

RESOLUTION NO. 2

A RESOLUTION OF THE LAKE FOREST PARK TRANSPORTATION DISTRICT ADOPTING AN INTERLOCAL AGREEMENT WITH THE CITY OF LAKE FOREST PARK FOR THE PROVISION OF SERVICES AND INSURANCE

WHEREAS, in Ordinance No. 983, the City Council of the City of Lake Forest Park established a Transportation Benefit District as authorized by RCW 35.21.225 and subject to the provisions of RCW 36.73; and

WHEREAS, the Transportation Benefit District includes the entire City of Lake Forest Park as the boundaries currently exist; and

WHEREAS, pursuant to RCW 36.73.020(3), the members of the City Council, acting ex officio and independently, constitute the governing body of the Transportation Benefit District; and

WHEREAS, Chapter 39.34 RCW (Interlocal Cooperation Act) permits local governmental units to make the most efficient use of their powers by enabling them to cooperate on the basis of mutual advantage;

WHEREAS, Lake Forest Park is empowered to operate, maintain, construct, and reconstruct, public street infrastructure within its city limits in accordance with the powers granted pursuant to RCW 35A.11.020 and Chapter 35A.47 RCW;

WHEREAS, the Governing Board of the City of Lake Forest Park Transportation Benefit District finds it in the best interests of the District to better coordinate its efforts with the City of Lake Forest Park, and to obtain the services of certain City staff, in order to better pursue the District's and the City's individual, joint and mutual rights and obligations to maintain and preserve streets and related transportation infrastructure within the City of Lake Forest Park; and

WHEREAS, the Governing Board of the City of Lake Forest Park Transportation Benefit District finds it in the best interests of the District to obtain insurance for the District and its Board members, officers, agents, and employees;

NOW, THEREFORE, the Lake Forest Park Transportation District does hereby resolve as follows:

1. Participation in Washington Cities Insurance Authority. The District shall join the Washington Cities Insurance Authority ("WCIA"). The Chair of the Governing Board of the District is hereby authorized to execute the interlocal agreement between the WCIA and the District.
2. Interlocal Agreement with the City of Lake Forest Park. The Chair of the District's Governing Board is hereby authorized to execute the Interlocal Agreement with the City of Lake Forest Park in the form attached as "Attachment 1" to this Resolution.

PASSED BY A MAJORITY VOTE of the members of the Lake Forest Park
Transportation District this 11th day of June 2009, and signed into authentication this 11th day of
June 2009.

APPROVED:

A handwritten signature in dark ink, appearing to read "Ed Sterner", written over a horizontal line.

Ed Sterner, Chair

ATTESTED:

A handwritten signature in dark ink, appearing to read "Susan Stine", written over a horizontal line.

Susan Stine, City Clerk

First Reading: June 11, 2009

Final Action: June 11, 2009

Posted: June 17, 2009

AGREEMENT NO. 1

AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF LAKE FOREST PARK, WASHINGTON, AND THE LAKE FOREST PARK TRANSPORTATION BENEFIT DISTRICT

This agreement between the City of Lake Forest Park, Washington ("Lake Forest Park"), and the Lake Forest Park Transportation Benefit District ("TBD"), each of whom is organized as a Municipal Corporation under the laws of the state of Washington, is dated this ____ day of June, 2009.

WHEREAS, Chapter 39.34 RCW (Interlocal Cooperation Act) permits local governmental units to make the most efficient use of their powers by enabling them to cooperate on the basis of mutual advantage;

WHEREAS, Lake Forest Park is empowered to operate, maintain, construct, and reconstruct, public street infrastructure within its city limits in accordance with the powers granted pursuant to RCW 35A.11.020 and Chapter 35A.47 RCW;

WHEREAS, pursuant to Ordinance No. 983, the TBD was created to provide adequate funding for ongoing transportation improvements that preserve, maintain and, as appropriate, construct or reconstruct the existing transportation infrastructure of the City of Lake Forest Park consistent with Chapter 36.73 RCW;

WHEREAS, Lake Forest Park and the TBD desire to better coordinate their efforts in order to pursue their individual, joint and mutual rights and obligations to maintain and preserve streets and related transportation infrastructure within the City of Lake Forest Park; NOW, THEREFORE,

The parties have entered into this agreement in consideration of the mutual benefits to be derived and to coordinate their efforts through the structure provided by the Interlocal Cooperation Act.

1. Purpose and Interpretation. The City of Lake Forest Park is empowered by Title 35A to construct, reconstruct, maintain and preserve City streets and other related public infrastructure either by contract or through the use of City forces. The TBD has been constituted in accordance with state law to provide a source of funding for the maintenance and preservation of streets and related infrastructure within the City limits of the City of Lake Forest Park. The TBD has no employees and its officers are either City Council Members serving in an ex officio capacity or are City employees designated to serve under the provisions of state law. In order to make the most efficient use of public monies, to avoid duplication of effort and to coordinate their efforts, the parties have entered into this agreement. In the event of ambiguity or the need for guidance arises, this agreement shall be interpreted in accordance with the provisions of Lake Forest Park City Ordinance No. 983, Chapter 36.73 RCW, and the provisions of the Governmental Accounting Act and RCW 43.09.210, as the foregoing (or any of them) exist or shall hereafter be amended. In the event that any provision of this agreement is held to be in conflict with existing

state statute or any future amendment thereof, such provisions shall be severable, and the remaining provisions of this agreement shall remain in full force and effect.

2. Obligations of the TBD. In accordance with the requirements of Chapter 36.73 RCW, Ordinance No. 983, the Transportation Benefit District agrees to:

2.1 Provide to the City of Lake Forest Park all funding received from any and all lawful sources which the TBD in its sole discretion may levy for the purpose of preserving and maintaining Lake Forest Park streets and related infrastructure.

2.2 Continue the annual provision of funding for street preservation and maintenance so long as the TBD remains in existence. Such funding shall be in accordance with and limited by the provisions of Ordinance No. 983 and Chapter 36.73 RCW, as the same exist or may hereafter be amended. By way of illustration and not limitation:

2.2.1 The TBD shall hold public hearings as may be required by law prior to levying any charge, tax or fee and shall levy any charge, tax or fee only in accordance with law and ordinance.

2.2.2 Develop an annual work plan in consultation with the City of Lake Forest Park City Council, and designate street maintenance and preservation projects within Lake Forest Park for funding; and

2.2.3 Pursuant to a material change policy adopted pursuant to the requirements of RCW 36.73.160(1), the TBD shall consider at a minimum the impacts and appropriate remedies if transportation improvements contained in its annual plan exceed its original cost by more than 20%. The TBD shall consider the input from public hearings and other sources as it determines how such cost changes should be resolved. The obligations of this agreement shall be interpreted and applied in a manner consistent with this adopted policy.

2.2.4 Prepare an annual report consistent with RCW 36.73.160(2).

3. Undertakings of Lake Forest Park. Lake Forest Park shall:

3.1 Provide all staff and necessary related support to the TBD. The costs of such support shall be accounted for as a part of an annual City report to the District. TBD funding shall first be applied to the reasonable charges incurred in establishing and staffing the TBD. Annual services provided may include the services provided by the City Attorney, the City Clerk when serving as the Clerk of the TBD, the City's Finance Director when serving as its Treasurer, and any associated costs, including but not limited to the preparation of an annual work plan, reporting, advertising, design, contracting, construction management, accounting, and any and all other actual charges associated with the proper application of TBD funding to the preservation and maintenance of City streets and infrastructure in accordance with law and ordinance. In consideration of the benefits derived by Lake Forest Park, overhead charges such as utilities, information technology, office supplies, and equipment shall be a contribution of Lake Forest Park to the parties' joint goals and objectives and need not be directly charged to the TBD.

3.2 Maintain for the period established by the State Archivist retention schedule, financial records, kept in accordance with generally accepted accounting practice and governmental accounting requirements, as necessary to document that any and all funding received through the TBD is used only for the maintenance and preservation of City streets and infrastructure in accordance with law and ordinance.

3.3 Utilize all funding provided for street maintenance and preservation projects shown on the TBD's annual work plan in accordance with the TBD's material charge policy and ordinance.

4. Ownership. Streets and related transportation infrastructure preserved and maintained with TBD funds are and shall remain the property of the City of Lake Forest Park, unless said streets are part of the state highway system, in which even they shall be owned by the state. No joint property ownership is contemplated under the terms of this agreement.

5. No Joint Board. No provision is made for a joint board. The TBD shall exercise its function in accordance with Ordinance 983 (as the same exists or may hereafter be amended), using staff as provided by the City of Lake Forest Park, pursuant to this agreement.

6. Insurance; Indemnity.

6.1 The parties agree to participate in the Washington Cities Insurance Authority (WCIA) insurance pool in accord with their respective interlocal agreements with the WCIA. The original charge or premium for the TBD will be borne by Lake Forest Park as a cost to be covered under Section 3.1 and shall be paid for with funds received from or through the TBD. In the event that either or both cease to participate in the WCIA pool, the party or parties agree to obtain comparable coverage.

6.2 Lake Forest Park agrees to indemnify and hold harmless the TBD, its officers and agents, from any claim, loss or liability arising from or out of the expenditure of TBD funds under this agreement. This promise to indemnify and hold harmless includes the reasonable costs of legal defense.

6.3 The TBD agrees to indemnify and hold harmless Lake Forest Park, its officers, agents and employees from any claim, loss or liability arising from or out of TBD's negligent, tortious or illegal actions under this agreement.

7. Termination. This agreement shall terminate or expire as follows:

7.1 This agreement may be terminated by either party upon the provision of three hundred and sixty-five (365) calendar days notice. A final reconciliation of costs, payment, and a current report of completed activities shall be completed by Lake Forest Park within such period following the notice by either party.

7.2 Unless sooner terminated by either party, this agreement shall expire on the date when the District is automatically dissolved in accordance with provisions of Ordinance No. 983, as the same exists or is hereafter amended.

8. Effective Date. This agreement shall be effective upon the last authorizing signature affixed hereto and when listed by subject on the City of Lake Forest Park' website or other electronically retrievable public source as required by RCW 39.34.040.

IN WITNESS WHEREOF, the parties have executed this agreement on the date first written above.

CITY OF LAKE FOREST PARK

LAKE FOREST PARK
TRANSPORTATION
BENEFIT DISTRICT

David R. Hutchinson, Mayor

Ed Sterner, Chair

ATTEST

ATTEST

Susan Stine, City Clerk

APPROVED AS TO FORM

APPROVED AS TO FORM

Bob Sterbank, City Attorney