016	8	2024
495	2016 Toyota Rav 4	Fleet	2016	10	2026
497	2015 Fire Midi Pumper	Apparatus	2015	16	2031
538	Tech Rescue Trailer	Fleet	2014		
268	Tech Rescue Trailer	N/A	1995		
471	Fire Rescue Truck	Apparatus	2013	10	2023
449	2012 North Star Ambulance	N/A	2012	20	2032
458	Lease Purchase-Max Pumper	Apparatus	2012	20	2032
411	09 Suburban 4WD	N/A	2009	8	
399	Fire Maxi Pumper	Apparatus	2008	20	2028
400	Fire Maxi Pumper	Apparatus	2008	20	2028
403	Fire Mini Pumper	Apparatus	2008	16	2024
387	07 NS 138-3 Ambulance Ford E350	N/A	2007	10	*

* New aid car ordered in 2022; not yet received. Aid #449 will become reserve.

All vehicles listed will be utilized for their useful life. However, only those that are also identified in **Exhibit E** will be included in future replacement by Mercer Island. Additionally, any of these vehicles that end up identified in the 2025 – 2026 Eastside Equipment Replacement Plan will be included for future replacement at Eastside’s expense. All vehicles will remain titled to Mercer Island until replacement, at which time the funding party will take title to the new vehicle, and the old vehicle will be surplussed with the proceeds remitted to the original purchaser.

Exhibit B

EXHIBIT C

EASTSIDE PERSONAL PROPERTY

The ownership of all personal property not expressly identified in Exhibit B is owned by Eastside (a Non-Profit Corporation), to include items listed in Table 1 below.

Replacement and maintenance of these items will be purchased out of the Eastside General Fund or the jointly funded Equipment Replacement Fund.

Table 1

IT Equipment
Bunker Gear
Self-Contained Breathing Apparatus
Rescue Equipment
Office Supplies
Radios
Furniture
Uniforms
Hose
Any other property not expressly listed in Exhibit B

EXHIBIT D

EASTSIDE CAPITAL EXPENDITURES PROGRAM

Per paragraph 5.2, this exhibit “shall include the establishment and funding of a special account for maintenance and repair of real property.” The Eastside Board of Directors has adopted and maintains two policies in direct support of this exhibit: (i) Policy 0008 - Equipment Replacement Fund, and (ii) Policy 0005 – Capital Facilities Maintenance Fund.

The Equipment Replacement and Capital Facilities Maintenance schedules adopted by the Eastside Board shall serve as Exhibit D and shall be updated in connection with Eastside’s annual/biennial budget process.

Mercer Island-owned facilities will be added to Exhibit D as part of the comprehensive 2025-2026 budget creation and adoption process.

Equipment Replacement Fund Schedule

					2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Cash Balance					\$390,708	\$678,515	\$478,603	\$1,288,525	\$1,456,220	\$1,834,485	\$2,097,973	\$2,854,070	\$1,389,437	\$2,398,341	\$2,271,228	\$2,958,276	\$3,881,031
Contributions					\$1,090,938	\$1,123,666	\$1,157,376	\$1,192,097	\$1,227,860	\$1,264,696	\$1,302,637	\$1,341,716	\$1,381,968	\$1,423,427	\$1,466,129	\$1,510,113	\$1,555,417
Contract Agency Contributions					\$175,591	\$180,859	\$186,285	\$191,873	\$197,630	\$203,558	\$209,665	\$215,955	\$222,434	\$229,107	\$235,980	\$243,059	\$250,351
Purchases					\$978,723	\$1,504,437	\$533,739	\$1,216,276	\$1,047,224	\$1,204,767	\$756,206	\$3,022,304	\$595,497	\$1,779,647	\$1,015,061	\$830,418	\$743,616
Net					\$678,515	\$478,603	\$1,288,525	\$1,456,220	\$1,834,485	\$2,097,973	\$2,854,070	\$1,389,437	\$2,398,341	\$2,271,228	\$2,958,276	\$3,881,031	\$4,943,183
Type	New	Replace	Replace		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
8839	Engine 173	2010	20	2030								\$969,234					
8840	Engine 178	2010	20	2030								\$969,234					
8842	Engine 183	2012	20	2032										\$1,008,391			
8843	Engine 187	2016	20	2036													
8845	Engine 185	2016	20	2036													
8845	Engine 172	2016	20	2036													
	Engine 182 (Quint)			See line 46													
8832	Backup Engine	2001	25	2026													
8833	Backup Engine	2001	25	2026													
8834	Backup Engine	2003	25	2028													
8835	Reserve (wildland 76)	2004	25	N/A													
8836	Reserve (wildland 74)	2004	25	N/A													
8841	Reserve (E288)	2012	25	N/A													
Subtotal					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,938,468	\$0	\$1,008,391	\$0	\$0	\$0
Tax					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$193,847	\$0	\$100,839	\$0	\$0	\$0
Total					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,132,315	\$0	\$1,109,230	\$0	\$0	\$0
Type	New	Replace	Replace		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
7842	Aid 171	2017	10	2027					\$247,236								
7843	Aid 183	2017	10	2027					\$247,236								
7840	Aid 178	2014	10	2024	\$228,408										\$278,428		
7839	Aid 187	2011	10	2021				\$242,388									
7838	Aid 185	2011	10	2021				\$242,388									
7841	Back up Aid Unit	2015	20	2035													
7826	Back up Aid Unit	1999	20	2019													
7828	Aid 276 (reserve)	1999	20	2019													
7832	Aid 288 (reserve)Eliminate	1999	20	2019													
7836	Public Educ. Aid	2006	20	N/A													
7831	Swiftwater Aid (Eliminate)	2000	20	N/A													
7825	Aid 189 (Surplus?)	1999	20	N/A													
Subtotal					\$228,408	\$0	\$0	\$484,776	\$494,472	\$0	\$0	\$0	\$0	\$0	\$278,428	\$0	\$0
Tax					\$22,841	\$0	\$0	\$48,478	\$49,447	\$0	\$0	\$0	\$0	\$0	\$27,843	\$0	\$0
Total					\$251,249	\$0	\$0	\$533,254	\$543,919	\$0	\$0	\$0	\$0	\$0	\$306,271	\$0	\$0
Type	New	Replace	Replace		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
9811	Ladder 171	2018	20	2038													
9810	Engine 182 (Quint)	2009	20	2029													
Subtotal					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Exhibit D

Equipment Replacement Fund Schedule

	Type	New	Replace	Replace	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
3806	Tender 173	2002	35	2037	?												
3809	Tender 187	2017	30	2047													
3807	Tender 185	2002	35	2037	?												
3808	Tender 183	2011	30	2041													
6806	TRT Rescue 187	2002	22	2024		\$606,226											
1851	BC 171	2019	5	2024		\$96,554				\$106,603						\$117,699	
1852	BC181	2019	5	2024		\$96,554				\$106,603						\$117,699	
1853	BC - OPS - Back-up	2019	5	2024													
6807	Air Unit 185	1994	30	2024		\$150,000											
5822	F550 B182	2020	15	2035													\$178,531
6810	Brush 178	2010	20	2030								\$161,701					
8838	Brush 187	2008	20	2028						\$155,422							
2815	Marine	2019	20	2039													
5820	COM	2019	30	2049													
	Subtotal				\$0	\$949,333	\$0	\$0	\$0	\$155,422	\$213,206	\$161,701	\$0	\$0	\$0	\$235,397	\$178,531
	Tax				\$0	\$94,933	\$0	\$0	\$0	\$15,542	\$21,321	\$16,170	\$0	\$0	\$0	\$23,540	\$17,853
	Total				\$0	\$1,044,267	\$0	\$0	\$0	\$170,964	\$234,527	\$177,871	\$0	\$0	\$0	\$258,937	\$196,384
	Type	New	Replace	Replace	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
5819	Mail Van	2015	10	2025			\$36,570										\$44,578
1846	Explorer Fire Chief	2015	12	2027					\$50,730								
1855	Explorer DC	2021	12	2033											\$57,130		
5821	Shop Pick up Truck	2008	15	2023	\$49,735												
1856	Explorer DC	2021	12	2033											\$57,130		
	UTV (Polaris)	2012	12	2024		\$25,365											
	UTV (Club)	2012	12	2024		\$25,365											
1840	AFM	2008	15	2023	\$46,866												
1841	AFM	2008	15	2023	\$46,866												
1842	AFM	2008	15	2023	\$46,866												
5816	Facilities	2008	15	2023	\$67,570												
5817	Shop Service	2011	15	2026				\$71,706									
	Forklift	2016	20	2036													
	Subtotal				\$257,904	\$50,730	\$36,570	\$71,706	\$50,730	\$0	\$0	\$0	\$0	\$0	\$114,260	\$0	\$44,578
	Tax				\$25,790	\$5,073	\$3,657	\$7,171	\$5,073	\$0	\$0	\$0	\$0	\$0	\$11,426	\$0	\$4,458
	Total				\$283,694	\$55,803	\$40,227	\$78,876	\$55,803	\$0	\$0	\$0	\$0	\$0	\$125,686	\$0	\$49,036
	Type	New	Replace	Replace	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	Gas Detectors	2017	5	2022	\$13,739		\$10,510	\$52,883				\$7,891			\$16,748		
	SCBA	2015	15	2030						\$474,867							
	Radio	0	0	2022													
	Defib	2022	8	2030								\$225,504					
	SCBA Compressors	2017	8	2025			\$63,178	\$128,883		\$67,045	\$68,386				\$74,023	\$75,503	
	MDC	2020	5	2025													
	TI Camera	2017	5	2022	\$29,298				\$31,713					\$35,014			
	Pump Test Trailer	2021	30	2051													
	Bunker Gear	2017	1	2018	\$133,926	\$136,605	\$139,337	\$142,124	\$144,966	\$147,865	\$150,823	\$153,839	\$156,916	\$160,054	\$163,255	\$166,520	\$169,851
	Ballistic Vests	2017	10	2027									\$134,097				
	Computers	2017	1	2018	\$167,587	\$170,938	\$174,357	\$162,844	\$166,401	\$185,029	\$188,730	\$192,504	\$181,355	\$185,282	\$204,287	\$204,287	\$208,373
	PT Equipment	2017	1	2018	\$22,081	\$22,523	\$22,974	\$23,433	\$23,902	\$24,380	\$24,867	\$25,365	\$25,872	\$26,389	\$26,917	\$27,456	\$28,005
	Rescue Tool/Airbags	2017	15	2032										\$158,746			
	Hose	2017	1	2018	\$36,804	\$37,541	\$38,291	\$39,057	\$39,838	\$40,635	\$41,448	\$42,277	\$43,122	\$43,985	\$44,864	\$45,762	\$46,677
	Subtotal				\$403,436	\$367,607	\$448,647	\$549,224	\$406,820	\$939,821	\$474,253	\$647,380	\$541,361	\$609,470	\$530,095	\$519,528	\$452,905
	Tax				\$40,344	\$36,761	\$44,865	\$54,922	\$40,682	\$93,982	\$47,425	\$64,738	\$54,136	\$60,947	\$53,009	\$51,953	\$45,291
	Total				\$443,780	\$404,368	\$493,512	\$604,146	\$447,503	\$1,033,803	\$521,679	\$712,118	\$595,497	\$670,417	\$583,104	\$571,481	\$498,196

Exhibit D

Capital Facilities Maintenance Fund Schedule

Item	Career	Volunteer	Admin/Shop
	Less than (years)	Less than (years)	Less than (years)
Flooring (Vinyl)	20	30	20
Flooring (Tile)	30	40	30
Flooring (Concrete)	25	25	25
Carpet	15	30	20
Paint (interior)	20	30	20
Paint (exterior)	20	25	20
Generator	25	35	25
Cabinetry	25	35	25
Windows	50	50	50
Vehicle Exhaust	25	35	25
Septic System(s)	40	50	40
Shop Lifts	0	0	30
Roof 40 yr	40	40	40
Roof 50 yr	50	50	50
Roof 30 yr	30	30	30
HVAC	15	30	15
Blank	0	0	0
Garage Door (roll-up)	25	35	25
Garage Door (bi-fold)	50	50	50
Asphalt (replace)	50	50	50
Asphalt (seal)	5	5	5
Communications Systems	20	20	20
Deck	25	25	25
Fixtures	25	35	25
Appliances	15	30	15
Walkways	50	50	50
Entry Hardware (key way)	5	5	5
Entry Hardware (cardlock)	15	15	15
Hot Water	8	12	8

- 1) **Carpet (when due for replacement) will be replaced by solid surface flooring (example; vinyl, polished concrete, laminate).**
- 2) **Septic systems shall be connected to sewer, if available, when due for replacement.**
- 3) **Roof replacement assumes replacement of gutters and skylights.**
- 4) **All stations will be upgraded to a cardlock system no later than 12/31/19.**
- 5) **Parking lot sealing includes lot striping.**
- 6) **Interior paint includes ceiling tile replacement when applicable.**

Exhibit D

2023-2024 Capital Facilities Maintenance Fund Plan

CFMF Scheduled Maintenance Expenditures			
Fund Balance		\$ 395,880.00	\$ 100,880.00
Contributions		\$ -	\$ -
Expenditures		\$ 295,000.00	\$ 365,000.00
Net		\$ 100,880.00	\$ (264,120.00)
Description	Station	2023	2024
Interior door repair	87	\$ 20,000.00	
Classroom upgrade	HQ	\$ 50,000.00	
	85		\$ 50,000.00
Painting - Exterior	81		\$ 15,000.00
Brivo card lock system	31	\$ 30,000.00	
	33	\$ 15,000.00	
	35	\$ 20,000.00	
	Annex	\$ 5,000.00	
Resealing concrete floors			
	72		\$ 25,000.00
	78	\$ 15,000.00	
	85		\$ 35,000.00
Extractors - Replace	72		\$ 15,000.00
Septic/Sewer updates	81	\$ 10,000.00	
LED lighting upgrades (bays)	73	\$ 15,000.00	
	81	\$ 5,000.00	
	85	\$ 15,000.00	
Hazardous Tree Removal	31	\$ 10,000.00	
Exhaust Equipment	31		\$ 100,000.00
	33		\$ 50,000.00
	35		\$ 50,000.00
4 Post Vehicle Lift System	HQ	\$ 40,000.00	
Classroom soundproofing	HQ	\$ 20,000.00	
Unanticipated Repairs		\$ 25,000.00	\$ 25,000.00
Total Planned Expenditures:		\$ 295,000	\$ 365,000

Exhibit D

EXHIBIT E

Mercer Island's Fleet Replacement Schedule

#	Description	Replacement Reserve	Year	Life	Replacement Date
521	2018 Pierce Pumper	Apparatus	2018	15	2033
498	2017 Chevy 4WD	Fleet	2017	10	2027
502	Fire AID Unit Ford E350	Fleet	2017	20	2037
490	2016 Chevrolet Suburban	Fleet	2016	8	2024
495	2016 Toyota Rav 4	Fleet	2016	10	2026
497	2015 Fire Midi Pumper	Apparatus	2015	16	2031
538	Tech Rescue Trailer	Fleet	2014		
471	Fire Rescue Truck	Apparatus	2013	10	2023
458	Lease Purchase-Max Pumper	Apparatus	2012	20	2032
399	Fire Maxi Pumper	Apparatus	2008	20	2028
400	Fire Maxi Pumper	Apparatus	2008	20	2028
403	Fire Mini Pumper	Apparatus	2008	16	2024
268	Tech Rescue Trailer	N/A	1995		
TBD	New aid car ordered in 2022	Fleet	2022	20	2042