

## PSAP FUNDING CONTRACT

This Call Taking and Fire Dispatching Contract is made as of January 1, 2018, among the Kent County Dispatch Authority, a public body corporate, having as its business address 1155 28<sup>th</sup> St., SW, Wyoming, MI 49509 Attn.: Executive Director (the "**KCDA**"), and the primary Public Safety Answering Points ("**PSAPs**") serving Kent County, Michigan – the City of Grand Rapids, a Michigan municipal corporation, 300 Monroe Avenue NW, Grand Rapids, MI 49503; Attn.: City Manager (the "**City**"), and the County of Kent, a Michigan municipal corporation, 300 Monroe Avenue NW, Grand Rapids, MI 49503, Attn.: County Administrator (the "**County**").

### RECITALS

A. The KCDA was formed in 2006 by the County, the City, and the cities of Grandville, Walker and Wyoming, pursuant to the 2006 Amended and Restated Agreement to Establish a Kent County Dispatch Authority (the "**KCDA Formation Agreement**"), pursuant to which the KCDA (i) provides 9-1-1 dispatch services within the County via the two PSAPs, one of which is operated by the County (the "**County PSAP**") and the other of which is operated by the City of Grand Rapids (the "**City PSAP**"), (ii) is responsible for the "technological integration and operational compatibility of emergency dispatch systems", and (iii) is to "approve, purchase, own, and provide maintenance, vendor and administrative / technical support for new or additional technology for emergency dispatch systems within the County."

B. On November 8, 2016, County voters approved an increase in the monthly surcharge on communication service suppliers' billings to service users within the County for the period beginning July 1, 2017 and continuing through June 30, 2036 (the "**Surcharge Increase**"), to provide funding for (i) technology upgrades, including communication towers and new equipment for dispatch and existing police, fire, and public safety agencies and participation in the 800 MHz Michigan Public Safety Communications System ("**MPSCS**"), and (ii) to provide dedicated funding for an enhanced public safety dispatch system, including annual funding for fire dispatching county-wide as provided in the County 9-1-1 service plan.

C. The County issued bonds to finance for the KCDA the costs of capital improvements and equipment acquisitions needed to participate in the MPSCS, principal and interest payments on which bonds together with accumulations of fund reserves ("**Debt Service Payments**"), pursuant to agreements between the KCDA and the County, are first priorities from the collection of the Surcharge Increase.

D. The parties entered into an Emergency Call Taking Agreement on March 1, 2010, that was amended in 2011, 2014 and 2015 to provide funding for emergency call-taking services provided by the PSAPs but did not provide funding for fire call dispatching.

E. The parties wish to establish a methodology for distributing KCDA funds for emergency call-taking and dispatching by the PSAPs, including the additional funds provided by the Surcharge Increase for fire dispatch.

### TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Contract, the parties agree as follows:

1. Services. The County and the City each will serve as a PSAP in accordance with (i) applicable state and federal laws, rules and regulations, (ii) the County's 9-1-1 service plan as it may from time-to-time be amended or superseded, (iii) MPSCS requirements and standards, (iv) any contracts they may respectively have with Kent County local governments to provide police, fire, ambulance or other emergency services call-taking and dispatching, (v) applicable requirements and protocols of the West Michigan Regional Medical Control Consortium and Kent County Emergency Services, Inc., (vi) the provisions of this Contract, and (vii) generally accepted practices and standards of call-taking and dispatching centers.

2. Payment. Using only Available Funds (defined below), the KCDA shall pay the City and the County for Services defined in Paragraph 1, above as follows:

A. **Available Funds** generally means 75% of those funds collected by Kent County from the total (*i.e.*, that amount attributed to the Surcharge Increase and that amount attributed to such collections from the rate charged before the Surcharge Increase) monthly surcharge on communication service suppliers' billings to service users within the County and remitted to the KCDA that are not needed for Debt Service or for other obligations of the KCDA existing prior to this Contract. Nothing in this Contract prevents the KCDA's Administrative Policy Board from designating in its annual budget as Available Funds a larger percentage monthly surcharge on communication service suppliers' billings to service users within the County and remitted to the KCDA that are not needed for Debt Service or for other obligations of the KCDA existing prior to this Contract or other funds available to the KCDA (including for example and not for limitation, accumulated monies in KCDA's fund balance) to be used for payments to be made pursuant to this Contract. The Surcharge increase is anticipated to be sufficient only to fund Debt Service payments and to pay for fire dispatching. The KCDA, after conferring with the County's Finance Director, estimates there will be sufficient Available Funds in 2018 and subsequent calendar years to fund the payments to be made pursuant to this Contract.

B. Based on estimates from the County's Finance Director, it is currently estimated that Available Funds will be sufficient to enable the KCDA during the term of this Contract to annually pay to the County and the City a total of \$2,750,000 for 9-1-1 call taking and a total of \$2,000,000 for fire dispatching. These estimates of the annual Available Funds will be used in this Contract for purposes of the application of the distribution methodology provided in this Contract. The County's Finance Director has also estimated that after the debt service reserve fund for the County-issued bonds is fully funded (*i.e.*, in 2023 and following), Available Funds will increase by approximately \$330,000 per year ("**Increased Available Funds**").

C. The \$2,750,000 to be annually paid for 9-1-1 call taking shall be distributed between the County and the City based on the respective percentages of a rolling 3-year average of 9-1-1 calls in the County made to their respective PSAPs during the immediately preceding 3 calendar years.

1. For example, 47% of the average number of 9-1-1 calls in Kent County during 2015, 2016, and 2017 taken by the County PSAP and 53% of the average number of the 9-1-1 calls in Kent County during 2015, 2016 and 2017 were taken by the City PSAP.

2. That example will result in distributions of the \$2,750,000 to be paid by the KCDA to the City and the County in 2018 for 9-1-1 call taking as follows:

a. 47% (\$1,292,500) would be paid to the County, and

b. 53% (\$1,457,500) would be paid to the City.

3. For the distribution to be made in 2019, the rolling 3-year average will be based on the numbers of 9-1-1 calls taken by each of the PSAPs during the 2016, 2017 and 2018 calendar years.

D. The \$2,000,000 to be annually paid for fire dispatching shall be distributed between the County and the City based on the respective percentages of the numbers of fire incidents in Kent County (per CAD) to which fire fighters were dispatched by the City and by the County during the immediately preceding 3 calendar years.

1. For example, during 2015, 2016, and 2017 an average of 47% of the fire incidents in Kent County (per CAD) to which fire fighters were dispatched were dispatched by the City and an average of 53% of the fire incidents in Kent County (per CAD) to which fire fighters were dispatched by the County.

2. That example will result in distributions of the \$2,000,000 to be paid by the KCDA to the City and the County in 2018 for fire dispatching as follows:

a. 53% (\$1,060,000) will be paid to the County, and

b. 47% (\$940,000) will be paid to the City.

3. For the distribution to be made in 2019, the rolling 3-year average will be based on the numbers of the fire incidents in Kent County (per CAD) to which fire fighters were dispatched by each of the PSAPs during the 2016, 2017 and 2018 calendar years.

4. For distributions made in 2023 and following, the Increased Available Funds shall be distributed between the County and the City according to the formula described in paragraph 2.D.

E. Payments shall be made quarterly in March, June, September and December from Available Funds. Payments made in March, June, and September shall be in 1/8 of the amounts to be paid each year (\$593,750 to be apportioned between the City and the County as provided in subsections 2.C and 2.D). Payments made in December shall, to the extent that Available Funds are sufficient, be for the remaining 5/8 of the amounts to be paid in that year (\$2,968,750 to be apportioned between the City and the County as provided in subsections 2.C and 2.D).

F. If there are insufficient Available Funds to make any quarterly payment the KCDA shall reduce the payment to be made to the County and the City by an equal percentage of the payment to be made to each. So, for example, if there are Available Funds to pay only 90% of the payment to be made in March, the City and the County would each receive only 90% of the payments they were to respectively receive in March.

G. If only a partial payment is made in any quarter and there are subsequently Available Funds sufficient to fully make any succeeding quarterly payment and also to pay some or all of the amounts unpaid in a previous quarterly payment, that next succeeding quarterly payment shall be paid in full and any remaining Available Funds shall be paid to the City and the County in accordance with the apportionment provided in subsections 2.C and 2.D to make up for any unpaid amount(s) from any previous quarter(s) where the payment was not made in full.

H. Payments shall be made electronically or by check as the parties may agree. All payment transmissions and receipts shall be acknowledged by e-mail sent to:

For the KCDA:

Policy Board Chair  
Executive Director  
Treasurer

For the County:

County Administrator  
Sheriff  
Finance Director

For the City:

City Manager  
Chief Financial Officer  
Police Chief

3. Ceasing Operations. If either the City or the County ceases to operate a PSAP, payments to the City or the County for any calendar year in which the PSAP ceases operation shall be prorated for as many days as the PSAP was in operation during that calendar year.

4. Quality of Service. The parties agree that, during normal operation of both PSAPs, each PSAP shall answer 95% of calls received on emergency lines within 15 seconds from the first audible ring in the PSAP and shall answer 99% of calls received on emergency lines within 40 seconds from the first audible ring in the PSAP. The parties may also subsequently agree with the KCDA to meet other mutually agreed upon quality of service standards. In addition, the KCDA's Administrative Policy Board has budgeted for and may in subsequent years budget for amounts needed to reimburse the City and the County for the fees and other amounts either incurs to seek and/or obtain accreditation of their respective PSAP by an accreditation agency, entity, or program approved by the Policy Board. But, any amounts budgeted by the KCDA for such reimbursement shall not impair any payments to be made pursuant to section 2 of this Contract.

5. Integrated Asset Management Plan. KCDA has funded and plans to continue to fund needed technology replacements and upgrades related to continued operations of the PSAPs for call taking, fire dispatching, and operation within the MPSCS. In order to effectively budget for those needs, the City and the County will each submit to the KCDA not later than March 31, 2019 (or such other date as the parties may mutually determine) an asset management plan for its respective PSAP that details the current equipment used within the PSAP for call taking, fire dispatching, and operation within the MPSCS, the estimated useful life and planned replacement date for that equipment for call taking, fire dispatching, and operation within the MPSCS, any additional equipment needs for call taking, fire dispatching, and operation within the MPSCS and the dates it will be needed, the costs of needed equipment acquisitions

for call taking, fire dispatching, and operation within the MPSCS, and such other information as the parties determine is needed in such a plan. By June 30, 2019 (or such other date as the parties may mutually determine), the KCDA will then use those respective asset management plans to develop an integrated KCDA asset management plan together with budgetary projections for addressing the asset needs within the plan. All parties shall collaborate in the process of determining future technology-based needs to ensure backup capabilities between the PSAPs are properly planned and executed.

6. Term.

A. This Contract shall take effect on January 1, 2018 and shall expire on December 31, 2028.

B. However, the parties recognize that changes in state laws that significantly limit the amounts or uses of surcharge funds or provide other funding sources for emergency dispatching operations, changes in contractual relationships either the City or the County have with other municipalities, changes in the MPSCS, consolidated or joint dispatching with other counties, changes in the County's 9-1-1 plan, or other significant changes in circumstances may frustrate the purposes of this Contract or the ability of any of the parties to comply with the terms of this Contract. If such circumstances arise, the party(ies) affected by such circumstances shall notify the other party(ies) and all parties shall attempt to address those changed circumstances by mutually agreed upon modifications to this Contract. If the parties cannot agree on mutually acceptable modifications, then a party affected by such circumstance(s) may give at least 1-years written notice of termination of this Contract and this Contract shall terminate on the date provided in that notice.

7. General.

A. This Contract may only be amended or modified in a writing which is signed by all parties.

B. All parties both had the advice of legal counsel in entering into this Contract and both had input into its contents. The captions are for reference only and shall not affect its interpretation. However, the recitals are an integral part of this Contract.

C. This Contract shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. No party may assign any of its rights or delegate any of its duties under this Agreement without the prior written consent of the other parties. There are no other parties intended to be beneficiaries of this Contract.

**[Signed on next page.]**

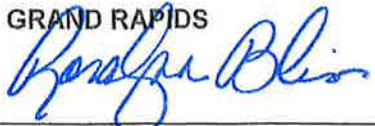
The parties have signed this Agreement as of the date first written above.

**KENT COUNTY DISPATCH AUTHORITY**

By:   
Curtis L. Holt, Chairperson  
Administrative Policy Board

Date signed: JANUARY 25, 2018

**CITY OF GRAND RAPIDS**

By:   
Rosalynn Bliss, Mayor

Attest:   
Joel H. Mondorp, City Clerk

Approved as to form:

  
Department of Law

Date signed: \_\_\_\_\_, 2018

**COUNTY OF KENT**

By:   
Wayman P. Britt  
Administrator/Controller

Attest:

By:   
Lisa Posthumus Lyons, Clerk

Date signed: 2/11/19

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ACCEPTED TO  
COMMISSION

MAR 27 2018

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