

Agenda

Executive Board Meeting

Friday March 21st 2014 • 9:00 -11:00 am
Rose Hill, Kirkland City Hall, WA

Please note the conference call info below if you wish to join by phone:
Access Number – 1-877-848-7030
Access Code – 1185381

Election of a Temporary Chair

Consent Items

Approval of December 2nd, 2013 Executive Board Meeting Minutes (attached)

Strategic Issues, Planning and/or Action Items

1. MBP Business Plan Draft Presentation and Discussion – Neil Watts
2. Recruitment for Director Position
3. ILA Follow-Up – Rich Conrad
 - a. Update on filing with State of Washington (complete!)
 - b. Correct terminology and delete the words “Ex Officio”
 - c. Post-ILA Items
 1. **Motion #1 to Approve By-Laws:** Resolution 2014-01
 2. **Motion #2 to Elect Chair, Vice Chair, Treasurer and Secretary:** Resolution 2014-02
 3. **Motion #3 to Elect eGov Interim Executive Director:** Resolution 2014-03

Recommended Motion #3.1: “Direct the Interim Executive Director and Consultants to apply for and obtain a Federal Tax Identification Number on behalf of the Alliance.”

Recommended Motion #3.2: “Direct the Interim Executive Director and Consultants to undertake a selection process for Legal Counsel Services.”

Recommended Motion #3.3: “Direct the Interim Executive Director and Consultants to undertake a selection process for Accountant, Audit and Financial Statement services; such services to be acquired in cooperation with in conjunction with City of Bellevue “fiscal agent services”.

4. **Motion #4 to Adopt a Public Records Policy:** Resolution 2014-04
5. **Motion #5 to Confirm WCIA as the Alliance’s Insurer:** Resolution 2014-05
6. **Motion #6 to Confirm Approval of the Previously Approved 2014 Budget:**
Resolution 2014-06
7. **Motion #7 to Confirm the 2014 Fiscal Year and Budget Period and Set Future Fiscal Years and Budget Periods:** Resolution 2014-07
8. Discuss and approve search process for permanent legal advisor

4. SPP Financials – Rick Berman

Executive Director’s Report

1. Report out on Parks Retreat
2. Report out on NWMAP’s Retreat
3. Report on Open Data Project
4. Budget Calendar Review

Performance Reporting (written report only)

1. Contracts and Agreements
 - a. Subscriptions
 - i. SPP- Addition of Capitol Hill Housing
 - ii. NW Properties: loss of the City of Mukilteo
 - b. Recent Contacts
 - c. Contracts
 - i. Contract with DB Borgen Consulting for the Open Data analysis consulting.
 - d. Accounts Receivables
 - i. AR for Shoreline Fire (SPP) and Port Townsend (SPP)

Other Information (written report only)

1. Program status reports (attached)

Pending Work (written report only)

1. Operations Board Liaison Roles and Responsibilities
2. Confirm Ops-Board Members
3. Other Post-ILA Approval tasks

Meeting Minutes

Executive Board Special Meeting

*Monday, December 2nd, 2013 • 10:00 – 11:00 am
1E-119, Bellevue City Hall, WA*

Executive Board Attendees: Bob Larson, Snoqualmie; Toni Cramer for Brad Miyake, Bellevue; Joe Guinasso for Lyman Howard, Sammamish; Bob Stowe, Bothell (Called in); Nancy Ousley, Kenmore (Called in); Kurt Triplet, Kirkland (Called in)

Other Attendees: Karen Reed, Consultant; Rick Berman, eCityGov

Discussion/Action Items:

1. Review of the final draft of the new Interlocal Agreement and Articles of Incorporation: Karen Reed. Note: Cover letter below and Interlocal Agreement and Articles of Incorporation were attached.

ILA: The final review of the Draft ILA occurred. Karen Reed reviewed the edits to the last draft that were put forth by the attorney sub-group from Bellevue, Kirkland and Mercer Island, as well as Hugh Spitzer and Rick Berman (see the track changes version attached to the Agenda). All edits were approved, with these exceptions:

- Deleted: section 8.h.iii, iv, and vii (Items Requiring a Supermajority Vote for Approval) as follows:
 - iii. Adding new Programs and Services, or discontinuing a Program or Service.
 - iv. Subcontracting out the performance of any program or service to an entity other than that charged with providing operating staff support to the Alliance.
 - vii. Appointing or removing the Fiscal Agent.
- Fixed: section 13.b.iv and 13.f (budget approval and modification). Changed back to a simple majority, as discussed at the previous meeting (this was changed to a supermajority in error)
- Added: section 13.g.i: Karen will add “appeal language” to the delinquencies section

Articles of Incorporation: the final review of the draft occurred. Only changes were to the signature page (Karen noted that the CEO of each organization must sign).

2. Discuss next steps and timelines for Partner approvals

Next steps are as follows:

- a) Karen Reed to send a final draft to Rick, who will send it out to all partner organizations, in mid-December.
- b) Karen Reed will provide a briefing memo, draft by-laws, and a check list of tasks for the Alliance to complete
- c) All Executive Board members will have their Attorneys review the draft.
- d) A provisional meeting will be set up with Karen and all the Executive Board members for mid-January to field questions (Neelam is working on that now).
- e) All Executive Board members will send to their Councils for approval before March 1st.



Karen Reed Consulting LLC

November 25, 2013

TO: eCityGov Alliance Executive Board

FM: Karen Reed

CC: Rick Berman; Hugh Spitzer, Foster Pepper PLLC; Darcie Durr; Katie Knight; Robin Jenkinson;
Jerome Roache

RE: **December 2 Board Discussion on eCityGov Alliance Interlocal Agreement (ILA) Review Project**

A revised redline of the draft Interlocal Agreement is attached, incorporating changes per your direction at the October Board meeting, together with revisions from Rick Berman and the attorney team reviewing the document. The attorney group included folks copied above from Bellevue, Kirkland and Mercer Island, as well as Hugh Spitzer: I am very grateful for their assistance! Also attached are the Articles of Incorporation, which have been review by the attorney team.

There are handful of remaining policy issues, noted in yellow highlights in the ILA and Articles and summarized below:

ILA:

1. **Start date for the ILA** (p. 1): March 1, 2014 remains the placeholder. Depending on how quickly individual Councils are able to process the ILA, this may need to be shifted to a later date.
2. **Definitions** (Section 3)
 - a. **Programs and Services** (Section 3.n): A brief description of the existing programs and services is included at Exhibit A.
 - b. **Principal** (Section 3.q): The decision to allow any municipality (not just cities) serve as a Principal means that cost allocations may need to be adjusted over simple population numbers. You will see changes relating to this under the Supermajority Vote section (Section 8.h.vi) and in Section 13.g. Also, some references to “city” are now changed to “agency.”
3. **Supermajority Vote Items** (Section 8.h): Several additional supermajority vote items are suggested by the legal review team for your consideration: discontinuing a program or service; subcontracting out program operations to someone other than Bellevue (or its successor); approving changes in cost allocation; appointing or removing the Fiscal Agent.
4. **Cost Allocation (Section 13.g)**: Language adds flexibility to incorporate factors other than population in allocating cost, but requires a supermajority vote to approve such changes, and population must be the primary allocating factor *as between cities*.
5. **Delinquencies/Conversion to Subscriber Status (Section 13.i)**. Language is struck that required certain interest calculations on late payments and notice to delinquent Principals: the Board can

adopt something that works for Bellevue (as your Fiscal Agent) on these items. But, it is important to clearly define when a Participant becomes delinquent, since that has serious implications: text retains the 60 day deadline.

6. **Fiscal Agent:** Bellevue has requested a couple of provisions regarding the Fiscal Agent be added to the ILA. See Section 14.a, and 22. The language has been adjusted so that the Alliance is not required to have a separate Fiscal Agent contract (EPSCA, for example, performs its own fiscal agent services with loaned staff), nor is it required to contract with Bellevue for these services, and to minimize the need to amend the ILA if either of these things happens. You will see some of the dialogue between me and Darcie Durr from Bellevue retained in the comments on these sections to you can see the thinking here.

Articles of Incorporation:

The Articles are largely a “boilerplate” document – but City CEO names appear in the document, since you are the incorporators and initial board of directors—please confirm that I have your information correct. The Articles must be approved by each Principal’s City Council, together with the ILA.

The Board will need to select an **initial registered agent**, who should probably be Bellevue staff person that has lead responsibility under the Fiscal Agent agreement with Bellevue. You could pay a third party to serve in this capacity if you prefer; there are services who perform this ministerial function.

The Articles are summarized in the table below:

Article	Subject	Summary
I	Name of Agency	eCityGov Alliance
II	Duration	Perpetual
III	Purposes	A governmental instrumentality to carry out the activities described in the ILA.
IV	Prohibited Activities	No actions that would violate requirements of Internal Revenue Code for nonprofit corporations.
V	Powers	As described in ILA, Chapters 24.06 and 30.34 RCW
VI	Members	The Principal Cities are “members” of the corporation
VII	Distributions upon Dissolution	No director or officers will receive corporate assets upon dissolution. Assets will be distributed per ILA to member cities.
VIII	Dissenting Members	Ensures that Portal Agency assets will be distributed per ILA.
IX	Bylaws	Will provide for additional detail on operations of the Portal Agency; these will be adopted by the Executive Board once the Agency is established.
X	Registered Agent	For purposes of receiving legal notice
XI	Directors	Initial Board of directors identified: the CEOs of the nine Principal cities.
XII	Officers	There will be 4 officers: President, Vice- President, (referred to as Chair and Vice-Chair in ILA), Secretary and Treasurer.
XIII	Incorporators	The nine Principal Cities are the original incorporators.
XIV	Limitation of Director	Directors (Executive Board members) not personally liable for

	Liability	their actions unless intentional misconduct, taking personal benefit to which they are not entitled
XI	Indemnification	Consistent with the ILA and Interlocal Cooperation Act, the Agency indemnifies officers and directors and Principals. May also elect to indemnify subscribers.

Next steps: If the Board reaches agreement on the draft ILA and Articles of Incorporation, it should **take action at the December 2 meeting to approve these documents, and direct that they be forwarded for action by all Cities.** I will then finalize the documents and prepare a sample briefing memo and summary of the ILA and Articles to be sent to each of City. **Your City attorneys should review the documents as soon as possible, in case they have concerns that the Board needs to address in January.**

Given the number of Principals, it is not inconceivable that some City attorney will have a comment for your consideration, so you may wish to schedule a Board meeting before mid-January in case you need to approve any final adjustments to these documents before they are approved.

Cities should be sure to schedule Council time to take action to approve the ILA and Articles in January, or very early February, so that we are certain to have time to file the necessary papers with the state by March 1, 2014 as contemplated.

While council action is pending, I will prepare the bylaws for your review (to be adopted after the ILA as approved and the agency is reorganized), and the list of “start-up” activities associated with the reorganization to a nonprofit corporation form.