

**INTERLOCAL AGREEMENT BETWEEN THE CITY OF SNOHOMISH AND
SNOHOMISH COUNTY FIRE PROTECTION DISTRICT NO. 4
PROPERTY TRANSFER INTERLOCAL**

This INTERLOCAL AGREEMENT (the "Agreement") is entered into this 18th day of July, 2023, between the CITY OF SNOHOMISH, a municipal corporation of the State of Washington (the "City"), and SNOHOMISH COUNTY FIRE PROTECTION DISTRICT NO. 4, a municipal corporation of the State of Washington ("the Fire District") collectively referred to as the "Parties."

RECITALS

WHEREAS, the City and the Fire District have long-standing joint interests in real property; and

WHEREAS, the City and the Fire District also have a joint interest in potential acquisition of a public safety and city services campus; and

WHEREAS, the City and the Fire District have had ongoing discussions and have agreed to pursue a clear division of real property and to proceed with development of a municipal campus; and

AGREEMENT

NOW, THEREFORE, in consideration of the respective agreements set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Fire District agree as follows:

- 1. Ownership of Real and Personal Property.** The City and the Fire District currently have the following properties within Snohomish city limits held in joint ownership "Joint Real Property:"
 - 1.1.** The real property and building located at 1525 Avenue D, known as the "Headquarters Station #43" (excluding the Annex and storage building which are solely owned by the Fire District).
 - 1.2.** The real property and building located at 1330 Oak Avenue or 1330 Ferguson Park Road, commonly known as the "Snohomish Community Food Bank Property."
 - 1.3.** The real property and building located at 427 Maple Avenue, commonly known as "Fire Station #41."
- 2. Separation of Joint Ownership of Joint Real Property** The Parties agree to separate ownership of the Joint Real Property according to the following terms and timetable:

2.1. Station #41. The City shall transfer its interest in Station #41 to the Fire District in consideration of the Fire District assuming all of the City's obligations to provide an aerial ladder device stationed at one of the two fire stations located within the City of Snohomish, as set forth in City Resolution 1322. The District shall provide an aerial ladder truck in one of the two stations within the City of Snohomish, within four (4) years of the completion of Station 41.. Once the aerial ladder truck is in place within the City, the City will execute a quit claim deed transferring its ownership interest in Station #41 to the District.

2.2. Station #43. The Parties agree to the following disposition of Station #43:

- a. The parties agree to equally share the costs (including but not limited to surveys, professional services, permits and filing fees) to divide the Station #43 property into two parcels of approximately equal size together with a binding site plan mutually agreed to by the Parties.
- b. The District shall own the western parcel together with the existing fire station building. The City shall own the Eastern portion of the land but the District shall retain ownership of the Annex and storage buildings.
- c. The City shall lease the Eastern parcel to the District in consideration of the City's use of the District's Station 43 Training Annex as an Emergency Operations Center "EOC." The term of the lease shall be defined as set forth in Section 3 of this Agreement.
- d. At such time as the property has been divided and a formal lease has been negotiated, the District will transfer its interest in the Eastern Parcel by quit claim deed to the City and the City will transfer its interest in the Western Parcel by quit claim deed to the District.
- e. The property division shall occur no later than six months following the commencement of construction of the District's facilities on its portion of the Municipal Campus as set forth in Section 3.

2.3. Snohomish Community Food Bank. The District shall transfer its interest by quit claim deed to the City and shall assign its Lease with the Snohomish Community Food Bank to the City at the same time as the Station #43 transfers under Section 2.2.d.

3. Purchase of Property for and Development of Municipal Campus. The City and District agree to each purchase adjacent portions of a single area (Pine Avenue Property) in an effort to create a Municipal Campus with each adjoining parcel being used for municipal purposes. A municipal campus will provide a benefit to the citizens, allow for efficient communication between the City Departments, Police, and the District, allow for efficiency in site development, better position the community for grants to help fund the development of the combined sites into functionally one site and provide greater opportunities for use of shared spaces. The acquisition, division and development of the Municipal Campus Property shall be completed as follows.

- 3.1. Purchase and Land Division.** The District shall purchase the Municipal Campus Property and shall be the lead agency in the division of the Municipal Campus Property with the District owning approximately 40% of the land in the North/Northwest and the City owning 60% of the land in the South/South West. The final division shall be agreed to by the Parties based on recommendations from the architect and will be equal to the final division of buildable property. Each entity will own 100% of its portion of land and have all rights to that land. A binding site plan will address common areas and needs as determined, but may include but not be limited to parking, water retention, landscaping, etc.
- 3.2. Property Purchase Payment.** Within 30 days following the closing of the purchase of the Municipal Campus Property the District shall invoice the City and, the City shall pay within 30 days of receipt of the invoice, the City's percentage share (based on the estimated 60/40 division) of the property acquisition costs (including but not limited to purchase price, closing costs, professional services, brokerage fees, feasibility costs, attorney fees, professional service fees etc.) and any land division costs incurred prior to the time of closing (including but not limited to surveys, professional services, permits and filing fees).
- 3.3. Land Division Payment.** Land division costs following the closing of the purchase of the Municipal Campus Property (including but not limited to surveys, professional services, permits and filing fees) shall be invoiced by the District to the City on a monthly basis based on the 60/40 division.
- 3.4. Reconciliation.** At such time as the final land division is completed the Parties agree to reconcile the cost allocation based on the final percentages.
- 3.5. Interest.** Invoices delivered under this Section shall be payable within 30 days of receipt and unpaid balances shall accrue interest as specified by chapter 39.76 RCW until paid in full.
- 3.6. Option to Purchase.** In the event the City fails to implement construction of its facilities on its portion of the Municipal Campus within 24 months of the date the District's Fire Station's construction is complete, the District shall have the right purchase the City's portion at the lesser of Fair Market Value or the amounts paid by the City to the District under Sections 32 and 3.3. The District must exercise this option within six months of the final completion date of its Fire Station construction. In addition, the intent of the Municipal Campus development is for city service use such as police, city hall, public works, etc. If the City determines it will use its portion of the Municipal Campus for any other use such as parks, housing, etc., the City shall provide the District with six months advance notice of its intended use. The District shall then have six months in which to exercise its Option to Purchase as outlined above.
- 3.7. Municipal Campus Shared Use Facilities.**
- a.** The City agrees to build on its portion of the Municipal Campus, at no cost to the District, training, meeting, conference, and EOC spaces that are comparable to usage

and availability as the Fire District's current buildings "Shared Spaces." Once the Shared Spaces are completed, and the District has appropriate access and use of the Shared Spaces, the lease described in Section 2.2(c) shall terminate and the District shall transfer all ownership of the District owned buildings located on the East portion of the station 43 property to the City. Following this transfer, the use of the property and buildings on the City owned portion of Station #43 will be at the discretion of the City, subject to any requirements set forth in the binding site plan, which may include shared spaces such as parking, water retention, landscape, etc.

- b. The District agrees to build a physical fitness center with accompanying restroom and locker room functions that would have the capacity to serve City employees working on their portion of the Municipal Campus, during normal business hours.
- c. The District agrees to enter into a cost share for the maintenance and operations of the Shared Spaces based on the percentage of the District' use rights. The City and Fire District will enter into an agreement for the use and maintenance of the Shared Space as an amendment to this ILA. The intent of the Parties is to use in-kind payments that will include items that are mutually beneficial including lowering the WSRB rating. The goal of both Parties is to work towards an ISO rating of 2 within the city limits of Snohomish. The in-kind payments may include but are not limited to the services provided under the Fire Service Interlocal, RCW 52.30.020 service fees, mutual training, physical fitness, EOC functions, or other items mutually agreed. This amendment will be completed before construction on the shared spaces begins.

4. Maintenance, Operation and Insuring of Jointly Owned Property and Buildings Prior to Transfer of Ownership.

- 4.1. The District shall be responsible for the maintenance, operations and repair of all jointly owned real property and buildings, referenced in this Agreement unless agreed to in writing by both agencies in subsequent agreements or amendments.
- 4.2. The District shall continue to insure all jointly owned real property and buildings referenced in this agreement at the same level as other Fire District assets.

5. Effective Date. This agreement shall become effective upon the approval and execution by both parties and upon execution and approval by both parties of the Fire Services Interlocal Agreement and shall remain in effect until terminated in accordance with Section 6.

6. Termination.

- 6.1. Termination by Notice. Either party may terminate this Agreement by providing the other party with 365 days advance written notice of an intent to terminate or renegotiate. If the Notice is requesting renegotiation the parties must reach agreement on the renegotiated terms within 180 days of the Notice or the Agreement will terminate on the 365th day following the Notice. In the event either party terminates this Agreement, the parties agree that the Fire Services Interlocal Agreement between the Parties shall be

opened up for mutual renegotiation or shall also be subject to termination on the date this Agreement is terminated.

6.2. Termination by Mutual Written Agreement. This Agreement may be terminated at any time by mutual written agreement of the parties.

6.3. Termination for Breach. Either party may terminate this Agreement with fourteen (14) days advance written notice upon the failure of the other party to perform its obligations under this Agreement. Prior to termination for Breach, the party claiming breach must provide written notice to the breaching party stating the basis of the breach and the party receiving notice shall have 14 calendar days in which to cure the breach before Notice of Termination can be provided.

7. Insurance Requirements.

7.1. Each party shall maintain and provide evidence to the other of insurance or self-insurance adequate to cover its liability obligations under this Agreement and/or arising out of each party's activities hereunder.

7.2. The City is part of a Public Entity insurance pool sanctioned by the Washington State Office of Financial Management Risk Management Division and it will provide a letter signed and executed by an authorized agent indicating the City's participation in said pool.

7.3. The Fire District is part of a Public Entity insurance pool sanctioned by the Washington State Office of Financial Management Risk Management Division and it will provide a letter signed and executed by an authorized agent indicating the Fire District's participation in said pool.

8. Indemnification and Liability.

8.1. The City and the Fire District shall indemnify and hold each other harmless, including their respective officers, agents, and employees, or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any negligent act or omission of either party, its officers, agents, and employees, or any of them relating to or arising out of performing services pursuant to this Agreement. In the event that any such suit based upon such a claim, action, loss, or damages is brought against the City and/or the Fire District, each party shall defend the same at its sole cost and expense; provided that City and/or the Fire District reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment in said suit be rendered against the City or the Fire District or their respective officers, agents, and employees, or any of them, or jointly against City and/or the Fire District and their respective officers, agents, and employees, or any of them, the other party shall satisfy the same.

8.2. In executing this Agreement, neither party assume liability or responsibility for or in any way release the City or the Fire District from any liability or responsibility which arises

in whole or in part from the existence or effect of City or Fire District ordinances, policies, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City or Fire District ordinance, policy, rule or regulation is at issue, the City and/or the Fire District shall defend the same at its sole expense and, if judgment is entered or damages are awarded against the City, the Fire District, the County, or any of them, the City and/or the Fire District shall satisfy the same, including all chargeable costs and reasonable attorney's fees.

- 8.3. The foregoing indemnity is specifically intended to constitute a waiver of each party's immunity under Washington's Industrial Insurance Act, Title 51 RCW, as respects the other parties only, and only to the extent necessary to provide the indemnified party with a full and complete indemnity of claims made by the indemnitor's employees. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them.

9. Dispute Resolution.

- 9.1. Prior to any other action, the parties shall meet and attempt to negotiate a resolution to such dispute.
- 9.2. If the parties are unable to resolve a dispute regarding this Agreement through negotiation, either party may demand mediation through a process to be mutually agreed to in good faith between the parties within 30 days. The parties shall share equally the costs of mediation and each party shall be responsible for their own costs in preparation and participation in the mediation, including expert witness fees and reasonable attorney's fees.
- 9.3. If a mediation process cannot be agreed upon or if the mediation fails to resolve the dispute then, within 30 calendar days, either party may submit the dispute to arbitration according to the procedures of the Superior Court Rules for Mandatory Arbitration, including the Local Mandatory Arbitration Rules of the Snohomish County Superior Court, Snohomish County, Washington, as amended, unless the parties agree in writing to an alternative dispute resolution process. The arbitration shall be before a disinterested arbitrator selected pursuant to the Mandatory Arbitration Rules with both parties sharing equally in the cost of the arbitrator. The location of the arbitration shall be mutually agreed or established by the assigned Arbitrator, and the laws of Washington will govern its proceedings. Each party shall be responsible for its own costs in preparing for and participating in the arbitration, including expert witness fees and reasonable attorney's fees.
- 9.4. Following the arbitrator's issuance of a ruling/award, either party shall have 30 calendar days from the date of the ruling/award to file and serve a demand for a bench trial de novo in the Snohomish County Superior Court. The court shall determine all questions of law and fact without empanelling a jury for any purpose. If the party demanding the trial de novo does not improve its position from the arbitrator's ruling/award following

a final judgment, that party shall pay all costs, expenses and attorney fees to the other party, including all costs, attorney fees and expenses associated with any appeals.

- 9.5. Unless otherwise agreed in writing, this dispute resolution process shall be the sole, exclusive and final remedy to or for either party for any dispute regarding this Agreement, and its interpretation, application or breach, regardless of whether the dispute is based in contract, tort, any violation of federal law, state statute or local ordinance or for any breach of administrative rule or regulation and regardless of the amount or type of relief demanded.

10. Miscellaneous.

- 10.1. Non-Waiver of Breach. The failure of either party to insist upon strict performance of any of the covenants and agreements contained in this Agreement, or to exercise any option conferred by this Agreement in one or more instances shall not be construed to be a waiver or relinquishment of those covenants, agreements or options, and the same shall be and remain in full force and effect.
- 10.2. Assignment. Any assignment of this Agreement by either party without the prior written consent of the non-assigning party shall be void. If the non-assigning party gives its consent to any assignment, the terms of this Agreement shall continue in full force and effect and no further assignment shall be made without additional written consent. Provided however in the event of a consolidation of services of the District with another fire protection and emergency medical service provider this Agreement may be assigned to the consolidated entity without further consent of the City.
- 10.3. Modification. No waiver, alteration, or modification of any of the provisions of this Agreement shall be binding unless in writing and signed by a duly authorized representative of each party and subject to ratification by the legislative body of each party.
- 10.4. Compliance with Laws. Each party agrees to comply with all local, federal and state laws, rules, and regulations that are now effective or in the future become applicable to this Agreement.
- 10.5. Entire Agreement. The written terms and provisions of this Agreement, together with any exhibits attached hereto, shall supersede all prior communications, negotiations, representations or agreements, either verbal or written of any officer or other representative of each party, and such statements shall not be effective or be construed as entering into or forming a part of or altering in any manner this Agreement. All of the exhibits are hereby made part of this Agreement. Should any of the language of any exhibits to this Agreement conflict with any language contained in this Agreement, the language of this document shall prevail.
- 10.6. Severability. If any section of this Agreement is adjudicated to be invalid, such action shall not affect the validity of any section not so adjudicated.

10.7. Interpretation. The legal presumption that an ambiguous term of this Agreement should be interpreted against the party who prepared the Agreement shall not apply.

10.8. Notice. All communications regarding this Agreement shall be sent to the parties at the addresses listed on the signature page of the Agreement, unless notified to the contrary. Any written notice hereunder shall become effective upon personal service or three (3) business days after the date of mailing by registered or certified mail, and shall be deemed sufficiently given if sent to the addressee at the address stated in this Agreement or such other address as may be hereafter specified in writing.

CITY OF SNOHOMISH

SNOHOMISH COUNTY FIRE PROTECTION
DISTRICT NO. 4

By Linda Redmon
Linda Redmon, Mayor

By Don Waller
Don Waller, Fire Chief

Date July 18, 2023

Date 3/14/2023

Approved as to form:

Emily Guildner
Emily Guildner, City Attorney