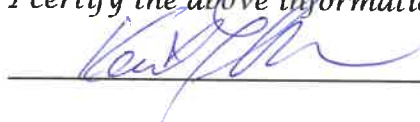


Agenda Summary Report (ASR)

Franklin County Board of Commissioners

DATE SUBMITTED: Nov 15, 2019	PREPARED BY: Keith Johnson
Meeting Date Requested: Nov 19, 2019	PRESENTED BY: Keith Johnson, County Admin
ITEM: (Select One) Consent Agenda <input checked="" type="checkbox"/> Brought Before the Board Time needed: 15 min	
SUBJECT: Memorandum of Agreement for provision of Services by the Benton-Franklin Human Services Department.	
FISCAL IMPACT: Benton County will bill Franklin County \$4,500 per month for the provision of services beginning January 1, 2020. In exchange, Franklin County will receive a refund of \$589,177.50 plus 29% of the balance of the joint developmental disability/mental health property tax millage fund from Benton County (approximately \$1,609,377) plus a quitclaim deed to the former Detox facility building located in Franklin County.	
BACKGROUND: Benton and Franklin Counties have jointly operated a bi-county department of Human Services for a number of years. Benton County notified Franklin County that they no longer desire to operate these services on a bi-county basis but are willing to establish a relationship where Benton County retains a single county department and contracts with Franklin County to continue to provide these services in both counties. Under this new structure, the Department will become a Benton County Department and will provide the same level of service to Franklin County and will bill Franklin County monthly for this service. The agreement runs from January 1, 2020 through June 30, 2021 which will provide an evaluation period to determine the best business model for future years.	
RECOMMENDATION: Recommend the BOCC approve the Memorandum of Agreement	
COORDINATION: Keith Johnson, County Administrator Benton County Administrator	
ATTACHMENTS: Resolution and Memorandum of Agreement	
HANDLING / ROUTING: Original to Benton County for Approval Copy to Keith Johnson	

I certify the above information is accurate and complete.



Name, Title

JOINT RESOLUTION

BENTON COUNTY RESOLUTION _____

FRANKLIN COUNTY RESOLUTION _____

**BEFORE THE BOARDS OF COMMISSIONERS OF
BENTON AND FRANKLIN COUNTIES, WASHINGTON**

***MEMORANDUM OF AGREEMENT BETWEEN BENTON AND FRANKLIN
COUNTIES REGARDING THE PROVISION OF SERVICES BY THE BENTON-
FRANKLIN HUMAN SERVICES DEPARTMENT***

WHEREAS, pursuant to RCW 36.01.010 and RCW 36.32.120, the legislative authority of each county is authorized to enter into contracts on behalf of their respective counties; and,

WHEREAS, Franklin and Benton Counties have jointly operated a bi-county Department of Human Services for decades without a formal agreement; and

WHEREAS, the counties desire to operate and provide these services under a different operating model in a manner that formalizes the exact nature of the relationship between the counties; and

WHEREAS, certain State of Washington grants and programs that are currently administered by the Benton-Franklin Department of Human Services are provided on a regional basis rather than on an individual county basis; and

WHEREAS, both counties desire to maximize efficient use of resources and minimize the overhead costs and potential duplication of efforts in providing these services to the citizens of Benton and Franklin Counties; and

WHEREAS, both counties Boards of Commissioners find it in the best interest of their individual constituencies to continue to provide essential services at a regional level;

NOW, THEREFORE, BE IT RESOLVED, that the Boards of Commissioners for Benton and Franklin Counties do hereby approve the attached Memorandum of Agreement for Provision of Services by the Benton-Franklin Human Services Department.

Dated this ____ of _____ 2019
Benton County Board of Commissioners

Dated this 19th Day of November, 2019
Franklin County Board of Commissioners

Chair

Chair

Chair Pro Tem

Chair Pro Tem

Member

Member

Constituting the Board of County Commissioners
of Benton County, Washington

Constituting the Board of County Commissioners
of Franklin County, Washington

ATTEST:

ATTEST:

Clerk of the Board

Clerk of the Board

**MEMORANDUM OF AGREEMENT BETWEEN BENTON AND FRANKLIN COUNTIES REGARDING THE
PROVISION OF SERVICES BY THE BENTON-FRANKLIN HUMAN SERVICES DEPARTMENT**

WHEREAS, Benton and Franklin counties (the "Counties") have jointly managed and operated the Benton-Franklin Human Services Department for decades without any formal operating agreement;

WHEREAS, historically that department has operated as a bi-county agency, with employees being considered employees of both counties and management decisions being made by both Boards of County Commissioners;

WHEREAS, historically Benton County has acted as the administrative agency with the department employees following Benton County policies, department funds being held by the Benton County Treasurer, and department payments generally being made by the Benton County Auditor's Office;

WHEREAS, the department has historically been funded by revenue from grants and/or contracts with no direct operating costs being paid from the Counties' current expense funds and the Counties' sharing the burden of indirect costs;

WHEREAS, events over the last few years have led the Counties to conclude that a written agreement for the operation of the department would be prudent and that through at least June 30, 2021, it shall operate as a Benton County Department managed solely by Benton County that will provide services to Franklin County residents to the extent grant funds allow, in return for payment by Franklin County of the fees specified herein;

WHEREAS, Chapter 39.34 RCW permits the Counties to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage and thereby provide services in a manner that will accord best with geographic, economic, population and other factors influencing the needs of the Counties;

WHEREAS, the Counties further agree that certain assets resulting from their joint operation of the Department over the years need to be definitively allocated between the Counties.

NOW THEREFORE, IT IS MUTUALLY AGREED by the Counties as follows:

1. **Benton County Human Services Department.** Effective as of January 1, 2020, the Benton-Franklin Human Services Department will cease as a bi-county department and will become a Benton County Department (the "Department"). Except as otherwise provided herein, all management of the Department will be at the sole discretion of Benton County, and all staff of the Department shall be solely Benton County employees. Except as otherwise stated herein, all Department assets and revenues shall belong to Benton County, and Benton County shall be responsible for all expenses of the Department.

2. **Services for Franklin County.** In return for the consideration set forth herein, the Department will provide the following services to Franklin County during the term of this Agreement or such other period as specified; provided, neither the Department nor Benton County is obligated to use current expense dollars to directly fund any of these services:

a. Administer Franklin County's portion of the Consolidated Homeless Grant from the Department of Commerce.

- b. Administer Franklin County's portion of the Community Development Block Grant from the Department of Housing and Urban Development through June 30, 2020, take reasonably necessary steps to apply for a similar grant for the period July 1, 2020, through June 30, 2021, and, if awarded, administer that grant on behalf of Franklin County.
 - c. Administer Franklin County's share of the current Shelter Plus Care grant from the Department of Housing and Urban Development and seek a similar grant for the period November 1, 2019, through October 31, 2020; provided, no services beyond that date for this grant are agreed to under this Agreement.
 - d. Administer Franklin County's portion of the current grant from the Developmental Disabilities Administration through June 30, 2020, take reasonably necessary steps to apply for similar grant for July 1, 2020, through June 30, 2021, and, if awarded, administer that grant on behalf of Franklin County.
 - e. Administer Franklin County's portion of the current Prevention Services agreement with the Washington State Healthcare Authority through June 30, 2020, take reasonably necessary steps to apply for similar grant for the period July 1, 2020, through June 30, 2021, and, if awarded, administer that grant on behalf of Franklin County.
 - f. The Department shall through June 30, 2021, continue to provide services to Franklin County with respect to its homeless housing and affordable housing programs as set forth in Franklin County Resolutions 2012 035 and 2012 087; provided, in accordance with current practice Franklin County shall pay Benton County five (5) percent of the surcharge collected by Franklin County under RCW 36.22.178 and six (6) percent of the surcharge collected by Franklin County under RCW 36.22.179 in return for these services.
 - g. The Department shall use its best efforts to enter into an agreement with Educational Service District 123, a governmental entity with its principal offices in Pasco, Washington, on similar terms to the agreement between the Counties and that entity that expired on August 31, 2019, and administer Franklin County's portion of that agreement on behalf of Franklin County.
 - h. The Department shall through June 30, 2021, continue to provide services to Franklin County with respect to the administration of Franklin County's Veterans Assistance Fund; provided, Benton County shall compute the direct and indirect costs incurred in providing this service, which amount shall not exceed eight (8) percent of the fund's budget for the period being billed, and invoice Franklin County prior to January 31, 2021, for costs incurred in 2020 and prior to July 31, 2021, for costs incurred in 2021. Franklin County shall pay such invoices within twenty (20) days of receipt.
3. **Ownership of Detoxification Building.** Pursuant to their agreement of December 17, 1982, Benton County sold general obligation bonds to finance the construction of a detoxification facility/building on real property owned by Franklin County, and the Counties agreed to be equal co-owners of that building. The Counties now agree that upon written request Benton County shall deliver a quit claim deed to Franklin County to convey its interest in such building/facility to Franklin County, and all personal property within such building as of the date this Agreement is executed shall be owned solely by Franklin County. Franklin County hereby agrees to immediately relinquish any and all rights it may have in the remaining balance of the proceeds of that bond issuance that are currently in Department fund number 0303401, which amount is between \$18,000 and \$19,000 as of the date of execution of this Agreement.

4. **Prior Property Tax Millage Returned to Franklin County.** Between January 1, 2017, and October 31, 2019, Five Hundred Eighty Nine Thousand One Hundred Seventy Seven Dollars and Fifty Cents (\$589,177.50) has been collected pursuant to Franklin County's levy in accordance with RCW 71.20.110 and deposited into Department fund no. 0108101. Commencing November 1, 2019, Franklin County ceased depositing revenues from its levy under RCW 71.20.110 into the Department's fund and shall deposit such revenues into a fund controlled solely by Franklin County. Within twenty (20) days of the execution of this Agreement, Benton County shall pay Five Hundred Eighty Nine Thousand One Hundred Seventy Seven Dollars and Fifty Cents (\$589,177.50) to Franklin County to reflect those levy revenues previously deposited by Franklin County into fund no. 0108101 between January 1, 2017 and October 31, 2019. Franklin County agrees that since January 1, 2017, Benton County has been depositing the revenue it has received pursuant to its levy under RCW 71.20.110 into a fund entirely owned and controlled by Benton County and that said funds are solely owned by Benton County.

5. **Split of Balance of Fund No. 0108101.** Within thirty (30) days after payment to Franklin County of the amount described above in paragraph 4, the remaining balance in Fund No. 0108101 shall be paid to the Counties as follows: Seventy one percent (71%) shall be transferred to a Benton County fund designated by that county and twenty nine percent (29%) shall be transferred to a Franklin County fund designated by that county. Each county shall have sole discretion with respect to the future expenditures of their allocation of that fund, and hereby agrees to defend, indemnify and hold harmless the other county from and against all claims, losses, or damages said other county may incur as a result of any inappropriate use of said funds by the indemnifying county.

6. **Fee for Services.** While the direct and indirect cost of services incurred by the Department in providing services to Franklin County shall be funded by third party grants, by contracts and the administrative fees authorized in paragraph 2 above, other offices within Benton County will incur indirect costs in connection with the Department's services to Franklin County. To compensate Benton County for its share of those costs, Franklin County shall pay a monthly fee to Benton County. The monthly fee payable to Benton County by Franklin County shall be Four Thousand Five Hundred (\$4,500.00) per month, for a total of Eighty One Thousand Dollars (\$81,000.00). Benton County shall submit a monthly invoice to Franklin County for such amount. Franklin County shall pay such invoice within twenty (20) days of receipt of each invoice.

7. **Termination of Lease for Office Space.** The Counties entered into a lease on November 22, 2010, whereby the Counties jointly leased office space at 7102 W. Okanogan Pl, Kennewick, WA, from Benton County for the bi-county Human Services Department. The Counties hereby agree and acknowledge that pursuant to Section 3 of that lease, that lease shall automatically terminate on January 1, 2020, which is the date the Department ceases to exist as a bi-county department. Rent under said lease shall be payable through the date the lease terminates.

After such date, Benton County will assess the Department an amount for office space equal to what the Department would be paying if such lease was still in effect. The Counties expect that assessment will continue to be a reimbursable amount pursuant to the Department's grants. However, if such assessment is subsequently determined by a state or federal agency not to be a reimbursable expense under one or more of the Department's grants, Franklin County agrees to pay by June 30, 2021, the lesser of Forty Thousand Dollars (\$40,000) or 29% of any amount determined not to be reimbursable.

8. **Personal Property.** Franklin County agrees as that as of the effective date of this Agreement, all personal property used in the operation of the Department as of the date this

Agreement is executed shall become solely owned by Benton County and, to the extent Benton County deems necessary, Franklin County shall execute a bill of sale or other appropriate document to reflect transfer of all interest in such property by Franklin County to Benton County.

9. Term of Agreement. Except as otherwise set forth, this Agreement shall be effective January 1, 2020, and shall expire on June 30, 2021. Between December 1, 2020, and January 1, 2021, either party may by written demand request notice from the other party of its intentions as to whether to let this Agreement expire on such date or whether it will seek to negotiate another agreement. The party receiving such notice shall provide a written reply within thirty (30) days of receipt of written demand. This Agreement shall expire on June 30, 2021, if no new agreement is executed prior to that date, regardless of whether a written demand was made under this section 9 or what the response to such demand was.

10. Termination. This Agreement may be terminated at any time by mutual agreement or for cause by one party upon thirty (30) days prior written notice in the event of violation by the other party of any provisions of this Agreement; provided, the violating party shall have thirty (30) days from receipt of such written notice to cure the violation and if such cure is made within that thirty (30) days, this Agreement shall not be terminated.

11. Filing with Auditor. Upon execution, Benton County shall record this Agreement with the Benton County Auditor, which the Counties agree satisfies the requirements of RCW 39.34.040.

12. Entire Agreement. This Agreement sets forth in full the entire agreement of the parties, and any other agreement, representation, or understanding, verbal or otherwise, is hereby deemed to be null and void and of no force and effect whatsoever.

13. Amendments. This Agreement may be waived, changed, modified or amended only by written agreement executed by both parties hereto.

(This area intentionally left blank.)

14. Prior Liabilities. The Counties shall remain jointly liable on an equal basis for any liabilities that accrue on or before December 31, 2019, as a result of the existence or operation of the Benton-Franklin Human Services Department. The Counties each agree to indemnify the other and their officials and employees against all claims, losses, damages, suits and expenses, including reasonable attorneys' fees and costs, to the extent one of the Counties or their officials or employees incur a liability as a result of the existence or operation of that department prior to December 31, 2019, and such liability is not equally incurred by the other county, its officials or employees.

Dated: _____

Dated: _____

BENTON COUNTY, WASHINGTON

FRANKLIN COUNTY, WASHINGTON

SHON SMALL, Chairman.

ROBERT E. KOCH, Chairman.

JAMES BEAVER, Member.

BRAD PECK, Chairman Pro-Tem.

JEROME DELVIN, Member.

CLINT DIDIER, Member.

Constituting the Board of County
Commissioners of Benton County, Washington.

Constituting the Board of County
Commissioners of Franklin County, Washington.

DATED: _____

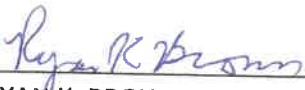
DATED: _____

Attest: _____
Clerk of the Board

Attest: _____
Clerk of the Board

Approved as to Form:

Approved as to Form:



RYAN K. BROWN, Benton County Deputy
Prosecuting Attorney

JENNIFER JOHNSON, Franklin County Deputy
Prosecuting Attorney