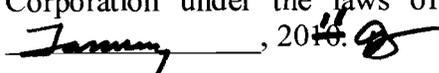


1 **AN INTERLOCAL AGREEMENT BETWEEN**
2 **THE CITY OF LYNNWOOD, WASHINGTON, AND**
3 **THE LYNNWOOD TRANSPORTATION BENEFIT DISTRICT**
4

5 This agreement between the City of Lynnwood, Washington ("Lynnwood"), and the
6 Lynnwood Transportation Benefit District ("TBD"), each of whom is organized as a Municipal
7 Corporation under the laws of the state of Washington, is dated this 5th day of
8 January, 2016. 
9

10 WHEREAS, Chapter 39.34 RCW (Interlocal Cooperation Act) permits local
11 governmental units to make the most efficient use of their powers by enabling them to cooperate
12 on the basis of mutual advantage; and
13

14 WHEREAS, Lynnwood is empowered to operate, maintain, construct, and reconstruct,
15 public street infrastructure within its city limits in accordance with the powers granted pursuant
16 to RCW 35A.11.020 and Chapter 35A.47 RCW; and
17

18 WHEREAS, pursuant to Lynnwood Ordinance No. 2837, Lynnwood established the
19 TBD and authorized funding for any purpose allowed by law including to operate the District
20 and to make transportation improvements consistent with existing state, regional, and local
21 transportation plans and necessitated by existing or reasonably foreseeable congestion levels
22 pursuant to Chapter 36.73 RCW; and
23

24 WHEREAS, pursuant to TBD Ordinance No. 1, the TBD has authorized a vehicle license
25 fee and authorized certain projects to be funded; and
26

27 WHEREAS, Lynnwood and the TBD desire to better coordinate their efforts in order to
28 pursue their individual, joint and mutual rights and obligations to fulfill the intent of Lynnwood
29 Ordinance No. 2837; NOW, THEREFORE,
30

31 The parties have entered into this agreement in consideration of the mutual benefits to be
32 derived and to coordinate their efforts through the structure provided by the Interlocal
33 Cooperation Act.
34

35 1. Purpose and Interpretation. Lynnwood is empowered by Title 35A to construct,
36 reconstruct, maintain and preserve Lynnwood streets and other related public infrastructure
37 either by contract or through the use of Lynnwood forces. The TBD has been constituted in
38 accordance with state law to provide a source of funding for the maintenance and preservation of
39 streets and related infrastructure within the City limits of the Lynnwood. The TBD has no
40 employees and its officers are either Lynnwood City Council Members serving in an ex officio
41 capacity or are Lynnwood City employees designated to serve under the provisions of state law.
42 In order to make the most efficient use of public monies, to avoid duplication of effort and to
43 coordinate their efforts, the parties have entered into this agreement. In the event of ambiguity or
44 the need for guidance arises, this agreement shall be interpreted in accordance with the
45 provisions of Chapter 36.73 RCW, Lynnwood Ordinance No. 2837, TBD Ordinance No. 1, TBD
46 Resolution No. 1 (Charter), and the provisions of the Governmental Accounting Act and RCW

1 43.09.210 as the same exists or shall hereafter be amended. In the event that any provision of
2 this agreement is held to be in conflict with existing state statute or any future amendment
3 thereof, such provisions shall be severable, and the remaining provisions of this agreement shall
4 remain in full force and effect.

5
6 2. Obligations of the TBD. In accordance with the requirements of Chapter 36.73 RCW,
7 Lynnwood Ordinance No. 2837, TBD Ordinance No. 1, and TBD Resolution No. 1 (Charter), the
8 TBD agrees to:

9
10 2.1 Provide to Lynnwood all funding received from any and all lawful sources which
11 the TBD in its sole discretion may levy for the purpose of completing the TBD's authorized
12 projects.

13
14 2.2 Continue the annual provision of funding for the projects approved by the TBD,
15 so long as the TBD remains in existence. Such funding shall be in accordance with and limited
16 by the provisions of Lynnwood Ordinance No. 2837, TBD Resolution No. 1 (Charter), and
17 Chapter 36.73 RCW. By way of illustration and not limitation:

18
19 2.2.1 The TBD shall hold public hearings as required by its charter prior to
20 levying any charge, tax or fee and shall levy any charge, tax or fee only in accordance with law
21 and ordinance.

22
23 2.2.2 Develop an annual work plan and designate projects within its jurisdiction
24 for funding.

25
26 2.2.3 Pursuant to TBD Resolution No. 2 (Material Change Policy) adopted
27 pursuant to the requirements of RCW 36.73.160(1), the TBD shall consider at a minimum the
28 impacts and appropriate remedies if transportation improvements contained in its annual plan
29 exceed its original cost by more than 20%. The TBD shall consider the input from public
30 hearings and other sources as it determines how such cost changes should be resolved. The
31 obligations of this agreement shall be interpreted and applied in a manner consistent with this
32 adopted policy.

33
34 3. Undertakings of Lynnwood. Lynnwood shall:

35
36 3.1 Provide all staff and necessary related support to the TBD. The costs of such
37 support shall be accounted for as a part of the City's annual report to the District. TBD funding
38 shall first be applied to the reasonable charges incurred in establishing and staffing the TBD.
39 Annual services provided may include the services provided by the City Attorney, the City Clerk
40 when serving as the Clerk of the TBD, the City's Finance Director when serving as its Treasurer,
41 and other employees of Lynnwood that serve the TBD and any associated costs, including but
42 not limited to the preparation of an annual work plan, reporting, advertising, design, contracting,
43 construction management, accounting, and any and all other actual charges or Lynnwood/TBD
44 agreed upon percentage of charges associated with the proper application of TBD funding in
45 accordance with law and ordinance. In consideration of the benefits derived by Lynnwood,
46 overhead charges such as utilities, information technology, office supplies, and equipment shall

1 be a contribution of Lynnwood to the parties' joint goals and objectives and need not be directly
2 charged to the TBD.

3
4 3.2 Maintain for the period established by the State Archivist retention schedule,
5 financial records, kept in accordance with generally accepted accounting practice and
6 governmental accounting requirements, as necessary to document that any and all funding
7 received through the TBD is used only for the projects authorized in accordance with law and
8 ordinance.

9
10 3.3 Immediately alert the TBD of any material changes in scope, schedule or cost
11 increases of 20% or greater to Improvements funded in part or whole with TBD funds.

12
13 3.4 Utilize all funding provided for projects shown on the TBD's annual work plan in
14 accordance with the TBD Resolution No. 2 (Material Change Policy), law, and ordinance.

15
16 4. Ownership. Streets and related transportation infrastructure preserved and maintained
17 with TBD funds are and shall remain the property of the City of Lynnwood. No joint property
18 ownership is contemplated under the terms of this agreement.

19
20 5. No Joint Board. No provision is made for a joint board. The TBD shall exercise its
21 function in accordance with its charter, using staff as provided by the City of Lynnwood,
22 pursuant to law and to this agreement.

23
24 6. Insurance; Indemnity.

25
26 6.1 The parties agree to participate in the Cities Insurance Association of Washington
27 (CIAW) insurance pool in accord with their respective interlocal agreements with the CIAW.
28 The original charge or premium for the TBD will be borne by Lynnwood as a cost to be covered
29 under Section 3.1 and shall be paid for with funds received from or through the TBD. In the
30 event that either or both cease to participate in the CIAW pool, the party or parties agree to
31 obtain comparable coverage.

32
33 6.2 Each party agrees to indemnify and hold harmless the other party, its officers,
34 agents and employees from any claim, loss or liability arising from or out of the other party's
35 negligent, tortuous, or illegal actions under this agreement.

36
37 7. Termination. This agreement shall terminate or expire as follows:

38
39 7.1 This agreement may be terminated by either party upon the provision of one
40 hundred and eighty (180) calendar days notice. A final reconciliation of costs, payment, and a
41 current report of completed activities shall be completed by Lynnwood within such period
42 following the notice by either party.

43
44 7.2 Unless sooner terminated by either party, this agreement shall expire on the date
45 when the District is automatically dissolved in accordance with provisions of 36.73 RCW and
46 Lynnwood Ordinance No. 2837, as the same exists or is hereafter amended.

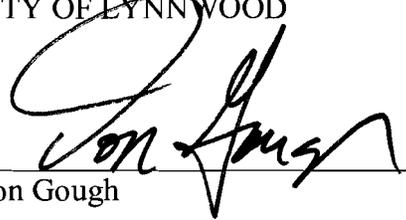
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8. Effective Date. This agreement shall be effective upon the last authorizing signature affixed hereto and when listed by subject on Lynnwood's website or other electronically retrievable public source as required by RCW 39.34.040.

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

CITY OF LYNNWOOD

LYNNWOOD TRANSPORTATION
BENEFIT DISTRICT



Don Gough
Mayor



Loren Simmonds
TBD President

APPROVED AS TO FORM:

APPROVED AS TO FORM:



Rosemary Larson
City Attorney

Assistant City Attorney