ORDINANCE 122588

AN ORDINANCE relating to community advisory councils; authorizing the Superintendent of Parks and Recreation to enter into an agreement with the Associated Recreation Council for the purpose of assisting in planning and implementing recreational activities, life-long learning and other programs for the public, and coordinating and supporting the activities of community advisory councils; amending Sections 18.04.010 and 18.04.050, and repealing Sections 18.04.020, 18.04.030 and 18.04.040 of the Seattle Municipal Code.

WHEREAS, with the encouragement of the Seattle Department of Parks and Recreation ("DPR"), Advisory Councils ("ACs") that are coordinated and supported by the Associated Recreation Council ("ARC") have sponsored programs and activities at DPR facilities, thereby increasing educational and recreational opportunities for Seattle residents; and

WHEREAS, ARC, a non-profit Washington corporation, was established on September 23, 1975, to provide financial management, accounting and material support for ACs and to perform other services requested by the ACs or by DPR; and

WHEREAS, on July 2, 1976, the City Council enacted Ordinance 105655, now codified in part in Seattle Municipal Code ("SMC") Chapter 18.04, which authorizes the Superintendent of DPR ("Superintendent"), among other things, to recognize ACs to assist in planning and implementing public recreational activities and to furnish ACs with certain necessary services, supplies, and facilities; and

WHEREAS, Ordinance 105655 (SMC 18.04.010) also authorizes the Superintendent to contract with ARC as he or she deems appropriate "for the purpose of increasing educational and recreational opportunities for Seattle residents, providing greater public use and enjoyment of the City of Seattle's (City's) parks and recreation system and establishing a variety of activities, and, through a sound system of accounts and records, preserving public confidence in programs and activities offered at City facilities; and

WHEREAS, ARC and DPR entered into a Memorandum of Agreement dated August 17, 1976 ("Original Agreement"), pursuant to which ARC has provided financial management, accounting, and other support for certain programs offered at DPR-owned facilities as ARC evolved to become the governing body for the AC system; and

WHEREAS, during this period the scope of, and revenues from, such programs have experienced dramatic growth and ARC's role has matured and expanded as a result; and

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WHEREAS, in October 2003, at the direction of the Superintendent, DPR, ARC, and the ACs undertook a Partnership Modernization Project, the purpose of which was to better reflect current conditions, including clarification of the parties' roles with respect to program management, human resources, financial management, and marketing and development; and

WHEREAS, the Partnership Modernization Project resulted in the development of a plan for the delivery of recreation services with four primary goals: increase the number of people served; develop sustainable financial resources; develop infrastructure systems to better market and conduct recreation programs; and to provide connections to Seattle's neighborhoods and communities; and

WHEREAS, DPR, ARC and the ACs concurred that these goals can best be achieved by restructuring their partnership to have ARC, on behalf of the Superintendent, manage the AC system as a whole and serve as the formal conduit for communications between ACs and the Superintendent on system-wide issues; and

WHEREAS, the growth in scope of the programs and services provided through the partnership and the resulting expansion of ARC's role, responsibilities, and capabilities now transcend what was originally contemplated some 30 years ago under Ordinance 105655, suggesting the need to update the statutory and contractual underpinnings of the mutually beneficial relationships between DPR, ARC, and the ACs; and

WHEREAS, DPR and ARC now desire to replace the Original Agreement with a new Agreement which sets forth certain principles by which DPR, ARC and, under ARC's management, the ACs will work together to provide recreation and life-long learning programs and services to increased numbers of residents, improve connections to neighborhoods and communities, develop infrastructure systems that support the effective delivery of such programs and services, and develop sustainable financial resources; and

WHEREAS, these principles are all in accordance with the mission of "building community through citizen engagement and participation in recreation and lifelong learning programs," and the vision of providing "equitable, dynamic, and responsive recreation and lifelong learning programs that are a part of the life of every Seattle resident"; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Superintendent and recommended by the Mayor, the Superintendent or his or her designee is authorized to execute, for and on behalf of the City, an agreement substantially in the form of the agreement attached hereto and identified as **Master**

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Services Agreement between The City of Seattle Department of Parks and Recreation and The Associated Recreation Council ("Master Services Agreement"), with any such revisions, additions and amendments mutually acceptable to DPR and ARC, as the Superintendent shall deem advisable in order to carry out the intent of this ordinance.

Section 2. Section 18.04.010 of the Seattle Municipal Code is hereby amended as follows:

18.04.010 Authority of Superintendent of Parks and Recreation.

The Superintendent of Parks and Recreation is authorized to:

A. Undertake or provide for the Associated Recreation Council (called "ARC" in this chapter) on the Superintendent's behalf to r((~~R~~))ecognize advisory councils in the various neighborhood communities of the City (called "community advisory councils" in this chapter)((~~:~~ ~~(1)~~)) to advise and assist the Department of Parks and Recreation (called the "Department" in this chapter) and ARC in performing their((~~its~~)) functions and activities at ((~~its~~))the Department's facilities in such neighborhoods and in planning parks, playgrounds, and other community recreation areas((~~; and (2) to carry out projects and activities as community advisory council recreational programs at facilities which are part of the park and recreational system of the City~~));

B. Provide information, assistance, supplies, and the use of equipment as necessary and appropriate to community advisory councils;

C. Make facilities under the jurisdiction of the Department available for use by ((~~the respective community advisory councils~~))ARC for programs and activities for the general public at charges or rentals which allow for the benefit provided to the Department thereby and grant

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preference in the usage of such facilities ((~~to the respective community advisory council~~))for such programs and activities for the general public over requests by other persons or groups for uses that are not open to the general public;

D. Include information concerning((~~community advisory council recreational~~)) ARC programs for the general public in information and publicity provided to the public as to Departmental operations and/or activities and events occurring at its facilities, and encourage members of the general public to participate in((~~the respective community~~)) ARC member advisory councils as a way of expressing opinions and guiding Departmental and ARC policy and activities at Departmental facilities; and

((~~E. Contract with the respective community advisory councils regarding any of the foregoing, any activities to be undertaken by such agencies at facilities under the jurisdiction of the Department and services and assistance to be provided by the Department in establishing and conducting programs and activities for the general public, any concurrent activities to be undertaken, and such other matters as deemed appropriate and ancillary thereto;~~))

((~~F. Establish minimum criteria for recognition and for withdrawal of recognition of such community advisory councils, and/or for contracting for various types of programs at Departmental facilities, by rules and regulations promulgated in accordance with Ordinance 102228,1 including among other requirements:~~

~~1. A legal structure adequate for a community advisory council to undertake and implement the type of program and activities it plans to undertake at Departmental facilities,~~

~~2. Standards for conducting and planning recreational programs at Departmental facilities,~~

~~3. Satisfactory internal controls, deposit of funds, maintenance of records, and accounting and handling of funds generated by such programs,~~

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~~4. Procedures for reporting on activities and funding,~~

~~5. Maintenance of personnel and payroll records, payment of employment taxes (e.g. social security, unemployment compensation, industrial insurance assessments) and withholding of income taxes, and proof of filing the necessary reports, and~~

~~6. Authorization to City officials, upon notice during reasonable business hours, to examine books and records and make such audits as deemed appropriate; and~~

~~G. Contract with the Associated Recreation Council to provide financial management, accounting, and material support for its member community advisory councils, to provide publicity beyond the capability of the respective community advisory councils, and to provide such other services as do not impair the programs of the community advisory councils; and, in such contract, to provide office space to the Associated Recreation Council at a Department facility and such other services or consideration as necessary and appropriate for the Associated Recreation Council to advise the Superintendent in performing other functions for the Department as shall be agreed upon from time to time by contract; and~~))

E. Contract with ARC to provide recreation and lifelong learning programs and other services and to serve such other functions as ARC and the Superintendent may from time to time agree may be necessary or helpful in expanding educational and recreational opportunities for Seattle residents, and, in so doing, increase public use and enjoyment of Department facilities and improve its overall responsiveness to the public; engage ARC to recognize community advisory councils on behalf of the Superintendent and to provide management services for, coordinate and support its member community advisory councils; and, in recognition of the role played by ARC, support ARC through the provision of information, assistance, services,

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equipment and office space in Department facilities, all as more specifically provided in the Master Services Agreement (called "MSA" in this chapter).

((~~H~~))F. In consultation with ARC, ((~~C~~))call upon ARC and the community advisory councils ((~~and the Associated Recreation Council~~))from time to time for assistance in other matters that further the programs and activities of the Department; all as the Superintendent shall deem appropriate and generally as provided in the MSA for the purpose of increasing educational and recreational opportunities for Seattle residents, providing greater public use and enjoyment of the City's park and recreation system and establishing a variety of activities, and, through a sound system of accounts and records, preserving public confidence in programs and activities offered at City facilities.

Section 3. Section 18.04.020 of the Seattle Municipal Code is hereby repealed in its entirety.

Section 4. Section 18.04.030 of the Seattle Municipal Code is hereby repealed in its entirety.

Section 5. Section 18.04.040 of the Seattle Municipal Code is hereby repealed in its entirety.

Section 6. Section 18.04.050 of the Seattle Municipal Code is hereby amended as follows:

((~~**18.04.050**~~))**18.04.020 Provisions to govern transactions.**

The following provisions shall govern transactions of the Superintendent with the respective community advisory councils and the Associated Recreation Council:

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A. No organization that receives recognition from or on behalf of the Superintendent or conducts programs for the public at City facilities, as authorized in this chapter, shall discriminate in membership or participation in activities upon the basis of race, creed, color, sex, age, national origin, or the presence of a physical, sensory, or mental handicap unless based upon a bona fide inability to perform an assignment or participate in an activity;

B. The Superintendent retains and may exercise the power to regulate and control the amount of fees charged to the general public by any organization authorized in this chapter for participation in any program or activity upon a facility that is under the jurisdiction of the Department; and

((~~C. Services, supplies, and the use of facilities provided by the City to the respective community advisory councils and the Associated Recreation Council shall be paid or accounted for at true and full value, provided, as authorized in this chapter, the Superintendent may take into account the benefits to the City from projects and activities to be provided by the contracting party to the general public and the long-range best interests of the City, and may make allowance therefor in establishing the consideration in an agreement; and~~))

((~~D~~))C. All funds held by the respective advisory councils and/or the Associated Recreation Council which are generated by activities of the community advisory councils at City facilities shall be devoted to projects and activities for the general public, advisory and other activities authorized in this chapter, and expenses incidental hereto.

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Section 7. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 10th day of December, 2007, and signed by me in open session in authentication of its passage this 10th day of December, 2007.

President _____ of the City Council

Approved by me this 13th day of December, 2007.

Gregory J. Nickels, Mayor

Filed by me this 14th day of December, 20__.

City Clerk

(Seal)

Attachment 1: Recreation Services: ARC, Advisory Council, Seattle Parks and Recreation

Exhibit A: Master Services Agreement Between the City of Seattle Department of Parks and Recreation and the Associated Recreation Council

Appendices to Exhibit A:
Appendix I – Child Care Programs Services Agreement
Appendix II – ARC Fundraising Protocol
Appendix III – ARC Employee and Contractor Titles
Appendix IV – Facilities to be Programmed under this Agreement
Appendix V – Pyramid System and Financial Management

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STRATEGIC PLAN FOR RECREATION SERVICES: ARC, ADVISORY COUNCIL, SEATTLE PARKS AND RECREATION

Steering Committee Recommendation/Superintendent Approved 10/05

Values

Citizen Engagement and Participation: Involved citizens make our community and neighborhoods better places to live, raise our families and recreate.
Equitable Access: No matter where they live, who they are or what language they speak Seattle residents deserve to know about and to have a broad range of quality recreation and life long learning opportunities.
People: Residents' interaction with dedicated, diverse and caring staff and volunteers are keys to Seattle's quality of life.
Community: People thrive as individuals when they have a sense of belonging to their community and have opportunities to come together to recreate, socialize and learn.
Accountability: Integrity and transparency of decisions affecting program, finance and people are fundamental to public trust.

Mission

The Associated Recreation Council, its member Advisory Councils and Seattle Parks and Recreation build community through citizen engagement and participation in recreation and life long learning programs.

Vision

We provide equitable, dynamic and responsive recreation and life long learning programs that are a part of the life of every Seattle resident.

Brand Promise

Welcome. This place belongs to each of us.

Target Audience: Seattle residents

Primary	Secondary
Households w/child. 6-17	Pre-school
Senior Adults	Hh w/o children
Ethnic groups	Hh w/o seniors
Special populations	
Low income households	
Special need youth	

ls and Strategies

A: Increase the number of residents served: **1)** Provide quality core recreation and life long learning programs for families with children 6-17, senior adults, special populations, ethnic groups, special needs youth and low income households. **2)** Study current customers and develop consistent methods of tracking numbers and characteristics of residents served and participant satisfaction **3)** Increase the reach of recreation and life long learning programs to residents under served by existing programs, including reviewing operating hours, program offerings, and/or magnet programs
Goal B: Provide connections to the neighborhood and community. 1) Provide welcoming registration, front desk, program and exit experiences. **2)** Host special events to engage community members.
3) Change name of Advisory Councils to a name that is more welcoming and encourages people to join. **4)** Have active and fully engaged Advisory Councils that reflect the community.
Goal C: Develop infrastructure systems that support the effective delivery of recreation and life long learning programs. 1) Implement human resources system(s) that provides understandable, simple and transparent methods of hiring, evaluating, promoting, training and transferring staff. **2)** Improve marketing of recreation and life long learning programs to reach all residents. **3)** Fully implement Class software system. **4)** Improve joint Seattle Parks and Recreation, ARC and Advisory Council planning for recreation and life long learning programs by revising the ARC governance structure and entering into new agreements. **5)** Implement consistent volunteer recognition program.
Goal D: Develop sustainable financial resources. 1) Improve financial planning and accountability. **2)** Increase grants, donations and other non-general fund sources of unearned income. **3)** Increase earned income by setting earned income goals and seeking new income sources such as membership, non-resident pricing & sales.

ROLES TO ACHIEVE STRATEGIC PLAN

PARKS: Accountable to the City's elected officials for the success of all recreation services and the management and maintenance of facilities.

Program:
- Manages recreation programs
- Contracts with ARC for the delivery of recreation programs

Human Resources:
- Hires staff through City hiring process.
- Secures instructors and other recreation providers from ARC.
- Registers and recognizes volunteers

Finance:
- Collects all fees and charges through CLASS system
- Develops joint financial plan with ARC
- Approves all fees charged by ARC

Marketing:
- Provides web site and printing support

Development
- Approves all capital projects.

Maintenance:
- Provides daily and major maintenance

ARC: Provides marketing, development and central services for recreation programs and manages recreation programs.

Program:
- Manages recreation programs: initially DSHS certified day care programs and early learning programs.
- Evaluates and assesses all recreation programs

Human Resources:
- Provides management, marketing, development and ARC program staff through the ARC hiring process.
- Maintains qualified list of instructors and other recreation providers.

Finance:
- Collects funds from Parks, administers grants and donations
- Develops joint financial plan with Parks
- Proposes program fees for approval by Parks

Marketing:
- Provides marketing for all recreation services programs

Development:
- Seeks grants and donations for recreation services

COUNCILS: Provide connection to the community and advocate for the success of recreation services.

Program:
- Review program evaluations and recommend programmatic changes

Human Resources:
- Provide performance input on City and ARC staff and contractors

Finance:
- Develop, review and advise on budgets for specific programs/facilities
- Propose, review and advise on proposed program fees

Maintenance:
- Evaluate maintenance at recreation facilities and advise Seattle Parks on maintenance requirements.

Marketing
- Evaluate ARC marketing program as it affects specific recreation services
- Provide local marketing

Development
- Work with ARC to seek grants and donations
- Host fundraisers and special events to support recreation services
- Conduct capital improvement campaigns

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Exhibit A

MASTER SERVICES AGREEMENT

CITY OF SEATTLE DEPARTMENT OF PARKS & RECREATION

AND

THE ASSOCIATED RECREATION COUNCIL

Dated as of

_____, 2007

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Exhibit A

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Exhibit A

MASTER SERVICES AGREEMENT

CITY OF SEATTLE DEPARTMENT OF PARKS & RECREATION AND THE ASSOCIATED RECREATION COUNCIL

THIS MASTER SERVICES AGREEMENT (this "**Agreement**") is made and entered into effective as of this ____ day of _____, 2007 (the "**Effective Date**"), between the City of Seattle (the "**City**"), by and through its Department of Parks and Recreation ("**DPR**"), and The Associated Recreation Council, a Washington nonprofit corporation ("**ARC**"), collectively, the "**Parties**."

RECITALS

WHEREAS, for several decades, with the encouragement of DPR, Advisory Councils ("**ACs**") in various Seattle communities have been sponsoring programs and activities at DPR facilities and thereby have increased educational and recreational opportunities for Seattle residents; and

WHEREAS, ARC was established on September 23, 1975 to provide financial management, accounting, and material support for ACs and to perform other services requested by the ACs or DPR; and

WHEREAS, on July 2, 1976, the City adopted Ordinance 105655, now codified in part at SMC Chapter 18.04, which authorizes the Superintendent of DPR (the "**Superintendent**"), among other things, to recognize ACs to assist in planning and implementing public recreational activities; to furnish ACs with certain necessary services, supplies and facilities; and to promulgate rules and regulations concerning ACs and for contracting for services and recreational programs; and

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WHEREAS, Ordinance 105655 (SMC 18.04.010) also authorizes the Superintendent to contract with ARC as he or she deems appropriate for the purposes of increasing educational and recreational opportunities for Seattle residents, providing greater public use and enjoyment of the City's parks and recreation system, establishing a variety of activities and, through a sound system of accounts and records, preserving public confidence in programs and activities offered at City facilities; and

WHEREAS, ARC and DPR entered into a Memorandum of Agreement dated as of August 17, 1976 (the "**Original Agreement**"), pursuant to which ARC has been providing financial management, accounting, and other support for certain programs offered at facilities owned by DPR for the past thirty (30) years as ARC evolved to become the governing body for the AC system; and

WHEREAS, during this period, the scope of and revenues from such programs have experienced dramatic growth; and

WHEREAS, in October 2003, at the direction of the Superintendent, DPR, ARC and the ACs undertook a Partnership Modernization Project, the purpose of which was to develop a mission, vision and strategic plan (the Strategic Plan for Recreation Services, attached hereto as Attachment A) to strengthen ARC's role as a "voice for the system as a whole" and to increase responsiveness to system issues; and

WHEREAS, in connection with the completion of the strategic planning process, DPR and ARC now desire to replace the Original Agreement with this Agreement, which sets forth certain principles by which DPR, ARC and the ACs will work together to provide recreation and life-long learning programs and services to increased numbers of residents, improve connections to neighborhoods and communities, develop infrastructure systems that support the effective

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delivery of such programs and services, and develop sustainable financial resources, all in accordance with the mission of "building community through citizen engagement and participation in recreation and lifelong learning programs," and the vision of providing "equitable, dynamic and responsive recreation and lifelong learning programs that are a part of the life of every Seattle resident"; and

WHEREAS, the strategic planning process established that DPR would be "accountable to the City's elected officials for the success of all recreation services and the management and maintenance of facilities," that ARC would "provide marketing, development and central services for all recreation programs and manage certain recreation programs" and that ACs would "provide connection to the community and advocate for the success of recreation services"; and

WHEREAS, the Parties and the public they together serve have benefited from the flexible and collaborative approach to problem solving that historically has defined their relationship and wish to perpetuate and memorialize that approach in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the Parties agree as follows:

DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

(1) "AC Bylaws" mean the bylaws of an ARC-recognized Advisory Council adopted as required under this Agreement.

(2) "AC Charter" means the charter of an ARC-recognized Advisory Council issued by ARC on behalf of the Superintendent, as provided in this Agreement.

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(3) "Advisory Council(s)" or "AC(s)" mean Advisory Councils in various Seattle communities that sponsor programs and activities at Department of Parks and Recreation facilities and recognized by ARC as provided in this Agreement.

(4) "Agreement" means this Master Services Agreement.

(5) "Annual Services Agreement" means the mutually acceptable agreements entered into each year this Agreement remains in effect addressing the matters identified herein in addition to such other matters as the Parties may from time to time agree.

(6) "ARC" means the Associated Recreation Council, a Washington nonprofit corporation.

(7) "Child Care Programs" means those programs subject to the Child Care Programs Services Agreement (Appendix I hereto).

(8) "City" means The City of Seattle, Washington

(9) "DPR" means the Department of Parks and Recreation of The City of Seattle.

(10) "Effective Date" means the date of this Agreement.

(11) "Joint Steering Committee" is the joint ARC/DPR committee established under this Agreement.

(12) "Operating Agreement" means the agreement between an ARC-recognized Advisory Council and ARC providing for Advisory Council operations, as required under this Agreement.

(13) "Original Agreement" means the Memorandum of Agreement dated as of August 17, 1976 entered into by the Associated Recreation Council and the Department of Parks and Recreation.

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(14) "Parties" means the City's Department of Parks and Recreation and the Associated Recreation Council.

(15) "Programs" means the Child Care Programs and the Youth & Adult Programs.

(16) "Superintendent" means the Superintendent of the Department of Parks and Recreation.

(17) "Youth & Adult Programs" means programs that enrich and support youth and adult recreation and life-long learning programs other than the Child Care Programs.

AGREEMENT

1. Responsibilities of ARC. ARC shall undertake the responsibilities set forth in this Section 1.

a. Programs. ARC shall:

(1) Manage and operate school readiness programs for children ages 3-5; child care programs for elementary school-age youth; and out-of-school time programs for middle school-age youth ("**Child Care Programs**") as agreed by ARC and DPR pursuant to a Child Care Programs Services Agreement (attached hereto as Appendix I).

(2) Enrich and support youth and adult recreation and life-long learning programs ("**Youth & Adult Programs**") by providing instructors and fiscal management services as agreed by ARC and DPR in this Agreement and in Annual Services Agreements.

(3) Ensure ARC operates the Child Care Programs and the Youth & Adult Programs (when referred to collectively, the "Programs") in compliance with all applicable laws and regulations, and City and DPR policies, procedures and business practices,

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and that all Programs are open to the public and conform with DPR's goals, objectives and purposes.

(4) Support DPR in opening DPR facilities beyond normal hours of operation to expand the Programs and increase public participation in the Programs. When DPR budgeted resources constrain facility operating hours, ARC shall reimburse the City under reimbursement procedures mutually agreeable to the Parties for hours worked by City staff to admit Program participants to DPR facilities during times when such facilities are not normally open to the general public. Reimbursement shall be at an hourly rate comparable to the hourly rate for the job classification that DPR determines applies to the work, including Federal and State taxes, but excluding any incremental cost of benefits. The maximum total amount of any such reimbursement by ARC for City staff time as provided under this section will be determined by and reflected in the Parties' respective annual budgets. To offset, in whole or in part, the cost of such reimbursements, ARC may charge a supplemental Program fee acceptable to the Superintendent for participation in Programs scheduled to be provided outside normal hours of facility operation. Any such supplemental Program fees will be addressed in the Parties' Annual Services Agreement for the year during which such fees will be charged.

(5) With reasonable promptness following the effective date of this Agreement, propose for collaborative review and DPR approval basic program evaluation methodology and procedures, including the type and basic form of evaluation questions to be asked and an outline of an evaluation summary to be prepared based on the information gathered, for all recreation and life-long learning programs at DPR facilities. Such basic program evaluation methodology and procedures are subject to periodic collaborative review by the Joint Steering Committee. Revisions shall be reflected in Annual Services Agreements for

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implementation during the year for which the Annual Services Agreement is effective. Annual Services Agreements shall include a mutually agreeable evaluation plan that includes the scope of evaluations to be undertaken during the year. The scope shall include the number and types of programs to be evaluated during the upcoming year and the approximate number of evaluations to be solicited from participants in these programs. All evaluations will be undertaken pursuant to the DPR-approved methodology and procedures. The Annual Services Agreement effective for the year immediately following the effective date of this Agreement shall implement the requirements of this Section 1(a)(5) to the maximum extent practicable.

(6) Prepare reports regarding Programs in a form and as frequently as the Superintendent reasonably requests, subject to the accessibility routinely afforded and the quality of data provided by DPR and ARC systems. The Parties will agree on the number, scope and content of reports to be routinely provided to the Superintendent. The Superintendent may require reports in addition to those routinely provided when reasonably necessary to fulfill his or her responsibilities or as specific circumstances may require. The Parties will remain sensitive to the potentially burdensome nature of reporting and will work together to ensure that reporting is necessary and satisfied efficiently, consistent with readily available information and available resources. At a minimum, as soon as practicable after the end of each quarterly accounting period in each fiscal year, and, in any event, within sixty (60) days thereafter, ARC shall deliver to DPR a composite program report. Such report shall contain a summary description of quarterly basic Program data, including the number of classes offered, enrollment levels, number of cancelled programs, ARC administrative overhead and Program financial data.

(7) In collaboration with DPR, ARC shall implement modifications to the Programs including, but not limited to, their staffing, that both reflect the results of

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completed program evaluations and are consistent with the financial requirements and standards of this Agreement. In addition, as necessary or desirable, the Parties also may take actions affecting specific programs or employees or contractors as otherwise provided under this Agreement or as soon as appropriate, following completion and review of any particular program evaluation.

(8) Ensure that all participants in Programs are properly registered through the CLASS or other applicable DPR system by having all instructors take attendance prior to start of each program session and admitting only properly registered individuals.

(9) In cooperation with DPR and ACs, periodically review site utilization information to identify underutilized space, scheduling limitations, undersubscribed or unsubscribed programs or other obstacles to maximizing utilization of space in DPR facilities. The Parties will develop plans to maximize the utilization of space in DPR facilities through measures to address such obstacles, taking into consideration reviews of programs, facility rentals and other facility uses.

(10) Cooperate with ACs and DPR to develop an annual schedule and budget for ARC Programs.

(11) In ARC's discretion, undertake fundraising campaigns benefiting DPR facilities or properties or new or expanded programs. Such fundraising shall be only for projects that the Superintendent has approved in advance and shall be carried out consistent with the provisions of the ARC Fundraising Protocol (attached hereto as Appendix II).

(12) In ARC's discretion, subject to the Superintendent's prior approval, provide or facilitate provision of project advisory and financial management services

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including, but not limited to, fiscal sponsorship, to facilitate capital projects or other fundraising campaigns proposed by ACs and, when possible, "Friends of" or similar groups.

(13) Ensure that neither ARC nor any AC engages in activities not permitted to be carried on by: (a) a corporation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law); and/or (b) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law).

b. Advisory Councils. ARC shall:

(1) Represent the ACs in system-wide financial and programmatic discussions with DPR. To this end, ARC shall regularly garner input from and communicate with individual ACs through a variety of means including, but not limited to, surveys, newsletters and meetings. In consultation with DPR, ARC shall develop agendas for AC Presidents' Council meetings.

(2) Administer the process for recognition of ACs and the appointment of their members on behalf of the Superintendent. Under this Agreement, ARC assumes responsibility for chartering ACs, including rechartering of existing ACs. The charters should reflect that the purpose of ACs is to represent the interests of a particular neighborhood or community by advising DPR and ARC of ways to meet public recreational needs consistent with the goals and objectives of DPR. The form of the ARC AC Charter and an Operating Agreement incorporating model AC Bylaws is subject to review and approval by DPR. Provisions of the Operating Agreement and the model Bylaws may be modified on a case-by-case basis in the discretion of ARC after consultation with DPR to reasonably accommodate unique

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circumstances but such modifications shall not alter or compromise the basic structure of the relationships between DPR, ARC and the ACs embodied in this Agreement or materially affect ARC or AC obligations or responsibilities under the Operating Agreement. With the prior approval of the Superintendent, a new charter shall be issued by ARC to an existing AC when the AC duly authorizes and executes an Operating Agreement with ARC and adopts Bylaws acceptable to ARC. ARC may charter new ACs only with the prior approval of the Superintendent when the prospective AC has duly authorized and executed an Operating Agreement with ARC and adopted Bylaws acceptable to ARC. If the ARC Executive Director is concerned that an AC may be materially violating provisions of its Operating Agreement or its Bylaws, he or she shall work with the affected AC to take corrective action to address the Executive Director's concerns. The ARC Executive Director may withdraw the Charter of any AC after consultation with the ARC Board of Directors and the Superintendent.

(3) Manage the process for appointment and removal of AC members on behalf of the Superintendent. Consistent with the model AC Bylaws, ARC shall appoint all the members of all ACs. Prospective members shall be vetted with DPR pursuant to procedures to be determined by ARC and DPR. AC members may be removed by ARC as provided in the model Bylaws.

(4) Oversee AC compliance with the Operating Agreement and AC Bylaws and work with affected ACs to take corrective action to address concerns that an AC may be materially violating provisions of its Operating Agreement and Bylaws. With reasonable promptness following the effective date of this Agreement the Parties shall develop and implement a protocol for presentation to any AC of any DPR or ARC concerns regarding the AC's compliance with its Operating Agreement and Bylaws, including the manner and

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timeframe to respond and timing for implementation of any corrective action needed. At a minimum, the protocol shall require ARC to respond with a plan to address DPR concerns regarding AC compliance within seven (7) days after ARC is notified of the concern. Unless impracticable, ARC shall not implement any corrective action under this section without first having notified DPR of the proposed action.

(5) Manage and coordinate AC member activities (including orientation, training and periodic workshops for AC members and budget preparation).

(6) As soon as practicable after the end of each calendar year, provide DPR with an annual report on AC individual performance and ARC administrative performance that identifies the past year's fundraising efforts, programming, budgeted income and expenses versus actuals, and any compliance issues. In addition, for each AC, ARC shall provide DPR with a current roster showing the name, address, telephone number and term of each AC member.

(7) Notify DPR of all ARC and AC meetings at which business is to be conducted.

(8) Maintain the official books and records of each AC, including minutes of AC meetings, in a manner that is consistent with the Washington State Public Records Act, Chapter 42.17 RCW.

(9) Perform such other functions or provide such other services as delineated in the Operating Agreement.

c. **Financial.** ARC shall:

(1) Ensure all funds generated by ARC and/or the ACs benefit activities and projects designed to serve the general public and that support the DPR mission.

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(2) Recommend fees for Programs. In aggregate, fees for programming shall be set at a level that will cover expenses and provide a reasonable program support margin to ARC, as shall the fees for each specific program. New, undersubscribed or other specific programs not projected to cover expenses may be provided on a case-by-case basis as included in the annual ARC budget or after consultation with DPR. The Joint Steering Committee shall develop program budgeting standards and principles to ensure uniformity in scope and content across Programs. By applying the agreed upon budgeting standards and principles, program fees shall reasonably reflect program scope and content and be used as a tool to achieve comparability among reasonably similar programs offered at multiple locations, to the maximum extent practicable.

(3) In consultation with DPR, prepare and submit to DPR no later than November 1st of each year during the Term of this Agreement for the upcoming year, a draft annual operating budget for the Programs that includes scholarship allocations for programs as described in Section 1(c)(4), a capital budget for projects in the fundraising stage and/or the development process, new restricted-fund proposals, and an administrative budget describing ARC staffing and related expenses and system-wide administrative expenses, and which describes any currently restricted funds. The ARC annual budget is subject to the Superintendent's review and approval prior to its final adoption by the ARC Board. In developing the approved budget, ARC and DPR, informed by program evaluation reports, will make decisions regarding (i) discontinuation of programs that do not generate a reasonable program support margin or the circumstances under which such programs may be continued; (ii) discontinuation of previously cancelled programs due to under-subscription or the circumstances under which they may be reinstated; (iii) expansion of fully or oversubscribed

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programs; and (iv) such other program measures that may contribute to maximizing utilization of DPR space.

(4) In cooperation with DPR, make a good faith effort within reasonably available resources to ensure that no member of the public is unreasonably denied access to recreational opportunities solely as a result of the inability to pay program fees. In consultation with DPR, ARC shall establish realistic and sustainable goals for scholarship funding for both Youth & Adult Programs and Child Care Programs on a biennial basis, beginning with the 2009-2010 biennium. Biennial goals shall be subject to the review and approval of the Superintendent. Specific amounts of scholarship funding for both Youth & Adult Programs and Child Care Programs shall be reflected in ARC annual budgets and Annual Services Agreements beginning in 2009. For the year 2008, ARC shall allocate scholarship funds for the Programs in an amount not less than ARC scholarship funding available during 2007. Beginning in 2008, ARC shall allocate and include in its annual budget scholarship funds for system-wide non-child care programs and, beginning in 2009, ARC shall allocate and include in scholarship funds for child care programs, in sustainable amounts reasonably acceptable to the Superintendent. Participants will be approved for these scholarships in accordance with the process established and the income guidelines utilized by DPR's Youth Scholarship Office.

Beginning in 2009, all ARC scholarship funds will be awarded to program participants consistent with eligibility guidelines established by the DPR's Youth Scholarship Office. With reasonable promptness following the effective date of this Agreement, the Joint Steering Committee will develop for the Superintendent's review and approval no later than November 2008 policies for the allocation of available scholarship funds among Youth & Adult Programs as well as for the utilization and award of scholarship funds. Among other matters, the

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policies shall prioritize allocation of funding and award of scholarships to programs and program participants when ARC funds can leverage or supplement other funding. The policies shall also ensure that all ARC programs award scholarship funds to financially eligible participants in a uniformly equitable and transparent manner.

(5) ARC shall consolidate unrestricted fund balances as of the date of this Agreement, including fund balances identified with specific Advisory Councils, into a single Consolidated Fund Balance. Unrestricted fund balances include all fund balances held by ARC derived from funds generated by or for the support of ARC or AC programs and from other funds not formally or legally restricted by sponsors, donors and others for specific purposes. ARC shall retain a reasonably prudent Consolidated Fund Balance sufficient to sustain the ongoing operations of ARC and AC's chartered under this Agreement. During 2008 and each fiscal year thereafter, the ARC Consolidated Fund Balance shall not exceed 33 percent of ARC's audited operating expenses for its immediately preceding fiscal year. ARC shall use funds surplus to such standard for the enrichment of the Programs, including but not limited to program and participation enhancements benefiting underserved communities and groups. Beginning in 2009 and thereafter as surplus funds are available, use of any such funds shall be reflected in the ARC annual budget and Annual Services Agreement, as appropriate. AC efforts to raise funds from sources other than fees generated by the Programs shall be subject to the Superintendent's prior approval, as provided in Section 1(f) of this Agreement.

(6) Provide input to DPR regarding the City's capital improvement plan with respect to DPR's recreation facilities.

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(7) Within available resources and subject to DPR approval, fund capital improvements on DPR property or in DPR facilities, as provided in the ARC Fundraising Protocol.

(8) Maintain a workable structure for the exchange of payments with DPR, including through business services agreements entered into from time to time with DPR or Annual Services Agreements.

(9) Maintain true books and records of account in which full and correct entries will be made of all its business transactions pursuant to a system of accounting established and administered in accordance with generally accepted accounting principles consistently applied (except as noted therein), and will set aside on its books all such proper accruals and reserves as shall be required under generally accepted accounting principles consistently applied.

(10) Obtain, at no cost to DPR, an annual independent audit of its books by a certified public accountant. In addition, ARC shall permit the City, from time to time as the City Auditor or the Superintendent deems necessary (including after the expiration or termination of this Agreement), to inspect and audit at any and all reasonable times in King County, Washington, or at such other reasonable location as the City Auditor selects, all of ARC's pertinent books and records to verify the accuracy of accounting records and shall supply the City with, or shall permit the City to make, upon request, a copy of any books and records.

(11) As soon as practicable after the end of the first, second and third quarterly accounting periods in each fiscal year of ARC, and in any event within forty-five (45) days thereafter, furnish DPR with an unaudited balance sheet of ARC as of the end of each such quarterly period, and a statement of income of ARC for such period and for the current fiscal

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year to date, prepared in accordance with generally accepted accounting principles consistently applied (except as noted therein), with the exception that no notes need be attached to such statements and year-end audit adjustments may not have been made.

(12) As soon as practicable after the end of each fiscal year of ARC, and in any event within one hundred fifty (150) days thereafter, furnish DPR with a balance sheet of ARC, as at the end of such fiscal year, and a statement of income and a statement of cash flows of ARC, for such year, all prepared in accordance with generally accepted accounting principles consistently applied (except as noted therein) and setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail. Such financial statements shall be accompanied by a report and opinion thereon by independent public accountants selected by ARC's Board of Directors.

(13) As soon as practicable after the end of each month, and in any event within thirty (30) days thereafter, furnish each AC and the appropriate lead DPR staff member with AC-specific financial monitoring reports reflecting budgeted versus actual amounts for the period.

d. Human Resources. ARC shall:

(1) Recruit qualified applicants and hire, supervise, evaluate and as needed, terminate all ARC employees and contractors. Continued employment of employees and contractors shall be informed by program evaluations performed and reviewed pursuant to Section 1(a)(5) of this Agreement as well as other relevant information. To the extent practicable, ARC agrees to convert the current ARC employees in the categories identified on Appendix III to independent contractor status within an appropriate time period consistent with applicable State and Federal guidelines from the effective date of this Agreement, but in no event

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later than one year from the effective date of this Agreement. The Parties shall continue to work together to resolve to their mutual satisfaction employment issues that may arise over time.

(2) Staff Child Care Programs with ARC employees or contractors in ARC's sole discretion, as more specifically provided in the Child Care Programs Services Agreement.

(3) Recruit and maintain rosters of qualified instructors and other service delivery staff for Youth & Adult Programs. ACs may offer recommendations to ARC for instructors or staff to be included on ARC rosters. ARC shall propose a pool of qualified instructors or staff from its rosters for each ARC Youth & Adult Program to appropriate DPR professional staff for the site at which the program is to be provided. DPR professional staff shall select an instructor or staff person from the proposed pool. ARC shall execute contracts with the selected instructors to perform the designated services.

(4) ARC employees or contractors may also be City employees if such City employees have cognizable special skills needed for the ARC positions which they hold. A City employee shall not be employed by ARC to provide services at a DPR facility at which he or she is employed by the City. Employment by ARC of a City employee shall be subject to such other specific limitations or conditions as the Parties may periodically mutually determine. Prior to hiring a City employee, ARC shall consult with DPR to ensure the proposed hire is consistent with the requirements of this Agreement.

(5) Provide field supervision for ARC employees.

(6) Routinely solicit comments from DPR and appropriate ACs regarding ARC staff performance for use in ARC staff evaluation and employment procedures.

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(7) Establish policies and procedures to promptly investigate and address concerns that DPR staff or citizens raise regarding ARC employees and/or contractors. DPR site staff, on behalf of ARC, will monitor the instructors' adherence to employment or independent contractor services agreement terms and conditions. Any such information shall be reviewed as a feature of individual employee or contractor evaluations. ARC shall promptly notify DPR of any pending or completed personnel issue concerning an ARC employee or contractor involving licensure compliance or the potential for physical harm to program participants or DPR employees. The City may request that ARC exclude any instructor from a City facility or program for material reasons related to the health and safety of program participants or DPR employees. ARC agrees to comply with any such City request within twenty-four (24) hours after receiving it. ARC shall promptly develop and provide to the Superintendent or his or her designee information regarding any instructor whom the City has requested be excluded that ARC reasonably believes suggests that the instructor either should not be excluded or that he or she should be reinstated. The decision of the Superintendent or his or her designee shall be final.

(8) Provide compensation and benefits programs for ARC staff, as determined by ARC in its reasonable discretion.

(9) Provide comments to DPR regarding DPR staff performance as it relates to the operation and efficient running of ARC programs.

(10) In compliance with state and local laws concerning criminal history background checks, investigate all current and potential employees, contractors, volunteers and any other persons whom ARC allows to assist or participate in providing recreation programs to determine whether their backgrounds and employment histories make

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them persons of suitable character and demeanor to interact with program participants. The requirements of this section include, but are not limited to, arranging and conducting periodic background checks of employees and contractors; developing specific questions for employment applications; and obtaining the signatures of persons to be investigated, signifying that they have received notice of the requirement for a background check. ARC shall request a background check of each new employee and contractor from the Washington State Patrol (or its functional successor) or, for those potential employees or contractors whose primary identification is from other than Washington State, the Washington State Patrol's functional equivalent in the relevant state, prior to allowing such person to provide services to the public and, within ninety (90) days from the effective date of this Agreement, shall verify that each of its current employees and contractors has undergone such a background check within the past twelve (12) months (generally on the annual anniversary of initial retention). To the fullest extent permitted by law, ARC shall make such background information available to the City upon request. The Parties further agree that they will cooperate in developing and implementing a protocol for periodic re-investigation of employees and contractors that is consistent with industry practices.

(11) Request the Superintendent's consent before subcontracting any of the work or services covered by this Agreement, except as is expressly allowed herein. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Agreement.

e. Marketing. ARC shall:

(1) Consistent with reasonably available resources, serve as the exclusive provider of marketing services for all DPR and ARC recreation and life-long learning

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programs offered at community centers, pools, environmental learning centers, rowing and sailing centers, the tennis center or through city-wide athletics.

(2) Develop and implement an annual marketing plan, subject to review and approval by DPR, that ensures a satisfactory level of program enrollment is continuously maintained, that availability of opportunity for enrollment is announced through local resource and referral agencies, and that appropriate advertising is purchased in local periodicals. The first such annual plan shall be submitted by ARC for DPR review on or before November 2008 for implementation in 2009.

(3) Employ marketing professionals and staff or engage marketing and advertising firms to assist in the implementation of the marketing plan.

(4) Provide the concept and basic content of ARC-sponsored mass media advertising campaigns to DPR for prior DPR review and approval.

(5) Provide and maintain electronic communication capabilities closely coordinated with DPR, including, when permitted by City information technology guidelines, reciprocally-linked websites and pages. ARC will work with DPR to continuously and cooperatively upgrade DPR's electronic communication capabilities in mutually supportive ways, including facilitating interrelated and interaction capabilities to enable on-line access and utilization by prospective enrollees in their respective programs that is consistently as state-of-the-art as possible.

f. Development. ARC shall:

(1) Solicit grants and donations in support of DPR and ARC recreation programs. When grants or donations are for major new capital assets or improvements that would become City property as provided in the ARC Fundraising Protocol, such grants or

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donations shall be subject to the City's gift acceptance policies. ARC shall obtain the Superintendent's approval prior to soliciting grants or donations for new programmatic initiatives, lines of business or capital projects.

(2) Coordinate any solicitation of grants or donations by ACs and assist with preparation of such solicitations, as appropriate.

(3) Maintain a database of potential donors and grant funders, subject to procedures acceptable to DPR to maintain prospective donor confidentiality, if ARC reasonably determines such confidentiality would be desirable.

(4) Serve as liaison for all ACs to the Seattle Parks Foundation.

g. Program Coordination and Integration.

(1) With reasonable promptness after the effective date of this Agreement, ARC shall, in consultation with the Joint Steering Committee, propose for DPR review and approval (i) a naming convention for the Programs to ensure a consistent approach to the naming of recreational activities and programs; and (ii) standards for setting fees for Programs and activities. The Parties shall make a good faith effort to complete the naming convention and common fee-setting standards for implementation of either or both in 2008, but in no event, later than 2009.

(2) To the extent possible, ARC shall support DPR through close integration of financial systems and routine reporting germane to ARC's role and relationship with DPR, including prompt provision of accurate information reasonably requested by DPR.

2. Responsibilities of DPR. DPR shall undertake the responsibilities set forth in this Section 2.

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a. **Use of Premises and Support Services**. DPR shall:

(1) Provide office space and storage space in its facilities to ARC for its management personnel together with appropriate support staff in reasonably close proximity to DPR personnel with lead responsibility for DPR management of the relationship with ARC and the implementation of this Agreement as DPR and ARC shall agree upon and specify in the Annual Services Agreements. Gross and per person square feet provided shall be consistent with City standards for office space for comparable City personnel. In the event space is provided in City-owned facilities at which DPR would pay no rent or other costs of occupancy, ARC will not be charged rent or other occupancy charges. If space is provided in facilities for which DPR itself would pay rent or other costs of occupancy, ARC shall have the option of paying comparable rent or charges for the DPR-provided space or securing alternate space at its own expense. DPR will maintain the spaces it provides at the same level as other similar DPR spaces.

(2) Subject to periodic review by the Parties as technology and circumstances change, provide ARC access to City services and infrastructure, including-utilities, land-line phone/fax/data service, and access to the information technology network of the City and support from the City for information technology services including maintenance of the ARC-owned server, subject to City-wide and DPR policies concerning access to and use of the City's information technology systems. Such services shall be provided at no cost to ARC for those of its management personnel and support staff whom DPR is providing with office space. For any other services that ARC receives from the City, ARC shall pay the full costs of such services directly to the City department that provides them. ARC recognizes that its use of City services has a direct impact on DPR's budget and therefore ARC agrees to use commercially reasonable best efforts to minimize its use and impacts.

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(3) Provide ARC with access to the DPR CLASS registration system and any functional successor.

(4) Provide space at DPR facilities for Programs and other Superintendent-approved ARC and AC activities at no cost to ARC or the ACs, as agreed to in the Annual Services Agreement. In cooperation with ARC and ACs, periodically review site utilization information to identify underutilized space, scheduling limitations, undersubscribed or unsubscribed programs or other obstacles to maximizing utilization of space in DPR facilities. The Parties will develop plans to maximize the utilization of space in DPR facilities through measures to address such obstacles. The Parties shall cooperate in scheduling programs, classes and other activities to maximize community use, space utilization and revenue generation in DPR recreation facilities. In the event of potential conflicts between DPR and ARC in the use of specific DPR facilities, appropriate ARC and DPR representatives shall make a good faith effort to identify and implement a workable solution that reasonably accommodates both uses, to the extent practicable under the circumstances.

(5) Operate and maintain all DPR facilities used by ARC consistent with all applicable laws and regulations, including providing space for Child Care Programs consistent with applicable licensing requirements.

(6) Provided there is no cost to DPR, actively support and participate in the marketing of recreation programs, including but not limited to (i) posting DPR-approved signage; (ii) distributing DPR-approved announcements, program offerings and promotions; and (iii) closely coordinating electronic communication capabilities, including reciprocally linked websites and pages, as City policy permits. As funding allows, DPR will work with ARC to continuously and cooperatively upgrade their electronic communication capabilities in mutually

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supportive ways, including facilitating interrelated and interactive capabilities to enable on-line access and utilization by prospective enrollees in their respective programs that is consistently as state-of-the-art as practicable.

(7) Include ARC in strategic discussions regarding recreation programs, including ARC participation in any proposed programs that would be new to DPR and/or ARC in the DPR facilities identified individually or by type in the list of Facilities To Be Programmed under this Agreement (attached hereto as Appendix IV). Programs other than DPR-sponsored programs at facilities on the list shall be provided exclusively by ARC or by ARC in addition to or in cooperation with such other organizations as the Parties may agree. DPR and ARC shall collaboratively consider the appropriateness and viability of programming for any new DPR facility. The Superintendent may modify Appendix IV in his or her sole discretion, after providing ARC with reasonable advance notice of a proposed change and providing ARC an opportunity to comment on the proposed change.

(8) Cooperate with ARC to expand Programs and increase public participation in Programs through expanded hours of operation of DPR facilities. When staffed by DPR, such expanded hours should be supported by DPR staff trained and authorized to provide meaningful services to the public and funded through DPR budgeted resources, to the maximum extent possible. DPR, in consultation with ARC, will annually review facility utilization and consider measures to enable the Parties to provide continued and expanded programming and increased public participation on a sustainable basis. Measures to be considered include, but are not limited to, more centralized programming when possible without materially deterring participation and the approval by the Superintendent of a supplemental Program fee to support appropriate DPR staffing of facilities during expanded hours of operation

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for which DPR budgeted resources are unavailable. DPR will also work with representatives of appropriate collective bargaining units representing DPR employees to identify and implement mutually agreeable solutions to appropriately staff facilities during expanded hours of operation of its facilities to reasonably accommodate public demand for Programs beyond the normal hours of operation possible within DPR budgeted resources.

b. AC Recognition. DPR has final authority with respect to the recognition of ACs and will approve the form of Charter for all ACs and the form of an ARC/AC Operating Agreement incorporating model AC Bylaws, as well as appropriate modifications thereto, in its reasonable discretion.

c. Programs. DPR shall:

(1) Have final decision-making authority for all programs, classes and activities occurring at DPR facilities. DPR shall oversee the delivery of the Child Care Programs and coordinate and oversee the delivery of the Youth & Adult Programs.

(2) Approve ARC's program evaluation plan for incorporation into the Annual Services Agreements and participate in Program evaluations, including but not limited to supporting ARC in surveying program participants for joint review by ARC and DPR to assist in the evaluation and management of recreation programs and in the development of refined and new program offerings.

(3) Have the right to terminate any Program after providing ARC with reasonable advance notice of a proposed termination and providing ARC a reasonable opportunity to comment. If requested by ARC, DPR shall consider measures by ARC to address DPR concerns in lieu of program termination.

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d. Financial. DPR shall:

(1) Collect all fees and charges for ARC programs. ARC and DPR shall remit and account for all funds collected in accordance with the procedures described in Appendix V. Collection of fees and charges is the exclusive responsibility of DPR.

(2) In consultation with ARC, review financial plans for Programs, provided, that the Superintendent shall have final decision-making authority with respect to the amount of fees charged to the general public for participation in any program or activity undertaken pursuant to this Agreement.

(3) To the extent possible, support ARC through close integration of financial systems and routine reporting germane to ARC's role and relationship with DPR, including prompt provision of accurate information reasonably requested by ARC.

(4) To the extent possible, consult with ARC regarding financial issues that may affect the Programs. To the extent possible, also provide ARC with advance notice of and an opportunity to comment on City financial decisions that might affect the Programs and consult with ARC regarding appropriate responses. DPR also will work with ARC to mitigate any adverse financial and other consequences of such decisions.

e. Human Resources. DPR shall:

(1) Provide DPR staff to attend AC and ARC meetings and provide such information, assistance, supplies and equipment to ACs as DPR deems appropriate.

(2) To the extent practicable, consult with ARC regarding the placement of key DPR staff at DPR recreation facilities, with final decisions in the sole discretion of DPR.

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(3) Provide ARC with an opportunity to comment on the performance of key DPR staff.

(4) Promptly investigate and address concerns that ARC staff or citizens raise regarding DPR employees. ARC may suggest that the City exclude a City employee from a City facility or program for material reasons related to the health and safety of program participants or ARC employees. DPR shall consider any such suggestions consistent with City personnel policies.

3. **Annual Services Agreements**. ARC and DPR shall enter into a mutually acceptable Annual Services Agreement each year during which this Agreement is in effect. The Superintendent (or his or her functional successor) is authorized to negotiate and execute the Annual Services Agreements on behalf of the City and DPR. To the extent possible, the Annual Services Agreement should attempt to plan for and address biennial budget issues. The Annual Services Agreement shall include but not be limited to the following matters:

a. **Participation Fee**. Determination of the Participation Fee to be paid by ARC to the City for reasonable City overhead, contract management and other services associated with implementation of this and related agreements, consistent with maintaining the affordability of the Programs and the reasonable sustainability of ARC. The amount of the fee shall be reflected in both the ARC and City DPR budgets.

b. **Capital Improvements and Fundraising Initiatives**. Identification of any ARC-funded capital improvements to DPR property or facilities proposed by ARC and approved by DPR.

c. **Program Evaluation Plan**. ARC's approved annual program evaluation plan as described in Section 1(a)(5).

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d. Annual Budget. The approved annual operating budget as described in Section 1(c)(3).

e. Fee Schedule. DPR review and approval of the fee schedule for ARC programs to be offered during the affected year, including any supplemental Program fee authorized under Section 1(a)(4).

f. Joint Steering Committee Referrals. The upcoming work plan for the Joint Steering Committee.

g. Marketing. DPR review and approval of the annual marketing plan, including available plans for mass media advertising campaigns, covering Programs as well as such other DPR recreational activities and programs as the Parties may determine.

4. Joint Steering Committee. The Parties shall establish and jointly charter an advisory Joint Steering Committee. The Superintendent shall name the DPR staff who will represent DPR on the Committee; the ARC Executive Director shall name ARC and AC representatives. The purpose of the Joint Steering Committee will be to facilitate communication between the Parties' representatives; provide a vehicle for the discussion and preliminary resolution of issues referred to it by the Superintendent or by ARC with the consent of the Superintendent; and serve as a forum for vetting relevant policy matters and framing preliminary recommendations to the ARC Executive Director and the Superintendent. The Joint Steering Committee shall meet formally at least twice annually and more frequently as its workload requires. The Joint Steering Committee shall perform the functions specifically identified in this Agreement and such other responsibilities and such other tasks the Parties may refer to it from time to time.

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5. **Waivers**. As appropriate, ARC or DPR shall require and staff shall obtain a signed consent, release and waiver of liability, assumption of risk and indemnity agreement from adult and age appropriate minor participants and a parent/guardian of minor participants in Programs determined by DPR to warrant that such an agreement should be required. Any such agreement shall benefit both Parties to this Agreement and be in a mutually acceptable form.

6. **Nondiscrimination/Compliance with Laws**. ARC shall: (a) comply with all applicable equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and the City of Seattle, including but not limited to Chapters 14.04, 14.10, and 20.42 of the Seattle Municipal Code (SMC), as they may be amended, and rules, regulations, orders, and directives of the associated administrative agencies and their officers; (b) file all required reports and pay all filing fees and federal, state, and local taxes applicable to ARC's business as the same shall become due; and (c) pay all amounts required under local, state, and federal workers' compensation acts, disability benefit acts, unemployment insurance acts, and other employee benefit acts when due. Without limiting the generality of the foregoing, ARC shall not discriminate against any employee or applicant for employment because of race, color, age, sex, marital status, sexual orientation, gender identity, political ideology, creed, religion, ancestry, national origin, or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. ARC shall take affirmative efforts to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, age, sex, marital status, sexual orientation, gender identity, political ideology, creed, religion, ancestry, national origin, or the presence of any sensory, mental or physical handicap. Such efforts shall include, but not be limited to the following: employment;

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upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

7. Notices. All notices and requests required or permitted to be given in connection with this Agreement shall be in writing and shall be deemed given as of the day they are received either by messenger, express delivery service, or in the United States of America mails, postage prepaid, certified or registered, return receipt requested, and addressed as follows, or to such other address as the party to receive the notice or request so designates by written notice to the other consistent with this Section 7:

If to DPR: Seattle Department of Parks & Recreation
Attn: Superintendent
100 Dexter Avenue North
Seattle, WA 98109-5102

If to ARC: The Associated Recreation Council
Attn: Executive Director
860 Terry Avenue North
Seattle, WA 98109

8. Insurance. Throughout the term of this Agreement, ARC will maintain comprehensive general liability insurance covering claims for injuries arising out of any negligent act or omission of ARC or of any of its employees, agents, or subcontractors, with $1,000,000 combined single limits. ARC will submit certificates verifying such coverage to DPR promptly after the Effective Date and upon request thereafter. The City shall be named as an additional insured on such insurance. All insurance certificates shall provide that the insurance carrier will give the City at least thirty (30) days' notice of any cancellation of the policy.

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9. Indemnification.

a. Right to Indemnification. To the extent permitted by law, ARC agrees to indemnify, defend, and hold the City harmless from and against, and to reimburse the City with respect to, any and all losses, damages, liabilities, claims, judgments, settlements, fines, costs, and expenses ("**Indemnifiable Amounts**") of every nature whatsoever incurred by the City by reason of or arising out of or in connection with any breach or default in the performance of any obligation on ARC's part to be performed under the terms of this Agreement or arising out of or relating to any actual or alleged negligent act or omission or willful misconduct of ARC, or any of ARC's officers, agents, employees or contractors ("**Indemnifiable Events**").

To the extent permitted by law, the City agrees to indemnify, defend, and hold ARC harmless from and against, and to reimburse ARC with respect to any and all losses, damages, liabilities, claims, judgments, settlements, fines, costs, and expenses ("**Indemnifiable Amounts**") of every nature whatsoever incurred by ARC by reason of or arising out of or in connection with any breach or default in the performance of any obligation on the City's part to be performed under the terms of this Agreement or arising out of or relating to any actual or alleged negligent act or omission or willful misconduct of the City, or any of the City's officers, agents, employees or contractors ("**Indemnifiable Events**").

The indemnifications to be provided pursuant to this subsection shall survive the expiration or earlier termination of this Agreement.

b. Procedure. With respect to any claims or demands by third parties that relate to Indemnifiable Events and/or Amounts, whenever either party (the "**Indemnified Party**") shall have received a written notice that such a claim or demand has been asserted or threatened, the Indemnified Party shall deliver notice to the other party (the "**Indemnifying**

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Party") of such claim or demand and of the facts within the Indemnified Party's knowledge that relate thereto within the earlier of (a) fifteen (15) days after receiving written notice of the claim or demand, or (b) with respect to arbitration, litigation, or similar proceedings, not less than ten (10) days before the initial date by which the Indemnified Party would be required to file its first substantive response to such action, but in no event less than the amount of time that the Indemnified Party is given to respond to the action. The Indemnifying Party shall then have the right and the obligation to contest, defend, negotiate or settle any such claim or demand through counsel of its own selection, solely at its own cost, risk, and expense.

10. Term and Termination. This Agreement shall commence on the Effective Date and shall continue for a term of ten (10) years. This Agreement shall automatically be extended for up to two five (5) year terms thereafter, unless either party gives notice to the other party at least six (6) months prior to the expiration of the then-current term of its intention not to extend this Agreement. Notwithstanding the foregoing, this Agreement may be terminated by written notice under the following circumstances: (a) a party has breached its obligations hereunder and such breach remains uncured for one hundred twenty (120) days after the non-breaching party has given notice to the breaching party describing such breach or, in the case of a breach by ARC, such other period as the Superintendent may reasonably determine; or (b) either party has defaulted in its obligations under this Agreement on three or more occasions during any consecutive 12-month period.

11. Self-Help. In the event the Superintendent reasonably believes that ARC has caused or permitted any condition to exist that presents an imminent danger to the health and safety of program participants or DPR employees, the Superintendent shall provide notice of such condition to ARC. Within twenty-four (24) hours following receipt of any such notice or

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such other period determined by the Superintendent, ARC shall correct or mitigate the condition to the reasonable satisfaction of the Superintendent. In the event that ARC either intentionally or negligently fails to satisfactorily correct or mitigate the condition within the prescribed time for performance, DPR may itself undertake the prescribed correction or mitigation. ARC shall reimburse DPR for DPR's cost of performing the correction or mitigation. Failure by ARC to correct or mitigate a condition giving rise to the need for DPR self-help as provided herein or failure to reimburse DPR for its costs of performing the correction or mitigation shall represent a default under this Agreement for purposes of possible termination as provided in Section 10(b).

12. Review and Amendment. At least every five (5) years during the term of this Agreement, ARC and DPR will review the terms and conditions of this Agreement and consider in good faith whether any amendments might be necessary to further the purposes of this Agreement.

13. Further Documents or Necessary Action. The Parties shall cooperate and take such action as each party deems appropriate in order to effectuate the transactions contemplated by this Agreement. The Parties agree that authorization for all such action is included in their approval of this Agreement.

14. Authorization and Authority. The governing bodies of the City and ARC have authorized the execution of this Agreement by the Parties and have granted specific authority to the Superintendent (or his or her designee) and the ARC Executive Director (or his or her designee), respectively, to make such determinations, issue such notices, and negotiate and enter into the further agreements contemplated hereby. In addition, from time to time as circumstances warrant, the Parties may negotiate and implement without additional ordinance authority mutually acceptable changes to Agreement appendices that are consistent with this

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Agreement. DPR and ARC therefore represent and warrant that all necessary corporate or statutory actions have been duly taken to permit DPR and ARC to enter into this Agreement and that each undersigned agent has been duly authorized and instructed to execute this Agreement.

15. Legal Relationship. This Agreement does not constitute ARC as the agent or legal representative of the City for any purpose whatsoever. ARC has no express or implied right or authority to assume or create any obligation or responsibility on behalf of or in the name of the City or to bind the City in any manner or thing whatsoever.

16. Public Disclosure Requests. ARC shall establish and train its employees in a protocol for responding to any public disclosure requests that ARC or its employees may receive that ensures such requests are transmitted to the Superintendent's office within twenty-four (24) hours of receipt.

17. Termination of the Original Agreement. The Original Agreement is terminated and superseded by this Agreement when this Agreement becomes effective.

18. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of Washington applicable to agreements made and to be performed in Washington, exclusive of its conflict of law rules.

19. Consistency with Labor Agreements. The Parties intend that this Agreement be construed consistent with applicable City labor agreements as they now exist or may be negotiated in the future. In the event of conflict, the provisions of any such labor agreement shall control.

20. Entire Agreement. This Agreement, including all appendices and the Annual Services Agreements, when executed, contain the entire understanding between the Parties and their successors in interest, to the extent permitted herein, with respect to the subject matter

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hereof, and supersedes any promises or conditions in any other oral or written agreement. No provision of this Agreement may be amended or supplemented except by a written agreement signed by the Parties hereto or their respective successors in interest. In the case of any specific conflict between this Agreement and the Child Care Programs Services Agreement, the Child Care Programs Services Agreement shall control. Provisions contained in any Annual Services Agreement shall control over specifically conflicting provisions contained in this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Master Services Agreement as of the day and year stated above.

DPR:

CITY OF SEATTLE DEPARTMENT OF PARKS AND RECREATION

By _____
Christopher M. Williams
Interim Superintendent

ARC:

THE ASSOCIATED RECREATION COUNCIL

By _____
Anna Martin
Chair, ARC Board of Directors

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APPENDIX I

CHILD CARE PROGRAMS SERVICES AGREEMENT

THIS CHILD CARE PROGRAMS SERVICES AGREEMENT (this "Agreement") is made and entered into effective as of this ____ day of _____, 2007 (the "Effective Date"), between the City of Seattle (the "City"), by and through its Department of Parks and Recreation ("DPR"), and the Associated Recreation Council ("ARC"), a Washington nonprofit corporation collectively, the "Parties." Except where the two agreements conflict, this Agreement incorporates the terms and conditions of the Master Services Agreement (the "Master Services Agreement") entered into effective as of ____ day of _____, 2007, by and between the Parties. This Agreement controls in the event of specific conflict with the MSA.

1. Responsibilities of ARC.

a. General. ARC shall provide such developmentally appropriate programs (the "Child Care Programs") as the parties shall from time to time agree upon at facilities (the "Facilities") specified in the Master Services Agreement. Such programs currently include the following:

(1) Unlicensed school readiness programs for youth from ages three to five;

(2) Licensed school age care programs for elementary school-age youth; and

(3) Unlicensed out-of-school time programs for middle school-age youth.

b. Licenses. ARC shall comply with the terms and conditions of all applicable licenses necessary for the operation of the Child Care Programs, specifically including but not limited to the staffing and operational requirements in "Minimum Licensing Requirements for Childcare Centers Caring Exclusively for School Age Children," or any successor publication or

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other applicable requirements of the Washington State Department of Social and Health Services ("DSHS") and the Washington State Department of Early Learning ("DEL"), including component agencies.

c. Program Operations.

(1) Program Standards. ARC shall conduct all aspects of the Child Care Programs, including ARC's program planning and purchase and handling of food and programmatic materials, in accordance with DPR Qualitative Standards ("Qualitative Standards") and amendments thereto.

(2) Programming. When designing its programs, ARC shall reflect DPR's program emphasis areas as established by the Mayor and DPR from time to time. These program emphasis areas will be identified periodically and included in the Qualitative Standards. Current program emphasis areas are environmental stewardship, healthy activities and cultural relevancy.

(3) Facilities. ARC shall notify both the Facility supervisor and the DPR Out of School Time ("OST") Manager immediately if ARC believes a Facility is out of compliance with licensing requirements or otherwise requires maintenance.

(4) Hours of Operation. ARC shall provide the Child Care Programs during such hours as are agreed to and specified in this Agreement. Unless the Parties agree otherwise, the daily hours of operation for each program shall be as follows, subject to such policies as the Superintendent of Parks and Recreation (the "Superintendent") may approve for special circumstances, such as early release days, in-service days and weather-related school closures:

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a. School readiness programs for youth from ages three to five: each daily program shall be no longer than three and a half hours and shall be conducted between the hours of 8:00 a.m. and 6:00 p.m.

b. School age care programs for elementary school-age youth:

(i) Before School Programs: Two hours immediately prior to each school day, unless a program site has requested and been approved for earlier arrivals.

(ii) After School Programs: Three hours immediately following each school day, unless a program site has requested and been approved for late departures.

(iii) Day Camps: Eleven hours (7:00 a.m. - 6:00 p.m.) each day, unless a program site has requested and been approved for early arrivals and/or late departures.

c. Out-of-school camps for middle school-age youth: camps will be between four and ten hours each day.

(5) Ratios. Staff-to-child ratios shall at all times meet or exceed ratios contained in applicable licensing requirements and Qualitative Standards.

(6) Scholarships.

a. Reimbursement. ARC shall supply DPR with attendance documentation in a timely manner in order to obtain scholarship reimbursement from DSHS and other agencies or sources.

b. ARC Scholarship Funds. As required under the Master Services Agreement, ARC shall establish, in consultation with DPR, realistic and

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sustainable biennial goals for scholarship funding to be reflected in ARC annual budgets beginning in 2008.

(7) Human Resources. High-quality staff and low employee turnover are of the utmost importance in creating a beneficial environment for children. Staff salaries, benefits, training and working conditions shall reflect a concern for the recruitment and retention of high-quality personnel. Consistent with these principles, ARC shall:

a. Recruit, hire, supervise, evaluate and, when appropriate, terminate ARC employees.

b. In addition to the requirement that all ARC Child Care Program staff have passed a Washington State Patrol background check (or its equivalent) as provided in Section 1(d)(10) of the Master Services Agreement, ensure that all staff employed in any DSHS licensed Child Care Program also have passed a DSHS background check. If a new staff person has passed the Washington State Patrol background check, such staff may begin work as soon as complete DSHS background check materials have been submitted, but continued employment is subject to passing the pending DSHS background check within the time reasonably expected for (DSHS) processing.

c. Provide supervision for ARC Child Care Program staff. At a minimum, each Facility shall have a Child Care Program Director or staff person designated as Program Lead who shall be on-site at all times when the program is operating to act on ARC's behalf.

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d. Routinely solicit comments from DPR and appropriate Advisory Councils regarding ARC staff performance for use in ARC staff evaluation and employment procedures.

(8) Supplies. ARC shall provide all supplies such as toys, art supplies and curriculum materials, and food. The City may, at its option, provide additional equipment, materials and supplies to support the programs. All supplies, equipment and materials that ARC purchases for a Facility shall remain with that Facility and be surrendered to the City at the expiration or termination of this Agreement, unless the Parties agree otherwise. Food and other programmatic materials shall meet Qualitative Standards and, where applicable, licensing requirements. The cost of providing consumables shall be included in the program fees.

(9) Safety and Security. ARC shall comply with all safety and security policies and procedures now in effect or hereafter promulgated by DPR, the City, or Washington State. Relevant policies and procedures include, but are not limited to, the following: (i) incident and accident reporting; (ii) trip and travel guidelines; (iii) emergency management procedures; (iv) fire and evacuation drills; (v) maintaining and assuring accessibility of medical and emergency contact lists for both participants and staff; (vi) review and monitoring of sex offender bulletins; (vii) notification of Facility maintenance needs; and (viii) transporting program participants.

d. Quality Assurance.

(1) Program Evaluations. ARC shall develop and implement an annual evaluation plan of Child Care Programs by Advisory Councils, DPR staff, and participant parents and guardians through customer satisfaction surveys in a manner consistent with the requirements and procedures of the Master Services Agreement.

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(2) Annual Report. On or before October 31st of 2008 and each year thereafter, ARC shall submit to DPR an annual report describing the immediately preceding school year and summer programs. In addition to such other specific information as the Superintendent may require, the report shall include, at a minimum: (i) enrollment and attendance data; (ii) a summary of Child Care Programs marketing activities; (iii) program staffing information such as turnover rates, participation in professional development and training programs, and pay ranges; (iv) a summary of ADA accommodation or special needs requests and actions; (v) a scholarship funding report; and (vi) a summary of applicable program evaluations.

(3) Program Audits. ARC shall participate in and promptly take all necessary actions to resolve issues identified through DPR or third-party program audits.

(4) Notification. ARC shall notify DPR's designee within one business day of any ADA accommodation requests in order to develop a coordinated resolution. Recognizing DPR is the license holder and therefore the primary point of contact with DSHS/DEL and other reporting agencies, ARC shall provide the DPR designee with advance notice of any impending visits or requests for information from licensing agencies. When advance notice is not practicable, ARC shall notify the DPR designee at the time of any such visit or request is made. ARC shall promptly notify DPR of any reports, findings, action plans or other official communications received from licensing agencies.

(5) Requests for Information. ARC shall supply DPR with such other information relating to the operation of the Child Care Programs as the Superintendent may reasonably request from time to time, within ten business days of the request or such other time period as the Parties may agree.

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2. **Responsibilities of DPR.**

a. **Licenses.** Except for ARC's business license, the City shall secure and maintain during the term of this Agreement, all licenses, permits and similar legal authorizations necessary to conduct the Child Care Programs.

b. **Facilities.** DPR shall operate and maintain all Facilities consistent with applicable licensing requirements, DPR's customary standards for such Facilities, and DPR's licensed childcare operating agreement with DSHS/DEL.

c. **Qualitative Standards.** DPR shall provide to ARC its Qualitative Standards, including program emphasis areas that govern Child Care Programs. DPR may amend the Qualitative Standards only after consulting ARC and offering ARC a reasonable opportunity to comment on proposed changes.

d. **Scholarships.** DPR shall fund Child Care Program scholarships at a level established by the Mayor and City Council in DPR's biennial budget. DPR shall qualify all participants for scholarship and coordinate the reimbursement process for all child care scholarships utilizing attendance and other required data provided by ARC.

e. **Program Audits.** DPR will arrange program audits to ensure compliance with applicable licensing requirements and Qualitative Standards. In a timely manner, DPR shall provide ARC with audit results. Corrective action necessary to resolve audit findings shall be promptly implemented by the Parties consistent with their respective responsibilities under any applicable licensing requirements and the Qualitative Standards.

3. **Coordinated Activities.**

a. **Enrollment.** DPR shall establish enrollment policies and shall register participants for Child Programs upon receipt of completed registration packets from ARC. ARC

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staff shall provide parents and guardians interested in enrolling their children in Child Care Programs with intake services consisting of, among other things, a program orientation, an explanation of child and parent expectations, and paperwork and payment requirements for enrollment. Registration packets shall be returned to the front desk of the facility at which the program is provided for processing by DPR. Once DPR receives a complete enrollment packet, DPR will register the participant and provide the relevant documentation to ARC.

Admission to all programs shall be on a "first come, first served" basis based on DPR's receipt of complete enrollment packets and payment in full, or as established in the scholarship allocation policy. DPR shall establish and maintain enrollment and scholarship waiting lists and enroll from the lists as slots become available.

ARC shall track attendance for all Child Programs and shall not serve participants who are not included on the participant list maintained in the City's registration system and have not paid enrollment fees in full. Enrollees may be considered paid in full if they are on an approved accounts receivable payment plan and are current in making expected payments or payment is confirmed to be made from an approved scholarship provider.

DPR shall have final decision-making authority with respect to participation in all Child Programs.

b. Fees Development and Approval. For the following academic year (i.e., September through August) for all Child Care Programs, ARC shall propose all-inclusive fees to DPR no later than November 1. Such fee proposals shall comply with the standards for fees provided in the Master Services Agreement unless the parties agree otherwise. DPR shall respond to ARC's proposed fees no later than December 1. If DPR disagrees with any element of ARC's fee proposal, the Parties shall collaborate to resolve DPR concerns. In the event a

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mutually acceptable fee proposal is not achieved by December 15, the Superintendent shall make the final decision. ARC shall issue DPR-approved fee schedules for the following academic year to parents no later than March 15. ARC may at any time petition DPR for changes in Child Care Program fees to maximize participation; encourage access to Child Care Programs for underserved children; preserve Child Care Program viability; or for other good and appropriate reasons.

This timeline may be modified by the Parties as needed to respond to marketing and enrollment requirements such as deadlines for publication of program offering brochures, but the basic process prescribed shall apply to whatever timeline the Parties establish.

c. **Monthly Coordination Meetings**. Representatives of the Parties shall conduct coordination meetings monthly. ARC may propose discussion topics for such meetings and DPR will establish the agendas.

4. **Termination**. This Agreement may be terminated by written notice under the following circumstances: (a) a party has breached its obligations hereunder and such breach remains uncured for one hundred twenty (120) days after the non-breaching party has given notice to the breaching party describing such breach or, in the case of a breach by ARC, such other period as the Superintendent may reasonably determine; or (b) either party has defaulted in its obligations under this Agreement on three or more occasions during any consecutive 12-month period.

5. **Self Help**. In the event the Superintendent reasonably believes that ARC has caused or permitted any condition to exist that presents an imminent danger to the health and safety of program participants or DPR employees or that violates any material license term, the Superintendent shall provide notice of such condition to ARC. Within twenty-four (24) hours following receipt of any such notice or such other period determined by the Superintendent,

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ARC shall correct or mitigate the condition to the reasonable satisfaction of the Superintendent. In the event that ARC either intentionally or negligently fails to satisfactorily correct or mitigate the condition within the prescribed time for performance, DPR may itself undertake the prescribed correction or mitigation. ARC shall reimburse DPR for DPR's cost of performing the correction or mitigation. Failure by ARC to correct or mitigate a condition giving rise to the need for DPR self help as provided herein or failure to reimburse DPR for its costs of performing the correction or mitigation shall represent a default under this Agreement for purposes of possible termination as provided in Section 4(b).

6. Amendment.

This Child Care Programs Services Agreement may be amended by mutual agreement of the Parties. The Superintendent of DPR or his functional successor is authorized to negotiate and execute amendments on behalf of the City and DPR.

DPR:	**ARC:**
CITY OF SEATTLE DEPARTMENT OF PARKS AND RECREATION	THE ASSOCIATED RECREATION COUNCIL
By _____ Christopher M. Williams Interim Superintendent	By _____ Bill Keller, Executive Director

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APPENDIX II

ARC FUNDRAISING PROTOCOL

1. **Capital Improvements and Alterations.**

a. **Improvements and Alterations, Generally.** In the Associated Recreation Council's (ARC) discretion and following project approval by the Department of Parks and Recreation (DPR), ARC may undertake fundraising for capital projects benefiting DPR facilities or properties and provide financial management services, including but not limited to fiscal sponsorship, to facilitate such capital projects proposed by "Friends of" or similar groups, when possible.

b. **DPR Design Standards and Approval.** Any designs for alterations or capital improvements to DPR facilities or DPR property undertaken or facilitated by ARC shall be designed to DPR standards and are subject to prior DPR design review and approval, pursuant to then-current applicable DPR procedures. All costs of design review and project management shall be included in project expenses and paid out of project funds.

c. **Limitation on Fundraising for Capital Improvements and Alterations.** ARC shall not under any condition commence any fundraising for any capital improvement or alteration to DPR facilities or DPR property that is subject to the approval of any other City of Seattle (City) department, commission or agency, when such approval has not been obtained.

d. **Title to Improvements.** Except as otherwise provided in this Agreement, all appurtenances, fixtures, improvements, equipment, additions and other property attached to or located in City premises during the term of the Master Services Agreement shall be and remain the property of the City and shall not be removed by ARC without approval of the Superintendent of Parks and Recreation (Superintendent).

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e. **ARC's Personal Property**. All equipment, furnishings, materials and supplies related to ARC's administrative functions shall remain ARC property.

2. Other Fundraising.

In ARC's discretion and with DPR's prior approval, ARC may undertake fundraising activities benefiting DPR programs or new recreation program initiatives and provide financial management services, including but not limited to fiscal sponsorship, to facilitate such fundraising activities proposed by "Friends of" or similar groups, when possible.

3. Approval Process.

Whenever ARC or a member Advisory Council is considering funding a new capital improvement or programmatic initiative, the ARC Executive Director shall provide the Superintendent with a written proposal that includes: (a) the purpose of the improvement or initiative; (b) a development plan, including any fundraising and sponsorship proposals; (c) a marketing and communications plan for disseminating information about the improvement or program; (d) a project timeline; and (e) a sustainability/financing plan to assure the continuing viability of the improvement or program. In determining whether to approve any new initiative, DPR may consider, among other things, the operations and maintenance impact of the project on DPR's budget; financial sustainability; the equity of the proposal from a system-wide perspective; and consistency of the project with DPR's mission, vision and goals.

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APPENDIX III

ARC EMPLOYEE AND CONTRACTOR TITLES[1]

Employee
Accountant
Accounting Assistant
Accounting Manager
Accounts Payable Specialist
Administrative Assistant
Administrative Coordinator
Child Care Assistant Director
Child Care Counselor and Lead
Child Care Counselor (Jr.)
Child Care Program Aide
Child Care Site Director
Child Care Program Director
Executive Director
Field Supervisor
Human Resources Manager
Human Resources Specialist
IT Support Coordinator
Payroll Specialist
Preschool Assistant
Preschool Director
Preschool Teacher
Preschool Program Aide
Program Coordinator
Publications Coordinator
RecTech Site Lead
TechNet Site Leader
RecTech/TechNet Program Aide
Technology Program Coordinator
Teen Camp Counselor
Teen Camp Director
Teen Camp Program Aide

Independent Contractor
Instructor (includes coach)
Sports Official

Current employees grandfathered with benefits
Marilyn Johnston (instructor)

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[1] Additional titles may be added upon mutual agreement of parties.

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APPENDIX IV

FACILITIES TO BE PROGRAMMED UNDER THE MASTER SERVICE AGREEMENT

Alki Community Center
Ballard Community Center
Bitter Lake Community Center
Camp Long Environmental Learning Center
Carkeek Park Environmental Learning Center
Delridge Community Center
Discovery Park Environmental Learning Center
Garfield Community Center
Green Lake Community Center
Green Lake Small Crafts Center
Hiawatha Community Center
High Point Community Center
International District/Chinatown Community Center
Jefferson Community Center
Langston Hughes Performing Arts Center
Laurelhurst Community Center
Loyal Heights Community Center
Magnolia Community Center
Meadowbrook Community Center
Miller Community Center
Montlake Community Center
Mount Baker Rowing and Sailing Center
Northgate Community Center
Queen Anne Community Center
Rainier Community Center
Rainier Beach Community Center
Ravenna-Eckstein Community Center
Seattle Japanese Garden
South Park Community Center
Southwest Community Center
Van Asselt Community Center
Yesler Community Center

ARC will also play a support role in the following facilities and program areas:
Amy Yee Tennis Center
City Wide Lifelong Recreation Programs
City Wide Special Populations Programs
City Wide Sports Programs
Magnuson Community Center

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APPENDIX V

PYRAMID SYSTEM and FINANCIAL MANAGEMENT

SECTION 1. PURPOSE OF APPENDIX

The purpose of this Appendix is to clarify roles, responsibilities and procedures for financial management and cash-handling for program activities that are administered by the Associated Recreation Council (ARC) in Department of Parks and Recreation (DPR) facilities pursuant to the Master Services Agreement, including public registration, facility rentals and programming fees.

SECTION 2. ROLES OF PARTIES

ARC shall perform the following duties:

- ARC will, in a timely manner, deliver payments to DPR for ARC and Advisory Councils (ACs) approved and funded scholarship expenditures. In most cases, DPR will have previously paid ARC these funds at the time of customer registration.

- ARC shall institute controls to ensure that all funds collected for programs, classes and activities by or on behalf of ACs at locations outside the City of Seattle (City) control are delivered to DPR staff for recognition through the Pyramid system and deposit into the City treasury. Grants and donations may be delivered to the ARC Accounting Manager for processing.

DPR shall perform the following duties:

- DPR will deposit ARC program and other ARC-related fees that are collected by DPR into the City's bank account.
- DPR will make its best effort to transmit ARC funds to ARC via a check sent in the US mail within 4 City business days from entry in the CLASS system. This level of performance will be met 90% or more of the time. This timing is illustrated by the following:
    - Revenue earned (customers register) — Day 1
    - Revenue earned (customers register) — Day 2
    - Process voucher (initiate transmittal) — Day 3 (Monday, Wednesday, Friday)
    - Mail check via US Postal Service — Day 4
    - ARC will typically receive the check on — Day 5
- DPR will process refunds relating to customer withdrawals from programs or other types of cancellations of services; ARC may retain associated administrative or processing fees, as provided in DPR policies.

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- DPR will pay for the following expenses related to ARC revenue collected by DPR:
    - NSF checks.
    - Underpayment from third party organizations caused by DPR staff errors.
    - Cash shortages and overages unless determined to be the fault of an ARC employee.
- DPR will assume responsibility for all unapproved accounts receivable. Approved accounts receivable such as third-party reimbursements (scholarships, grants, etc) will be adjusted based on actual reimbursements received.
- DPR will absorb other costs related to operating the single bank account including, but not limited to:
    - Accounting costs for collecting, processing, reconciling and reporting of ARC revenue.
    - Transmitting funds to ARC.
    - Collecting of dishonored payments.
    - Reconciling deposits.
    - Researching and resolving cash-handling problems.
- DPR will invoice ARC quarterly for credit card fees, excluding terminal and supply fees. Credit card fees will be allocated between DPR and ARC based on total revenues received by each organization for the quarter to which the fees apply.
- Upon request, DPR will grant ARC reasonable access to City books related to deposits and revenue distribution from the CLASS System.
- DPR will provide and maintain CLASS software on ARC computers with access to all site transactions and relevant financial records stored in CLASS.
- DPR will make its best effort to provide ARC with reporting capabilities that will allow ARC to conduct its business including, but not limited to the following:
    - Report by both site and ARC account number (income category) so that ARC can distribute revenue to advisory councils.
    - Class rosters.
    - Class enrollment by activity.
    - Detailed and summarized financial reports.
    - Facility Utilization Reports.
- DPR is responsible for system configuration, maintenance and operation including, but not limited to, the following:
    - To the best of its ability, DPR will accommodate the necessary updates of ARC account codes to the CLASS System without making the system excessively cumbersome or labor intensive to operate.

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- DPR has final authority regarding system configuration and all codes.

- DPR will establish and maintain change funds.
- DPR will assume the expected costs that result from the implementation of a single bank system.

SECTION 3. MUTUAL RESPONSIBILITIES OF PARTIES

- DPR, to the extent DPR staff resources are available, will work with ARC to improve reporting methods including electronic reporting uploads.

- DPR will include appropriate ARC staff in ongoing CLASS System training.

SECTION 4. PAYMENT

- DPR shall make payments to ARC based on revenue as recognized by the CLASS system. The main recognitions events are:
  1. Program registration without a payment plan – at the time of registration.
  2. Program registration with a payment plan – at the earlier of the payment coming due or the customer paying on the amount due. (Typically applies to out-of-school programs).
  3. Deposits for out-of-school programs – the same as other payments made on a payment plan. (Deposits are treated as a prepayment fee and therefore follow the same rules as other fee based revenue).
  4. Facility Booking extra fees due to ARC - typically, on the day the booking occurs.
  5. Point of Sale – on the day the sale occurs.

- Payments to ARC will be reduced to reflect customer withdraws from programs, cancellations of rentals, or returns of items/services sold. The same rules used for revenue recognition apply to withdrawals.

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Form revised December 4, 2006

FISCAL NOTE FOR NON-CAPITAL PROJECTS

Department:	Contact Person/Phone:	DOF Analyst/Phone:
Parks and Recreation	Michele Finnegan / 684-7157	Jennifer Devore / 615-1328

Legislation Title:
AN ORDINANCE relating to community advisory councils; authorizing the Superintendent of Parks and Recreation to enter into an agreement with the Associated Recreation Council for the purpose of assisting in planning and implementing recreational activities, life-long learning and other programs for the public, and coordinating and supporting the activities of community advisory councils; amending Sections 18.04.010 and 18.04.050, and repealing Sections 18.04.020, 18.04.030 and 18.04.040 of the Seattle Municipal Code.

- **Summary of the Legislation:** The proposed legislation authorizes the Superintendent of Parks and Recreation (Superintendent) to enter into a new Master Services Agreement (MSA) with the Associated Recreation Council (ARC). The current agreement between the Department of Parks and Recreation (DPR) and ARC is authorized under a 1976 Ordinance (105655). This proposed legislation also amends certain sections of the DPR Park Code that were codified as part of that Ordinance.

- **Background:** The existing relationship between DPR and ARC and its member Advisory Councils (ACs) was authorized in 1976 by Ordinance 105655. Since that time, the partnership has grown to encompass programs at 26 community centers, four environmental learning centers, three city-wide programs, one tennis center, two boating facilities, and two arts and culture facilities.

  In October 2003, former Superintendent Ken Bounds launched an initiative with the ARC Board and the ACs to modernize this partnership in such a manner as to allow for efficient and effective decision-making on system-wide issues, while still encouraging unique recreational programming at the local level. A steering committee composed of DPR staff, ARC board members, and AC members worked together to create a strategic plan for the delivery of recreation services.

  This proposed agreement sets forth certain principles by which DPR, ARC, and (under ARC's management) the ACs, will work together to provide recreation and life-long learning programs and services to increased numbers of residents, to improve connections to neighborhoods and communities, to develop infrastructure systems that support the effective delivery of such programs and services, and to develop sustainable financial resources, all in accordance with the strategic plan's mission of "building community through citizen engagement and participation in recreation and lifelong learning programs," and the vision of providing "equitable,

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dynamic and responsive recreation and lifelong learning programs that are a part of the life of every Seattle resident."

- *Please check one of the following:*

____ **This legislation does not have any financial implications.** (*Stop here and delete the remainder of this document prior to saving and printing.)*

_X_ **This legislation has financial implications.** *(Please complete all relevant sections that follow.)*

Notes: There is no additional revenue/reimbursement anticipated from this legislation. This agreement continues the existing revenue reimbursement relationship between DPR and ARC. Funding for ARC's services is included in the 2008 Proposed Budget.

- **What is the financial cost of not implementing the legislation?** Not implementing this legislation would result in DPR and ARC continuing to operate under the existing agreement. The financial impact of that is difficult to quantify. The existing agreement does not represent the current roles and responsibilities of either entity. For example, it does not reflect the system-wide roles for ARC outlined in this agreement, such as providing marketing and program evaluation for all recreation programs. It could result in the City of Seattle (City) having to take on those roles and would require additional implementation funding.

- **What are the possible alternatives to the legislation that could achieve the same or similar objectives?** The City could choose not to enter into this agreement with ARC, but instead provide all public recreation programs and related services itself. However, it would not continue the community involvement ethic that this relationship provides and would require considerable additional positions and funding to implement.

  Is the legislation subject to public hearing requirements: This legislation is not subject to a public hearing. The advisory council volunteers have been kept up-to-date on this process through regular meetings with the ARC Board. In addition, the Board of Park Commissioners was briefed on this issue earlier in 2007.

  Other Issues: Under this agreement, the City will continue to provide space and infrastructure support to ARC at no cost.

Please list attachments to the fiscal note below: None

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City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

November 20, 2007

Honorable Nick Licata
President
Seattle City Council
City Hall, 2nd Floor

Dear Council President Licata:

I am pleased to transmit the attached proposed Council Bill, which authorizes the Superintendent of the Department of Parks and Recreation (DPR) to enter in to a new Master Services Agreement with the Associated Recreation Council (ARC). The proposed agreement will modernize the partnership between DPR and ARC in such a manner as to allow for more efficient and effective decision-making on system-wide issues while still encouraging unique recreational programming at the local level.

The existing relationship between DPR and ARC and its member Advisory Councils (ACs) was authorized by ordinance in 1976. Since that time, the partnership has grown tremendously. In October 2003, DPR launched an initiative with ARC and the ACs to modernize the partnership between them. A Steering Committee composed of DPR staff, ARC board members, and AC members worked together to create a strategic plan for the delivery of recreation services.

Consistent with that strategic plan, the proposed agreement sets forth certain principles by which DPR, ARC and, under ARC's management, the ACs, will work together to provide recreation and life-long learning programs and services to increased numbers of residents. The partnership between the entities will help to improve connections to neighborhoods and communities, develop infrastructure systems that support the effective delivery of programs and services, and identify sustainable financial resources.

Thank you for your consideration of this legislation. Should you have questions, please contact Michele Finnegan at 684-7157.

Sincerely,

GREG NICKELS
Mayor of Seattle

cc: Honorable Members of the Seattle City Council

600 Fourth Avenue, 7th Floor, P.O. Box 94749, Seattle, WA 98124-4749
Tel: (206) 684-4000, TDD: (206) 684-8811 Fax: (206) 684-5360, Email: mayors.office@seattle.gov
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Exhibit A

MASTER SERVICES AGREEMENT

CITY OF SEATTLE DEPARTMENT OF PARKS & RECREATION

AND

THE ASSOCIATED RECREATION COUNCIL

Dated as of

_____, 2007

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Exhibit A

MASTER SERVICES AGREEMENT

CITY OF SEATTLE DEPARTMENT OF PARKS & RECREATION AND THE ASSOCIATED RECREATION COUNCIL

THIS MASTER SERVICES AGREEMENT (this "**Agreement**") is made and entered into effective as of this ____ day of _____, 2007 (the "**Effective Date**"), between the City of Seattle (the "**City**"), by and through its Department of Parks and Recreation ("**DPR**"), and The Associated Recreation Council, a Washington nonprofit corporation ("**ARC**"), collectively, the "**Parties**."

RECITALS

WHEREAS, for several decades, with the encouragement of DPR, Advisory Councils ("**ACs**") in various Seattle communities have been sponsoring programs and activities at DPR facilities and thereby have increased educational and recreational opportunities for Seattle residents; and

WHEREAS, ARC was established on September 23, 1975 to provide financial management, accounting, and material support for ACs and to perform other services requested by the ACs or DPR; and

WHEREAS, on July 2, 1976, the City adopted Ordinance 105655, now codified in part at SMC Chapter 18.04, which authorizes the Superintendent of DPR (the "**Superintendent**"), among other things, to recognize ACs to assist in planning and implementing public recreational activities; to furnish ACs with certain necessary services, supplies and facilities; and to promulgate rules and regulations concerning ACs and for contracting for services and recreational programs; and

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WHEREAS, Ordinance 105655 (SMC 18.04.010) also authorizes the Superintendent to contract with ARC as he or she deems appropriate for the purposes of increasing educational and recreational opportunities for Seattle residents, providing greater public use and enjoyment of the City's parks and recreation system, establishing a variety of activities and, through a sound system of accounts and records, preserving public confidence in programs and activities offered at City facilities; and

WHEREAS, ARC and DPR entered into a Memorandum of Agreement dated as of August 17, 1976 (the "**Original Agreement**"), pursuant to which ARC has been providing financial management, accounting, and other support for certain programs offered at facilities owned by DPR for the past thirty (30) years as ARC evolved to become the governing body for the AC system; and

WHEREAS, during this period, the scope of and revenues from such programs have experienced dramatic growth; and

WHEREAS, in October 2003, at the direction of the Superintendent, DPR, ARC and the ACs undertook a Partnership Modernization Project, the purpose of which was to develop a mission, vision and strategic plan (the Strategic Plan for Recreation Services, attached hereto as Attachment A) to strengthen ARC's role as a "voice for the system as a whole" and to increase responsiveness to system issues; and

WHEREAS, in connection with the completion of the strategic planning process, DPR and ARC now desire to replace the Original Agreement with this Agreement, which sets forth certain principles by which DPR, ARC and the ACs will work together to provide recreation and life-long learning programs and services to increased numbers of residents, improve connections to neighborhoods and communities, develop infrastructure systems that support the effective

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delivery of such programs and services, and develop sustainable financial resources, all in accordance with the mission of "building community through citizen engagement and participation in recreation and lifelong learning programs," and the vision of providing "equitable, dynamic and responsive recreation and lifelong learning programs that are a part of the life of every Seattle resident"; and

WHEREAS, the strategic planning process established that DPR would be "accountable to the City's elected officials for the success of all recreation services and the management and maintenance of facilities," that ARC would "provide marketing, development and central services for all recreation programs and manage certain recreation programs" and that ACs would "provide connection to the community and advocate for the success of recreation services"; and

WHEREAS, the Parties and the public they together serve have benefited from the flexible and collaborative approach to problem solving that historically has defined their relationship and wish to perpetuate and memorialize that approach in this Agreement;

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, the Parties agree as follows:

DEFINITIONS

As used in this Agreement, the following terms shall have the following meanings:

(1) "AC Bylaws" mean the bylaws of an ARC-recognized Advisory Council adopted as required under this Agreement.

(2) "AC Charter" means the charter of an ARC-recognized Advisory Council issued by ARC on behalf of the Superintendent, as provided in this Agreement.

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(3) "Advisory Council(s)" or "AC(s)" mean Advisory Councils in various Seattle communities that sponsor programs and activities at Department of Parks and Recreation facilities and recognized by ARC as provided in this Agreement.

(4) "Agreement" means this Master Services Agreement.

(5) "Annual Services Agreement" means the mutually acceptable agreements entered into each year this Agreement remains in effect addressing the matters identified herein in addition to such other matters as the Parties may from time to time agree.

(6) "ARC" means the Associated Recreation Council, a Washington nonprofit corporation.

(7) "Child Care Programs" means those programs subject to the Child Care Programs Services Agreement (Appendix I hereto).

(8) "City" means The City of Seattle, Washington

(9) "DPR" means the Department of Parks and Recreation of The City of Seattle.

(10) "Effective Date" means the date of this Agreement.

(11) "Joint Steering Committee" is the joint ARC/DPR committee established under this Agreement.

(12) "Operating Agreement" means the agreement between an ARC-recognized Advisory Council and ARC providing for Advisory Council operations, as required under this Agreement.

(13) "Original Agreement" means the Memorandum of Agreement dated as of August 17, 1976 entered into by the Associated Recreation Council and the Department of Parks and Recreation.

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(14) "Parties" means the City's Department of Parks and Recreation and the Associated Recreation Council.

(15) "Programs" means the Child Care Programs and the Youth & Adult Programs.

(16) "Superintendent" means the Superintendent of the Department of Parks and Recreation.

(17) "Youth & Adult Programs" means programs that enrich and support youth and adult recreation and life-long learning programs other than the Child Care Programs.

AGREEMENT

1. Responsibilities of ARC. ARC shall undertake the responsibilities set forth in this Section 1.

a. Programs. ARC shall:

(1) Manage and operate school readiness programs for children ages 3-5; child care programs for elementary school-age youth; and out-of-school time programs for middle school-age youth ("**Child Care Programs**") as agreed by ARC and DPR pursuant to a Child Care Programs Services Agreement (attached hereto as Appendix I).

(2) Enrich and support youth and adult recreation and life-long learning programs ("**Youth & Adult Programs**") by providing instructors and fiscal management services as agreed by ARC and DPR in this Agreement and in Annual Services Agreements.

(3) Ensure ARC operates the Child Care Programs and the Youth & Adult Programs (when referred to collectively, the "Programs") in compliance with all applicable laws and regulations, and City and DPR policies, procedures and business practices,

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and that all Programs are open to the public and conform with DPR's goals, objectives and purposes.

(4) Support DPR in opening DPR facilities beyond normal hours of operation to expand the Programs and increase public participation in the Programs. When DPR budgeted resources constrain facility operating hours, ARC shall reimburse the City under reimbursement procedures mutually agreeable to the Parties for hours worked by City staff to admit Program participants to DPR facilities during times when such facilities are not normally open to the general public. Reimbursement shall be at an hourly rate comparable to the hourly rate for the job classification that DPR determines applies to the work, including Federal and State taxes, but excluding any incremental cost of benefits. The maximum total amount of any such reimbursement by ARC for City staff time as provided under this section will be determined by and reflected in the Parties' respective annual budgets. To offset, in whole or in part, the cost of such reimbursements, ARC may charge a supplemental Program fee acceptable to the Superintendent for participation in Programs scheduled to be provided outside normal hours of facility operation. Any such supplemental Program fees will be addressed in the Parties' Annual Services Agreement for the year during which such fees will be charged.

(5) With reasonable promptness following the effective date of this Agreement, propose for collaborative review and DPR approval basic program evaluation methodology and procedures, including the type and basic form of evaluation questions to be asked and an outline of an evaluation summary to be prepared based on the information gathered, for all recreation and life-long learning programs at DPR facilities. Such basic program evaluation methodology and procedures are subject to periodic collaborative review by the Joint Steering Committee. Revisions shall be reflected in Annual Services Agreements for

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implementation during the year for which the Annual Services Agreement is effective. Annual Services Agreements shall include a mutually agreeable evaluation plan that includes the scope of evaluations to be undertaken during the year. The scope shall include the number and types of programs to be evaluated during the upcoming year and the approximate number of evaluations to be solicited from participants in these programs. All evaluations will be undertaken pursuant to the DPR-approved methodology and procedures. The Annual Services Agreement effective for the year immediately following the effective date of this Agreement shall implement the requirements of this Section 1(a)(5) to the maximum extent practicable.

(6) Prepare reports regarding Programs in a form and as frequently as the Superintendent reasonably requests, subject to the accessibility routinely afforded and the quality of data provided by DPR and ARC systems. The Parties will agree on the number, scope and content of reports to be routinely provided to the Superintendent. The Superintendent may require reports in addition to those routinely provided when reasonably necessary to fulfill his or her responsibilities or as specific circumstances may require. The Parties will remain sensitive to the potentially burdensome nature of reporting and will work together to ensure that reporting is necessary and satisfied efficiently, consistent with readily available information and available resources. At a minimum, as soon as practicable after the end of each quarterly accounting period in each fiscal year, and, in any event, within sixty (60) days thereafter, ARC shall deliver to DPR a composite program report. Such report shall contain a summary description of quarterly basic Program data, including the number of classes offered, enrollment levels, number of cancelled programs, ARC administrative overhead and Program financial data.

(7) In collaboration with DPR, ARC shall implement modifications to the Programs including, but not limited to, their staffing, that both reflect the results of

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completed program evaluations and are consistent with the financial requirements and standards of this Agreement. In addition, as necessary or desirable, the Parties also may take actions affecting specific programs or employees or contractors as otherwise provided under this Agreement or as soon as appropriate, following completion and review of any particular program evaluation.

(8) Ensure that all participants in Programs are properly registered through the CLASS or other applicable DPR system by having all instructors take attendance prior to start of each program session and admitting only properly registered individuals.

(9) In cooperation with DPR and ACs, periodically review site utilization information to identify underutilized space, scheduling limitations, undersubscribed or unsubscribed programs or other obstacles to maximizing utilization of space in DPR facilities. The Parties will develop plans to maximize the utilization of space in DPR facilities through measures to address such obstacles, taking into consideration reviews of programs, facility rentals and other facility uses.

(10) Cooperate with ACs and DPR to develop an annual schedule and budget for ARC Programs.

(11) In ARC's discretion, undertake fundraising campaigns benefiting DPR facilities or properties or new or expanded programs. Such fundraising shall be only for projects that the Superintendent has approved in advance and shall be carried out consistent with the provisions of the ARC Fundraising Protocol (attached hereto as Appendix II).

(12) In ARC's discretion, subject to the Superintendent's prior approval, provide or facilitate provision of project advisory and financial management services

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including, but not limited to, fiscal sponsorship, to facilitate capital projects or other fundraising campaigns proposed by ACs and, when possible, "Friends of" or similar groups.

(13) Ensure that neither ARC nor any AC engages in activities not permitted to be carried on by: (a) a corporation exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law); and/or (b) a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code of 1986 (or the corresponding provision of any future United States internal revenue law).

b. Advisory Councils. ARC shall:

(1) Represent the ACs in system-wide financial and programmatic discussions with DPR. To this end, ARC shall regularly garner input from and communicate with individual ACs through a variety of means including, but not limited to, surveys, newsletters and meetings. In consultation with DPR, ARC shall develop agendas for AC Presidents' Council meetings.

(2) Administer the process for recognition of ACs and the appointment of their members on behalf of the Superintendent. Under this Agreement, ARC assumes responsibility for chartering ACs, including rechartering of existing ACs. The charters should reflect that the purpose of ACs is to represent the interests of a particular neighborhood or community by advising DPR and ARC of ways to meet public recreational needs consistent with the goals and objectives of DPR. The form of the ARC AC Charter and an Operating Agreement incorporating model AC Bylaws is subject to review and approval by DPR. Provisions of the Operating Agreement and the model Bylaws may be modified on a case-by-case basis in the discretion of ARC after consultation with DPR to reasonably accommodate unique

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circumstances but such modifications shall not alter or compromise the basic structure of the relationships between DPR, ARC and the ACs embodied in this Agreement or materially affect ARC or AC obligations or responsibilities under the Operating Agreement. With the prior approval of the Superintendent, a new charter shall be issued by ARC to an existing AC when the AC duly authorizes and executes an Operating Agreement with ARC and adopts Bylaws acceptable to ARC. ARC may charter new ACs only with the prior approval of the Superintendent when the prospective AC has duly authorized and executed an Operating Agreement with ARC and adopted Bylaws acceptable to ARC. If the ARC Executive Director is concerned that an AC may be materially violating provisions of its Operating Agreement or its Bylaws, he or she shall work with the affected AC to take corrective action to address the Executive Director's concerns. The ARC Executive Director may withdraw the Charter of any AC after consultation with the ARC Board of Directors and the Superintendent.

(3) Manage the process for appointment and removal of AC members on behalf of the Superintendent. Consistent with the model AC Bylaws, ARC shall appoint all the members of all ACs. Prospective members shall be vetted with DPR pursuant to procedures to be determined by ARC and DPR. AC members may be removed by ARC as provided in the model Bylaws.

(4) Oversee AC compliance with the Operating Agreement and AC Bylaws and work with affected ACs to take corrective action to address concerns that an AC may be materially violating provisions of its Operating Agreement and Bylaws. With reasonable promptness following the effective date of this Agreement the Parties shall develop and implement a protocol for presentation to any AC of any DPR or ARC concerns regarding the AC's compliance with its Operating Agreement and Bylaws, including the manner and

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timeframe to respond and timing for implementation of any corrective action needed. At a minimum, the protocol shall require ARC to respond with a plan to address DPR concerns regarding AC compliance within seven (7) days after ARC is notified of the concern. Unless impracticable, ARC shall not implement any corrective action under this section without first having notified DPR of the proposed action.

(5) Manage and coordinate AC member activities (including orientation, training and periodic workshops for AC members and budget preparation).

(6) As soon as practicable after the end of each calendar year, provide DPR with an annual report on AC individual performance and ARC administrative performance that identifies the past year's fundraising efforts, programming, budgeted income and expenses versus actuals, and any compliance issues. In addition, for each AC, ARC shall provide DPR with a current roster showing the name, address, telephone number and term of each AC member.

(7) Notify DPR of all ARC and AC meetings at which business is to be conducted.

(8) Maintain the official books and records of each AC, including minutes of AC meetings, in a manner that is consistent with the Washington State Public Records Act, Chapter 42.17 RCW.

(9) Perform such other functions or provide such other services as delineated in the Operating Agreement.

c. **Financial.** ARC shall:

(1) Ensure all funds generated by ARC and/or the ACs benefit activities and projects designed to serve the general public and that support the DPR mission.

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(2) Recommend fees for Programs. In aggregate, fees for programming shall be set at a level that will cover expenses and provide a reasonable program support margin to ARC, as shall the fees for each specific program. New, undersubscribed or other specific programs not projected to cover expenses may be provided on a case-by-case basis as included in the annual ARC budget or after consultation with DPR. The Joint Steering Committee shall develop program budgeting standards and principles to ensure uniformity in scope and content across Programs. By applying the agreed upon budgeting standards and principles, program fees shall reasonably reflect program scope and content and be used as a tool to achieve comparability among reasonably similar programs offered at multiple locations, to the maximum extent practicable.

(3) In consultation with DPR, prepare and submit to DPR no later than November 1st of each year during the Term of this Agreement for the upcoming year, a draft annual operating budget for the Programs that includes scholarship allocations for programs as described in Section 1(c)(4), a capital budget for projects in the fundraising stage and/or the development process, new restricted-fund proposals, and an administrative budget describing ARC staffing and related expenses and system-wide administrative expenses, and which describes any currently restricted funds. The ARC annual budget is subject to the Superintendent's review and approval prior to its final adoption by the ARC Board. In developing the approved budget, ARC and DPR, informed by program evaluation reports, will make decisions regarding (i) discontinuation of programs that do not generate a reasonable program support margin or the circumstances under which such programs may be continued; (ii) discontinuation of previously cancelled programs due to under-subscription or the circumstances under which they may be reinstated; (iii) expansion of fully or oversubscribed

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programs; and (iv) such other program measures that may contribute to maximizing utilization of DPR space.

(4) In cooperation with DPR, make a good faith effort within reasonably available resources to ensure that no member of the public is unreasonably denied access to recreational opportunities solely as a result of the inability to pay program fees. In consultation with DPR, ARC shall establish realistic and sustainable goals for scholarship funding for both Youth & Adult Programs and Child Care Programs on a biennial basis, beginning with the 2009-2010 biennium. Biennial goals shall be subject to the review and approval of the Superintendent. Specific amounts of scholarship funding for both Youth & Adult Programs and Child Care Programs shall be reflected in ARC annual budgets and Annual Services Agreements beginning in 2009. For the year 2008, ARC shall allocate scholarship funds for the Programs in an amount not less than ARC scholarship funding available during 2007. Beginning in 2008, ARC shall allocate and include in its annual budget scholarship funds for system-wide non-child care programs and, beginning in 2009, ARC shall allocate and include in scholarship funds for child care programs, in sustainable amounts reasonably acceptable to the Superintendent. Participants will be approved for these scholarships in accordance with the process established and the income guidelines utilized by DPR's Youth Scholarship Office.

Beginning in 2009, all ARC scholarship funds will be awarded to program participants consistent with eligibility guidelines established by the DPR's Youth Scholarship Office. With reasonable promptness following the effective date of this Agreement, the Joint Steering Committee will develop for the Superintendent's review and approval no later than November 2008 policies for the allocation of available scholarship funds among Youth & Adult Programs as well as for the utilization and award of scholarship funds. Among other matters, the

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policies shall prioritize allocation of funding and award of scholarships to programs and program participants when ARC funds can leverage or supplement other funding. The policies shall also ensure that all ARC programs award scholarship funds to financially eligible participants in a uniformly equitable and transparent manner.

(5) ARC shall consolidate unrestricted fund balances as of the date of this Agreement, including fund balances identified with specific Advisory Councils, into a single Consolidated Fund Balance. Unrestricted fund balances include all fund balances held by ARC derived from funds generated by or for the support of ARC or AC programs and from other funds not formally or legally restricted by sponsors, donors and others for specific purposes. ARC shall retain a reasonably prudent Consolidated Fund Balance sufficient to sustain the ongoing operations of ARC and AC's chartered under this Agreement. During 2008 and each fiscal year thereafter, the ARC Consolidated Fund Balance shall not exceed 33 percent of ARC's audited operating expenses for its immediately preceding fiscal year. ARC shall use funds surplus to such standard for the enrichment of the Programs, including but not limited to program and participation enhancements benefiting underserved communities and groups. Beginning in 2009 and thereafter as surplus funds are available, use of any such funds shall be reflected in the ARC annual budget and Annual Services Agreement, as appropriate. AC efforts to raise funds from sources other than fees generated by the Programs shall be subject to the Superintendent's prior approval, as provided in Section 1(f) of this Agreement.

(6) Provide input to DPR regarding the City's capital improvement plan with respect to DPR's recreation facilities.

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(7) Within available resources and subject to DPR approval, fund capital improvements on DPR property or in DPR facilities, as provided in the ARC Fundraising Protocol.

(8) Maintain a workable structure for the exchange of payments with DPR, including through business services agreements entered into from time to time with DPR or Annual Services Agreements.

(9) Maintain true books and records of account in which full and correct entries will be made of all its business transactions pursuant to a system of accounting established and administered in accordance with generally accepted accounting principles consistently applied (except as noted therein), and will set aside on its books all such proper accruals and reserves as shall be required under generally accepted accounting principles consistently applied.

(10) Obtain, at no cost to DPR, an annual independent audit of its books by a certified public accountant. In addition, ARC shall permit the City, from time to time as the City Auditor or the Superintendent deems necessary (including after the expiration or termination of this Agreement), to inspect and audit at any and all reasonable times in King County, Washington, or at such other reasonable location as the City Auditor selects, all of ARC's pertinent books and records to verify the accuracy of accounting records and shall supply the City with, or shall permit the City to make, upon request, a copy of any books and records.

(11) As soon as practicable after the end of the first, second and third quarterly accounting periods in each fiscal year of ARC, and in any event within forty-five (45) days thereafter, furnish DPR with an unaudited balance sheet of ARC as of the end of each such quarterly period, and a statement of income of ARC for such period and for the current fiscal

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year to date, prepared in accordance with generally accepted accounting principles consistently applied (except as noted therein), with the exception that no notes need be attached to such statements and year-end audit adjustments may not have been made.

(12) As soon as practicable after the end of each fiscal year of ARC, and in any event within one hundred fifty (150) days thereafter, furnish DPR with a balance sheet of ARC, as at the end of such fiscal year, and a statement of income and a statement of cash flows of ARC, for such year, all prepared in accordance with generally accepted accounting principles consistently applied (except as noted therein) and setting forth in each case in comparative form the figures for the previous fiscal year, all in reasonable detail. Such financial statements shall be accompanied by a report and opinion thereon by independent public accountants selected by ARC's Board of Directors.

(13) As soon as practicable after the end of each month, and in any event within thirty (30) days thereafter, furnish each AC and the appropriate lead DPR staff member with AC-specific financial monitoring reports reflecting budgeted versus actual amounts for the period.

d. Human Resources. ARC shall:

(1) Recruit qualified applicants and hire, supervise, evaluate and as needed, terminate all ARC employees and contractors. Continued employment of employees and contractors shall be informed by program evaluations performed and reviewed pursuant to Section 1(a)(5) of this Agreement as well as other relevant information. To the extent practicable, ARC agrees to convert the current ARC employees in the categories identified on Appendix III to independent contractor status within an appropriate time period consistent with applicable State and Federal guidelines from the effective date of this Agreement, but in no event

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later than one year from the effective date of this Agreement. The Parties shall continue to work together to resolve to their mutual satisfaction employment issues that may arise over time.

(2) Staff Child Care Programs with ARC employees or contractors in ARC's sole discretion, as more specifically provided in the Child Care Programs Services Agreement.

(3) Recruit and maintain rosters of qualified instructors and other service delivery staff for Youth & Adult Programs. ACs may offer recommendations to ARC for instructors or staff to be included on ARC rosters. ARC shall propose a pool of qualified instructors or staff from its rosters for each ARC Youth & Adult Program to appropriate DPR professional staff for the site at which the program is to be provided. DPR professional staff shall select an instructor or staff person from the proposed pool. ARC shall execute contracts with the selected instructors to perform the designated services.

(4) ARC employees or contractors may also be City employees if such City employees have cognizable special skills needed for the ARC positions which they hold. A City employee shall not be employed by ARC to provide services at a DPR facility at which he or she is employed by the City. Employment by ARC of a City employee shall be subject to such other specific limitations or conditions as the Parties may periodically mutually determine. Prior to hiring a City employee, ARC shall consult with DPR to ensure the proposed hire is consistent with the requirements of this Agreement.

(5) Provide field supervision for ARC employees.

(6) Routinely solicit comments from DPR and appropriate ACs regarding ARC staff performance for use in ARC staff evaluation and employment procedures.

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(7) Establish policies and procedures to promptly investigate and address concerns that DPR staff or citizens raise regarding ARC employees and/or contractors. DPR site staff, on behalf of ARC, will monitor the instructors' adherence to employment or independent contractor services agreement terms and conditions. Any such information shall be reviewed as a feature of individual employee or contractor evaluations. ARC shall promptly notify DPR of any pending or completed personnel issue concerning an ARC employee or contractor involving licensure compliance or the potential for physical harm to program participants or DPR employees. The City may request that ARC exclude any instructor from a City facility or program for material reasons related to the health and safety of program participants or DPR employees. ARC agrees to comply with any such City request within twenty-four (24) hours after receiving it. ARC shall promptly develop and provide to the Superintendent or his or her designee information regarding any instructor whom the City has requested be excluded that ARC reasonably believes suggests that the instructor either should not be excluded or that he or she should be reinstated. The decision of the Superintendent or his or her designee shall be final.

(8) Provide compensation and benefits programs for ARC staff, as determined by ARC in its reasonable discretion.

(9) Provide comments to DPR regarding DPR staff performance as it relates to the operation and efficient running of ARC programs.

(10) In compliance with state and local laws concerning criminal history background checks, investigate all current and potential employees, contractors, volunteers and any other persons whom ARC allows to assist or participate in providing recreation programs to determine whether their backgrounds and employment histories make

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them persons of suitable character and demeanor to interact with program participants. The requirements of this section include, but are not limited to, arranging and conducting periodic background checks of employees and contractors; developing specific questions for employment applications; and obtaining the signatures of persons to be investigated, signifying that they have received notice of the requirement for a background check. ARC shall request a background check of each new employee and contractor from the Washington State Patrol (or its functional successor) or, for those potential employees or contractors whose primary identification is from other than Washington State, the Washington State Patrol's functional equivalent in the relevant state, prior to allowing such person to provide services to the public and, within ninety (90) days from the effective date of this Agreement, shall verify that each of its current employees and contractors has undergone such a background check within the past twelve (12) months (generally on the annual anniversary of initial retention). To the fullest extent permitted by law, ARC shall make such background information available to the City upon request. The Parties further agree that they will cooperate in developing and implementing a protocol for periodic re-investigation of employees and contractors that is consistent with industry practices.

(11) Request the Superintendent's consent before subcontracting any of the work or services covered by this Agreement, except as is expressly allowed herein. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Agreement.

e. **Marketing**. ARC shall:

(1) Consistent with reasonably available resources, serve as the exclusive provider of marketing services for all DPR and ARC recreation and life-long learning

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programs offered at community centers, pools, environmental learning centers, rowing and sailing centers, the tennis center or through city-wide athletics.

(2) Develop and implement an annual marketing plan, subject to review and approval by DPR, that ensures a satisfactory level of program enrollment is continuously maintained, that availability of opportunity for enrollment is announced through local resource and referral agencies, and that appropriate advertising is purchased in local periodicals. The first such annual plan shall be submitted by ARC for DPR review on or before November 2008 for implementation in 2009.

(3) Employ marketing professionals and staff or engage marketing and advertising firms to assist in the implementation of the marketing plan.

(4) Provide the concept and basic content of ARC-sponsored mass media advertising campaigns to DPR for prior DPR review and approval.

(5) Provide and maintain electronic communication capabilities closely coordinated with DPR, including, when permitted by City information technology guidelines, reciprocally-linked websites and pages. ARC will work with DPR to continuously and cooperatively upgrade DPR's electronic communication capabilities in mutually supportive ways, including facilitating interrelated and interaction capabilities to enable on-line access and utilization by prospective enrollees in their respective programs that is consistently as state-of-the-art as possible.

f. Development. ARC shall:

(1) Solicit grants and donations in support of DPR and ARC recreation programs. When grants or donations are for major new capital assets or improvements that would become City property as provided in the ARC Fundraising Protocol, such grants or

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donations shall be subject to the City's gift acceptance policies. ARC shall obtain the Superintendent's approval prior to soliciting grants or donations for new programmatic initiatives, lines of business or capital projects.

(2) Coordinate any solicitation of grants or donations by ACs and assist with preparation of such solicitations, as appropriate.

(3) Maintain a database of potential donors and grant funders, subject to procedures acceptable to DPR to maintain prospective donor confidentiality, if ARC reasonably determines such confidentiality would be desirable.

(4) Serve as liaison for all ACs to the Seattle Parks Foundation.

g. Program Coordination and Integration.

(1) With reasonable promptness after the effective date of this Agreement, ARC shall, in consultation with the Joint Steering Committee, propose for DPR review and approval (i) a naming convention for the Programs to ensure a consistent approach to the naming of recreational activities and programs; and (ii) standards for setting fees for Programs and activities. The Parties shall make a good faith effort to complete the naming convention and common fee-setting standards for implementation of either or both in 2008, but in no event, later than 2009.

(2) To the extent possible, ARC shall support DPR through close integration of financial systems and routine reporting germane to ARC's role and relationship with DPR, including prompt provision of accurate information reasonably requested by DPR.

2. Responsibilities of DPR. DPR shall undertake the responsibilities set forth in this Section 2.

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a. **Use of Premises and Support Services**. DPR shall:

(1) Provide office space and storage space in its facilities to ARC for its management personnel together with appropriate support staff in reasonably close proximity to DPR personnel with lead responsibility for DPR management of the relationship with ARC and the implementation of this Agreement as DPR and ARC shall agree upon and specify in the Annual Services Agreements. Gross and per person square feet provided shall be consistent with City standards for office space for comparable City personnel. In the event space is provided in City-owned facilities at which DPR would pay no rent or other costs of occupancy, ARC will not be charged rent or other occupancy charges. If space is provided in facilities for which DPR itself would pay rent or other costs of occupancy, ARC shall have the option of paying comparable rent or charges for the DPR-provided space or securing alternate space at its own expense. DPR will maintain the spaces it provides at the same level as other similar DPR spaces.

(2) Subject to periodic review by the Parties as technology and circumstances change, provide ARC access to City services and infrastructure, including-utilities, land-line phone/fax/data service, and access to the information technology network of the City and support from the City for information technology services including maintenance of the ARC-owned server, subject to City-wide and DPR policies concerning access to and use of the City's information technology systems. Such services shall be provided at no cost to ARC for those of its management personnel and support staff whom DPR is providing with office space. For any other services that ARC receives from the City, ARC shall pay the full costs of such services directly to the City department that provides them. ARC recognizes that its use of City services has a direct impact on DPR's budget and therefore ARC agrees to use commercially reasonable best efforts to minimize its use and impacts.

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(3) Provide ARC with access to the DPR CLASS registration system and any functional successor.

(4) Provide space at DPR facilities for Programs and other Superintendent-approved ARC and AC activities at no cost to ARC or the ACs, as agreed to in the Annual Services Agreement. In cooperation with ARC and ACs, periodically review site utilization information to identify underutilized space, scheduling limitations, undersubscribed or unsubscribed programs or other obstacles to maximizing utilization of space in DPR facilities. The Parties will develop plans to maximize the utilization of space in DPR facilities through measures to address such obstacles. The Parties shall cooperate in scheduling programs, classes and other activities to maximize community use, space utilization and revenue generation in DPR recreation facilities. In the event of potential conflicts between DPR and ARC in the use of specific DPR facilities, appropriate ARC and DPR representatives shall make a good faith effort to identify and implement a workable solution that reasonably accommodates both uses, to the extent practicable under the circumstances.

(5) Operate and maintain all DPR facilities used by ARC consistent with all applicable laws and regulations, including providing space for Child Care Programs consistent with applicable licensing requirements.

(6) Provided there is no cost to DPR, actively support and participate in the marketing of recreation programs, including but not limited to (i) posting DPR-approved signage; (ii) distributing DPR-approved announcements, program offerings and promotions; and (iii) closely coordinating electronic communication capabilities, including reciprocally linked websites and pages, as City policy permits. As funding allows, DPR will work with ARC to continuously and cooperatively upgrade their electronic communication capabilities in mutually

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supportive ways, including facilitating interrelated and interactive capabilities to enable on-line access and utilization by prospective enrollees in their respective programs that is consistently as state-of-the-art as practicable.

(7) Include ARC in strategic discussions regarding recreation programs, including ARC participation in any proposed programs that would be new to DPR and/or ARC in the DPR facilities identified individually or by type in the list of Facilities To Be Programmed under this Agreement (attached hereto as Appendix IV). Programs other than DPR-sponsored programs at facilities on the list shall be provided exclusively by ARC or by ARC in addition to or in cooperation with such other organizations as the Parties may agree. DPR and ARC shall collaboratively consider the appropriateness and viability of programming for any new DPR facility. The Superintendent may modify Appendix IV in his or her sole discretion, after providing ARC with reasonable advance notice of a proposed change and providing ARC an opportunity to comment on the proposed change.

(8) Cooperate with ARC to expand Programs and increase public participation in Programs through expanded hours of operation of DPR facilities. When staffed by DPR, such expanded hours should be supported by DPR staff trained and authorized to provide meaningful services to the public and funded through DPR budgeted resources, to the maximum extent possible. DPR, in consultation with ARC, will annually review facility utilization and consider measures to enable the Parties to provide continued and expanded programming and increased public participation on a sustainable basis. Measures to be considered include, but are not limited to, more centralized programming when possible without materially deterring participation and the approval by the Superintendent of a supplemental Program fee to support appropriate DPR staffing of facilities during expanded hours of operation

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for which DPR budgeted resources are unavailable. DPR will also work with representatives of appropriate collective bargaining units representing DPR employees to identify and implement mutually agreeable solutions to appropriately staff facilities during expanded hours of operation of its facilities to reasonably accommodate public demand for Programs beyond the normal hours of operation possible within DPR budgeted resources.

b. AC Recognition. DPR has final authority with respect to the recognition of ACs and will approve the form of Charter for all ACs and the form of an ARC/AC Operating Agreement incorporating model AC Bylaws, as well as appropriate modifications thereto, in its reasonable discretion.

c. Programs. DPR shall:

(1) Have final decision-making authority for all programs, classes and activities occurring at DPR facilities. DPR shall oversee the delivery of the Child Care Programs and coordinate and oversee the delivery of the Youth & Adult Programs.

(2) Approve ARC's program evaluation plan for incorporation into the Annual Services Agreements and participate in Program evaluations, including but not limited to supporting ARC in surveying program participants for joint review by ARC and DPR to assist in the evaluation and management of recreation programs and in the development of refined and new program offerings.

(3) Have the right to terminate any Program after providing ARC with reasonable advance notice of a proposed termination and providing ARC a reasonable opportunity to comment. If requested by ARC, DPR shall consider measures by ARC to address DPR concerns in lieu of program termination.

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d. Financial. DPR shall:

(1) Collect all fees and charges for ARC programs. ARC and DPR shall remit and account for all funds collected in accordance with the procedures described in Appendix V. Collection of fees and charges is the exclusive responsibility of DPR.

(2) In consultation with ARC, review financial plans for Programs, provided, that the Superintendent shall have final decision-making authority with respect to the amount of fees charged to the general public for participation in any program or activity undertaken pursuant to this Agreement.

(3) To the extent possible, support ARC through close integration of financial systems and routine reporting germane to ARC's role and relationship with DPR, including prompt provision of accurate information reasonably requested by ARC.

(4) To the extent possible, consult with ARC regarding financial issues that may affect the Programs. To the extent possible, also provide ARC with advance notice of and an opportunity to comment on City financial decisions that might affect the Programs and consult with ARC regarding appropriate responses. DPR also will work with ARC to mitigate any adverse financial and other consequences of such decisions.

e. Human Resources. DPR shall:

(1) Provide DPR staff to attend AC and ARC meetings and provide such information, assistance, supplies and equipment to ACs as DPR deems appropriate.

(2) To the extent practicable, consult with ARC regarding the placement of key DPR staff at DPR recreation facilities, with final decisions in the sole discretion of DPR.

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(3) Provide ARC with an opportunity to comment on the performance of key DPR staff.

(4) Promptly investigate and address concerns that ARC staff or citizens raise regarding DPR employees. ARC may suggest that the City exclude a City employee from a City facility or program for material reasons related to the health and safety of program participants or ARC employees. DPR shall consider any such suggestions consistent with City personnel policies.

3. **Annual Services Agreements**. ARC and DPR shall enter into a mutually acceptable Annual Services Agreement each year during which this Agreement is in effect. The Superintendent (or his or her functional successor) is authorized to negotiate and execute the Annual Services Agreements on behalf of the City and DPR. To the extent possible, the Annual Services Agreement should attempt to plan for and address biennial budget issues. The Annual Services Agreement shall include but not be limited to the following matters:

a. **Participation Fee**. Determination of the Participation Fee to be paid by ARC to the City for reasonable City overhead, contract management and other services associated with implementation of this and related agreements, consistent with maintaining the affordability of the Programs and the reasonable sustainability of ARC. The amount of the fee shall be reflected in both the ARC and City DPR budgets.

b. **Capital Improvements and Fundraising Initiatives**. Identification of any ARC-funded capital improvements to DPR property or facilities proposed by ARC and approved by DPR.

c. **Program Evaluation Plan**. ARC's approved annual program evaluation plan as described in Section 1(a)(5).

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d. **Annual Budget**. The approved annual operating budget as described in Section 1(c)(3).

e. **Fee Schedule**. DPR review and approval of the fee schedule for ARC programs to be offered during the affected year, including any supplemental Program fee authorized under Section 1(a)(4).

f. **Joint Steering Committee Referrals**. The upcoming work plan for the Joint Steering Committee.

g. **Marketing**. DPR review and approval of the annual marketing plan, including available plans for mass media advertising campaigns, covering Programs as well as such other DPR recreational activities and programs as the Parties may determine.

4. **Joint Steering Committee.** The Parties shall establish and jointly charter an advisory Joint Steering Committee. The Superintendent shall name the DPR staff who will represent DPR on the Committee; the ARC Executive Director shall name ARC and AC representatives. The purpose of the Joint Steering Committee will be to facilitate communication between the Parties' representatives; provide a vehicle for the discussion and preliminary resolution of issues referred to it by the Superintendent or by ARC with the consent of the Superintendent; and serve as a forum for vetting relevant policy matters and framing preliminary recommendations to the ARC Executive Director and the Superintendent. The Joint Steering Committee shall meet formally at least twice annually and more frequently as its workload requires. The Joint Steering Committee shall perform the functions specifically identified in this Agreement and such other responsibilities and such other tasks the Parties may refer to it from time to time.

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5. **Waivers**. As appropriate, ARC or DPR shall require and staff shall obtain a signed consent, release and waiver of liability, assumption of risk and indemnity agreement from adult and age appropriate minor participants and a parent/guardian of minor participants in Programs determined by DPR to warrant that such an agreement should be required. Any such agreement shall benefit both Parties to this Agreement and be in a mutually acceptable form.

6. **Nondiscrimination/Compliance with Laws**. ARC shall: (a) comply with all applicable equal employment opportunity and nondiscrimination laws of the United States, the State of Washington, and the City of Seattle, including but not limited to Chapters 14.04, 14.10, and 20.42 of the Seattle Municipal Code (SMC), as they may be amended, and rules, regulations, orders, and directives of the associated administrative agencies and their officers; (b) file all required reports and pay all filing fees and federal, state, and local taxes applicable to ARC's business as the same shall become due; and (c) pay all amounts required under local, state, and federal workers' compensation acts, disability benefit acts, unemployment insurance acts, and other employee benefit acts when due. Without limiting the generality of the foregoing, ARC shall not discriminate against any employee or applicant for employment because of race, color, age, sex, marital status, sexual orientation, gender identity, political ideology, creed, religion, ancestry, national origin, or the presence of any sensory, mental or physical handicap, unless based upon a bona fide occupational qualification. ARC shall take affirmative efforts to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, age, sex, marital status, sexual orientation, gender identity, political ideology, creed, religion, ancestry, national origin, or the presence of any sensory, mental or physical handicap. Such efforts shall include, but not be limited to the following: employment;

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upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

7. Notices. All notices and requests required or permitted to be given in connection with this Agreement shall be in writing and shall be deemed given as of the day they are received either by messenger, express delivery service, or in the United States of America mails, postage prepaid, certified or registered, return receipt requested, and addressed as follows, or to such other address as the party to receive the notice or request so designates by written notice to the other consistent with this Section 7:

If to DPR: Seattle Department of Parks & Recreation
Attn: Superintendent
100 Dexter Avenue North
Seattle, WA 98109-5102

If to ARC: The Associated Recreation Council
Attn: Executive Director
860 Terry Avenue North
Seattle, WA 98109

8. Insurance. Throughout the term of this Agreement, ARC will maintain comprehensive general liability insurance covering claims for injuries arising out of any negligent act or omission of ARC or of any of its employees, agents, or subcontractors, with $1,000,000 combined single limits. ARC will submit certificates verifying such coverage to DPR promptly after the Effective Date and upon request thereafter. The City shall be named as an additional insured on such insurance. All insurance certificates shall provide that the insurance carrier will give the City at least thirty (30) days' notice of any cancellation of the policy.

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9. Indemnification.

a. Right to Indemnification. To the extent permitted by law, ARC agrees to indemnify, defend, and hold the City harmless from and against, and to reimburse the City with respect to, any and all losses, damages, liabilities, claims, judgments, settlements, fines, costs, and expenses ("**Indemnifiable Amounts**") of every nature whatsoever incurred by the City by reason of or arising out of or in connection with any breach or default in the performance of any obligation on ARC's part to be performed under the terms of this Agreement or arising out of or relating to any actual or alleged negligent act or omission or willful misconduct of ARC, or any of ARC's officers, agents, employees or contractors ("**Indemnifiable Events**").

To the extent permitted by law, the City agrees to indemnify, defend, and hold ARC harmless from and against, and to reimburse ARC with respect to any and all losses, damages, liabilities, claims, judgments, settlements, fines, costs, and expenses ("**Indemnifiable Amounts**") of every nature whatsoever incurred by ARC by reason of or arising out of or in connection with any breach or default in the performance of any obligation on the City's part to be performed under the terms of this Agreement or arising out of or relating to any actual or alleged negligent act or omission or willful misconduct of the City, or any of the City's officers, agents, employees or contractors ("**Indemnifiable Events**").

The indemnifications to be provided pursuant to this subsection shall survive the expiration or earlier termination of this Agreement.

b. Procedure. With respect to any claims or demands by third parties that relate to Indemnifiable Events and/or Amounts, whenever either party (the "**Indemnified Party**") shall have received a written notice that such a claim or demand has been asserted or threatened, the Indemnified Party shall deliver notice to the other party (the "**Indemnifying**

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Party") of such claim or demand and of the facts within the Indemnified Party's knowledge that relate thereto within the earlier of (a) fifteen (15) days after receiving written notice of the claim or demand, or (b) with respect to arbitration, litigation, or similar proceedings, not less than ten (10) days before the initial date by which the Indemnified Party would be required to file its first substantive response to such action, but in no event less than the amount of time that the Indemnified Party is given to respond to the action. The Indemnifying Party shall then have the right and the obligation to contest, defend, negotiate or settle any such claim or demand through counsel of its own selection, solely at its own cost, risk, and expense.

10. Term and Termination. This Agreement shall commence on the Effective Date and shall continue for a term of twenty (20) years. This Agreement shall automatically be extended for successive ten (10) year terms thereafter, unless either party gives notice to the other party at least six (6) months prior to the expiration of the then-current term of its intention not to extend this Agreement. Notwithstanding the foregoing, this Agreement may be terminated by written notice under the following circumstances: (a) a party has breached its obligations hereunder and such breach remains uncured for one hundred twenty (120) days after the non-breaching party has given notice to the breaching party describing such breach or, in the case of a breach by ARC, such other period as the Superintendent may reasonably determine; or (b) either party has defaulted in its obligations under this Agreement on three or more occasions during any consecutive 12-month period.

11. Self-Help. In the event the Superintendent reasonably believes that ARC has caused or permitted any condition to exist that presents an imminent danger to the health and safety of program participants or DPR employees, the Superintendent shall provide notice of such condition to ARC. Within twenty-four (24) hours following receipt of any such notice or

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such other period determined by the Superintendent, ARC shall correct or mitigate the condition to the reasonable satisfaction of the Superintendent. In the event that ARC either intentionally or negligently fails to satisfactorily correct or mitigate the condition within the prescribed time for performance, DPR may itself undertake the prescribed correction or mitigation. ARC shall reimburse DPR for DPR's cost of performing the correction or mitigation. Failure by ARC to correct or mitigate a condition giving rise to the need for DPR self-help as provided herein or failure to reimburse DPR for its costs of performing the correction or mitigation shall represent a default under this Agreement for purposes of possible termination as provided in Section 10(b).

12. Review and Amendment. At least every five (5) years during the term of this Agreement, ARC and DPR will review the terms and conditions of this Agreement and consider in good faith whether any amendments might be necessary to further the purposes of this Agreement.

13. Further Documents or Necessary Action. The Parties shall cooperate and take such action as each party deems appropriate in order to effectuate the transactions contemplated by this Agreement. The Parties agree that authorization for all such action is included in their approval of this Agreement.

14. Authorization and Authority. The governing bodies of the City and ARC have authorized the execution of this Agreement by the Parties and have granted specific authority to the Superintendent (or his or her designee) and the ARC Executive Director (or his or her designee), respectively, to make such determinations, issue such notices, and negotiate and enter into the further agreements contemplated hereby. In addition, from time to time as circumstances warrant, the Parties may negotiate and implement without additional ordinance authority mutually acceptable changes to Agreement appendices that are consistent with this

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Agreement. DPR and ARC therefore represent and warrant that all necessary corporate or statutory actions have been duly taken to permit DPR and ARC to enter into this Agreement and that each undersigned agent has been duly authorized and instructed to execute this Agreement.

15. Legal Relationship. This Agreement does not constitute ARC as the agent or legal representative of the City for any purpose whatsoever. ARC has no express or implied right or authority to assume or create any obligation or responsibility on behalf of or in the name of the City or to bind the City in any manner or thing whatsoever.

16. Public Disclosure Requests. ARC shall establish and train its employees in a protocol for responding to any public disclosure requests that ARC or its employees may receive that ensures such requests are transmitted to the Superintendent's office within twenty-four (24) hours of receipt.

17. Termination of the Original Agreement. The Original Agreement is terminated and superseded by this Agreement when this Agreement becomes effective.

18. Governing Law. This Agreement shall be governed by and interpreted under the laws of the State of Washington applicable to agreements made and to be performed in Washington, exclusive of its conflict of law rules.

19. Consistency with Labor Agreements. The Parties intend that this Agreement be construed consistent with applicable City labor agreements as they now exist or may be negotiated in the future. In the event of conflict, the provisions of any such labor agreement shall control.

20. Entire Agreement. This Agreement, including all appendices and the Annual Services Agreements, when executed, contain the entire understanding between the Parties and their successors in interest, to the extent permitted herein, with respect to the subject matter

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hereof, and supersedes any promises or conditions in any other oral or written agreement. No provision of this Agreement may be amended or supplemented except by a written agreement signed by the Parties hereto or their respective successors in interest. In the case of any specific conflict between this Agreement and the Child Care Programs Services Agreement, the Child Care Programs Services Agreement shall control. Provisions contained in any Annual Services Agreement shall control over specifically conflicting provisions contained in this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Master Services Agreement as of the day and year stated above.

DPR:

CITY OF SEATTLE DEPARTMENT OF PARKS AND RECREATION

By _____
Christopher M. Williams
Interim Superintendent

ARC:

THE ASSOCIATED RECREATION COUNCIL

By _____
Anna Martin
Chair, ARC Board of Directors

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STATE OF WASHINGTON – KING COUNTY

--ss.

218558 No.
CITY OF SEATTLE,CLERKS OFFICE

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:122588 ORDINANCE

was published on

12/18/07

The amount of the fee charged for the foregoing publication is the sum of $ 502.20, which amount has been paid in full.

JENNIFER A. PATZER
COMMISSION EXPIRES
NOTARY
PUBLIC
OCT. 24, 2011
STATE OF WASHINGTON

Subscribed and sworn to before me on

12/18/07

Notary public for the State of Washington,
residing in Seattle

City of Seattle

ORDINANCE 122588

AN ORDINANCE relating to community advisory councils; authorizing the Superintendent of Parks and Recreation to enter into an agreement with the Associated Recreation Council for the purpose of assisting in planning and implementing recreational activities, life-long learning and other programs for the public, and coordinating and supporting the activities of community advisory councils; amending Sections 18.04.010 and 18.04.050, and repealing Sections 18.04.020, 18.04.030 and 18.04.040 of the Seattle Municipal Code.

WHEREAS, with the encouragement of the Seattle Department of Parks and Recreation ("DPR"), Advisory Councils ("ACs") that are coordinated and supported by the Associated Recreation Council ("ARC") have sponsored programs and activities at DPR facilities, thereby increasing educational and recreational opportunities for Seattle residents; and

WHEREAS, ARC, a non-profit Washington corporation, was established on September 23, 1975, to provide financial management, accounting and material support for ACs and to perform other services requested by the ACs or by DPR; and

WHEREAS, on July 2, 1976, the City Council enacted Ordinance 105655, now codified in part in Seattle Municipal Code ("SMC") Chapter 18.04, which authorizes the Superintendent of DPR ("Superintendent"), among other things, to recognize ACs to assist in planning and implementing public recreational activities and to furnish ACs with certain necessary services, supplies, and facilities; and

WHEREAS, Ordinance 105655 (SMC 18.04.010) also authorizes the Superintendent to contract with ARC as he or she deems appropriate "for the purpose of increasing educational and recreational opportunities for Seattle residents, providing greater public use and enjoyment of the City of Seattle's (City's) parks and recreation system and establishing a variety of activities, and, through a sound system of accounts and records, preserving public confidence in programs and activities offered at City facilities; and

WHEREAS, ARC and DPR entered into a Memorandum of Agreement dated August 17, 1976 ("Original Agreement"), pursuant to which ARC has provided financial management, accounting, and other support for certain programs offered at DPR-owned facilities as ARC evolved to become the governing body for the AC system; and

WHEREAS, during this period the scope of, and revenues from, such programs have experienced dramatic growth and ARC's role has matured and expanded as a result; and

WHEREAS, in October 2003, at the direction of the Superintendent, DPR, ARC, and the ACs undertook a Partnership Modernization Project, the purpose of which was to better reflect current conditions, including clarification of the parties' roles with respect to program management, human resources, financial management, and marketing and development; and

WHEREAS, the Partnership Modernization Project resulted in the development of a plan for the delivery of recreation services with four primary goals: increase the number of people served; develop sustainable financial resources; develop infrastructure systems to better market and conduct recreation programs; and to provide connections to Seattle's neighborhoods and communities; and

WHEREAS, DPR, ARC and the ACs concurred that these goals can best be achieved by restructuring their partnership to have ARC, on behalf of the Superintendent, manage the AC system as a whole and serve as the formal conduit for communications between ACs and the Superintendent on system-wide issues; and

WHEREAS, the growth in scope of the programs and services provided through the partnership and the resulting expansion of ARC's role, responsibilities, and capabilities now transcend what was originally contemplated some 30 years ago under Ordinance 105655, suggesting the need to update the statutory and contractual underpinnings of the mutually beneficial relationships between DPR, ARC, and the ACs; and

State of Washington, King County

WHEREAS, DPR and ARC now desire to replace the Original Agreement with a new Agreement which sets forth certain principles by which DPR, ARC and, under ARC's management, the ACs will work together to provide recreation and life-long learning programs and services to increased numbers of residents, improve connections to neighborhoods and communities, develop infrastructure systems that support the effective delivery of such programs and services, and develop sustainable financial resources; and

WHEREAS, these principles are all in accordance with the mission of "building community through citizen engagement and participation in recreation and lifelong learning programs," and the vision of providing "equitable, dynamic, and responsive recreation and lifelong learning programs that are a part of the life of every Seattle resident"; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. As requested by the Superintendent and recommended by the Mayor, the Superintendent or his or her designee is authorized to execute, for and on behalf of the City, an agreement substantially in the form of the agreement attached hereto and identified as **Master Services Agreement between The City of Seattle Department of Parks and Recreation and The Associated Recreation Council ("Master Services Agreement")**, with any such revisions, additions and amendments mutually acceptable to DPR and ARC, as the Superintendent shall deem advisable in order to carry out the intent of this ordinance.

Section 2. Section 18.04.010 of the Seattle Municipal Code is hereby amended as follows:

18.04.010 Authority of Superintendent of Parks and Recreation.

The Superintendent of Parks and Recreation is authorized to:

A. Undertake or provide for the Associated Recreation Council (called "ARC" in this chapter) on the Superintendent's behalf to r((~~R~~))ecognize advisory councils in the various neighborhood communities of the City (called "community advisory councils" in this chapter)((~~: (1)~~)) to advise and assist the Department of Parks and Recreation (called the "Department" in this chapter) and ARC in performing their((~~its~~)) functions and activities at ((~~its~~))the Department's facilities in such neighborhoods and in planning parks, playgrounds, and other community recreation areas((~~; and (2) to carry out projects and activities as community advisory council recreational programs at facilities which are part of the park and recreational system of the City~~));

B. Provide information, assistance, supplies, and the use of equipment as necessary and appropriate to community advisory councils;

C. Make facilities under the jurisdiction of the Department available for use by ((~~the respective community advisory councils~~))ARC for programs and activities for the general public at charges or rentals which allow for the benefit provided to the Department thereby and grant preference in the usage of such facilities ((~~to the respective community advisory council~~))for such programs and activities for the general public over requests by other persons or groups for uses that are not open to the general public;

D. Include information concerning((~~community advisory council recreational~~)) ARC programs for the general public in information and publicity provided to the public as to Departmental operations and/or activities and events occurring at its facilities, and encourage members of the general public to participate in((~~the respective community~~)) ARC member advisory councils as a way of expressing opinions and guiding Departmental and ARC policy and activities at Departmental facilities; and

((~~E. Contract with the respective community advisory councils regarding any of the foregoing, any activities to be undertaken, by such agencies at facilities under the jurisdiction of the Department and services and assistance to be provided by the Department in establishing and conducting programs and activities for the general public, any concurrent activities to be undertaken, and such other matters as deemed appropriate and ancillary thereto;~~))

((~~F. Establish minimum criteria for recognition and for withdrawal of recognition of such community advisory councils, and/or for contracting for various types of programs at Departmental facilities, by rules and regulations promulgated in accordance with Ordinance 102228,1 including among other requirements:~~

~~1. A legal structure adequate for a community advisory council to undertake and implement the type of program and activities it plans to undertake at Departmental facilities;~~

~~2. Standards for conducting and planning recreational programs at Departmental facilities;~~

~~3. Satisfactory internal controls, deposit of funds, maintenance of records, and accounting and handling of funds generated by such programs;~~

~~4. Procedures for reporting on activities and funding;~~

~~5. Maintenance of personnel and payroll records, payment of employment taxes (e.g. social security, unemployment compensation, industrial insurance assessments) and withholding of income taxes, and proof of filing the necessary reports, and~~

~~6. Authorization to City officials, upon notice during reasonable business hours, to examine books and records and make such audits as deemed appropriate; and~~

~~G. Contract with the Associated Recreation Council to provide financial management, accounting, and material support for its member community advisory councils; to provide publicity beyond the capability of the respective community advisory councils; and to provide such other services as do not impair the programs of the community advisory councils; and, in such contract, to provide office space to the Associated Recreation Council at a Department facility and such othe. services or consideration as necessary and appropriate for the Associated Recreation Council to advise the Superintendent in performing other functions, for the Department as shall be agreed upon from time to time by contract; and~~))

E. Contract with ARC to provide recreation and lifelong learning programs and other services and to serve such other functions as ARC and the Superintendent may from time to time agree may be necessary or helpful in expanding educational and recreational opportunities for Seattle residents, and, in so doing, increase public use and enjoyment of Department facilities and improve its overall responsiveness to the public; engage ARC to recognize community advisory councils on behalf of the Superintendent and to provide management services for, coordinate and support its member community advisory councils; and, in recognition of the role played by ARC, support ARC through the provision of information, assistance, services, equipment, and office space in Department facilities, all as more specifically provided in the Master Services Agreement (called "MSA" in this chapter).

((~~H~~))F. In consultation with ARC, ((~~C~~))call upon ARC and the community advisory councils ((~~and the Associated Recreation Council~~))from time to time for assistance in other matters that further the programs and activities of the Department; all as the Superintendent shall deem appropriate and generally as provided in the MSA for the purpose of increasing educational and recreational opportunities for Seattle residents, providing greater public use and enjoyment of the City's park and recreation system and establishing a variety of activities, and, through a sound system of accounts and records, preserving public confidence in programs and activities offered at City facilities.

Section 3. Section 18.04.020 of the Seattle Municipal Code is hereby repealed in its entirety.

Section 4. Section 18.04.030 of the Seattle Municipal Code is hereby repealed in its entirety.

Section 5. Section 18.04.040 of the Seattle Municipal Code is hereby repealed in its entirety.

Section 6. Section 18.04.050 of the Seattle Municipal Code is hereby amended as follows:

((~~18.04.050~~))18.04.020 Provisions to govern transactions.

The following provisions shall govern transactions of the Superintendent with the respective community advisory councils and the Associated Recreation Council:

A. No organization that receives recognition from or on behalf of the Superintendent or conducts programs for the public at City facilities, as authorized in this chapter, shall discriminate in membership or participation in activities upon the basis of race, creed, color, sex, age, national origin, or the presence of a physical, sensory, or mental handicap unless based upon a bona fide inability to perform an assignment or participate in an activity;

B. The Superintendent retains and may exercise the power to regulate and control the amount of fees charged to the general public by any organization authorized in this chapter for participation in any program or activity upon a facility that is under the jurisdiction of the Department; and

((~~C. Services, supplies, and the use of facilities provided by the City to the respective community advisory councils and the Associated Recreation Council shall be paid or accounted for at true and full value, provided as authorized in this chapter, the Superintendent may take into account the benefits to the City from projects and activities to be provided by the contracting party to the general public and the long-range best interests of the City, and may make allowance therefor in establishing the consideration in an agreement; and~~))

((~~D~~))C. All funds held by the respective advisory councils and/or the Associated Recreation Council which are generated by activities of the community advisory councils at City facilities shall be devoted to projects and activities for the general public, advisory and other activities authorized in this chapter, and expenses incidental hereto.

Section 7. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 10th day of December, 2007, and signed by me in open session in authentication of its passage this 10th day of December, 2007.

Nick Licata

President of the City Council

Approved by me this 13th day of December, 2007.

Gregory J. Nickels, Mayor

Filed by me this 14th day of December, 2007.

(Seal) Judith Pippin

City Clerk

Attachment 1: Recreation Services: ARC, Advisory Council, Seattle Parks and Recreation

Exhibit A: Master Services Agreement Between the City of Seattle Department of Parks and Recreation and the Associated Recreation Council

Appendices to Exhibit A: Appendix I – Child Care Programs Services Agreement

Appendix II – ARC Fundraising Protocol

Appendix III – ARC Employee and Contractor Titles

Appendix IV – Facilities to be Programmed under this Agreement

Appendix V – Pyramid System and Financial Management

See City Clerk for Attachments

Publication ordered by JUDITH PIPPIN, City Clerk

Date of publication in the Seattle Daily Journal of Commerce, December 18, 2007.

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