

To be posted on the City of Vancouver website.

**INTERLOCAL AGREEMENT BETWEEN
THE CITY OF VANCOUVER AND
THE VANCOUVER TRANSPORTATION BENEFIT DISTRICT**

This Agreement between the City of Vancouver, Washington (the “City”) and the Vancouver Transportation Benefit District (“Vancouver TBD”), each of whom is organized as a municipal corporation under the laws of the State of Washington, is dated this 7th day of December 2015.

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

WHEREAS, the City is empowered to operate, maintain, construct and reconstruct, public street infrastructure within its city limits in accordance with its powers granted pursuant to RCW 35.22.280(7) and Vancouver Municipal Code Title 11; and

WHEREAS, pursuant to Ordinance No. M-4139, the City established the Vancouver TBD and authorized funding for any purpose allowed by law, including but not limited to, the operation of the Vancouver TBD and to make transportation improvements consistent with existing state, regional and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels pursuant to chapter 36.73 RCW; and

WHEREAS, pursuant to Resolution TBD-2015-003, the Vancouver TBD has authorized a vehicle license fee to be collected by the Department of Licensing; and

WHEREAS, the City and the Vancouver TBD desire to better coordinate their efforts in order to pursue their individual, joint and mutual rights and obligations to fulfill the intent of Ordinance No. M-4139;

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.

Section 1. Purpose and Interpretation. The City is empowered by Title 35 RCW 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 improvement, maintenance and preservation of street and related infrastructure within the City limits of the City of Vancouver. The Vancouver TBD has no employees and its officers are the Mayor and 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 chapter 36.73 RCW, the Bylaws of the Vancouver TBD, the provisions of the Governmental Accounting Act and RCW 43.09.210, as the same exists 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.

Section 2. Obligations of the Vancouver TBD. In accordance with the requirements of chapter 36.73 RCW, City of Vancouver Ordinance No. M-4139, and Resolutions TBD-2015-002 and TBD-2015-003 and TBD 2015-004, and the Vancouver TBD Bylaws, the Vancouver TBD agrees to:

A. Provide to the City all funding received from any and all lawful sources with the Vancouver TBD in its sole discretion may levy for the purpose of completing the Vancouver TBD's authorized projects.

B. Continue the annual provision of funding for the projects approved by the Vancouver TBD, so long as the TBD remains in existence. Such funding shall be in accordance with and limited by the provisions of Ordinance No. M-4139 and Resolutions TBD-2015-002, and TBD-2015-003, TBD-2015-004, the Vancouver TBD Bylaws and chapter 36.73 RCW. By way of illustration and not limitation:

1. The Vancouver TBD shall hold public hearings as 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. The Vancouver TBD shall develop an Annual Work Plan and Project List Selection within its jurisdiction for funding.

3. Pursuant to the Material Change Policy adopted in Resolution No. TBD-2015-002, as required by RCW 36.73.160(1), the Vancouver 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 twenty percent (20%). The Vancouver 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 adopted policy.

4. Annual Budget Preparation. The steps and timing of the process of annual budget preparation for the Vancouver TBD shall be the responsibility of the City of Vancouver Department of Financial and Management Services, and shall be reviewed, completed, and approved by the Vancouver TBD Board in compliance with the requirements for timing, publication, and public hearing imposed by state law; following best practices in municipal budgeting; and in compliance with the regulations of the Washington State Auditor's Office.

Section 3. Undertakings of the City. The City shall:

A. Provide all staff and necessary related support to the Vancouver TBD. The costs of such support shall be accounted for as a part of the City's annual report to the Vancouver TBD. Vancouver TBD funding shall first be applied to the reasonable charges incurred for annual services provided to the Vancouver TBD. Annual services provided may include the services provided by the City Attorney; services provided by the City Clerk when serving as the Clerk of the Vancouver TBD; services provided by the City's Financial and Management Services Director when serving as the Financial and Management Services Director of the TBD, including but not limited to annual budget preparation, annual financial accounting and reporting, supervising the application of legal requirements related to competitive bidding and related to contracts for improvement and administering all state and federal laws and resolutions and policies of the Vancouver TBD which relate to the Vancouver TBD's financial affairs, consistent with the Financial and Management Services Director's duties pursuant to Vancouver Municipal Code Section 2.10.030; services provided by the City's Treasurer when serving as the Treasurer of the Vancouver TBD, which shall include acting as the fiscal agent for the Vancouver TBD including investing funds in accordance with Washington State RCWs for public funds; and services provided by other employees of the City that serve the Vancouver TBD; 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 or agreed upon percentage of charges associated with the proper application of Vancouver TBD funding in accordance with law and ordinance. In consideration of the benefits derived by the City, overhead charges such as utilities, information technology, office supplies and equipment shall be a contribution of the City to the parties' joint goals and objectives and need not be directly charged back to the Vancouver TBD.

B. 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 Vancouver TBD is used only for the projects authorized in accordance with law and ordinance.

C. Immediately alert the Vancouver TBD of any material changes in scope, schedule or cost increases of 20% or greater to improvements funded in part or whole with TBD funds.

D. Utilize funding provided for projects shown on the TBD's annual work plan in accordance with the TBD's material change policy, law and ordinance.

Section 4. Ownership. Streets and related transportation infrastructure preserved and maintained with Vancouver TBD funds are and shall remain the property of the City of Vancouver. No joint property ownership is contemplated under the terms of this Agreement.

Section 5. No Joint Board. No provision is made for a joint board. The TBD shall exercise its function in accordance with its Bylaws, using staff as provided by the City of Vancouver, pursuant to law and this Agreement.

Section 6. Insurance, Indemnity.

A. Vancouver TBD shall obtain liability insurance in such form and amounts as are consistent with the coverage of comparable transportation benefit districts, and to the extent permitted by the insurer shall cause the City of Vancouver to be named as an additional insured. The charge or premium for the TBD will be borne by the City of Vancouver as a cost to the TBD that may be included in the annual services provided under Section 3.

B. Each party agrees to indemnify and hold harmless the other party, its officers, agents and employees from any claim, loss or liability arising from or out of the other party's negligent, tortious or illegal actions under this Agreement.

Section 7. Termination. This Agreement shall terminate or expire as follows:

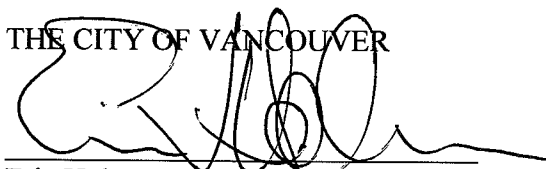
A. This Agreement may be terminated by either party upon the provision of one hundred and eighty (180) calendar days' notice. A final reconciliation of costs, payment and a current report of completed activities shall be completed by the City within such period following the notice by either party.

B. Unless sooner terminated by either party, this Agreement shall expire on the date when the District is automatically dissolved in accordance with the provisions of RCW 36.73.170 and Ordinance M-4139, as the same exist or are hereafter amended.

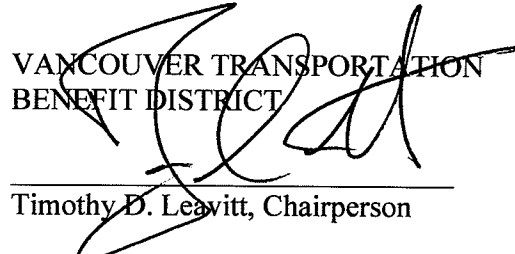
Section 8. Effective Date. This Agreement shall be effective upon the last authorizing signature affixed hereto and when listed by subject on the website of the City of Vancouver or other electronically retrievable public source as required by RCW 39.34.040.

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

THE CITY OF VANCOUVER

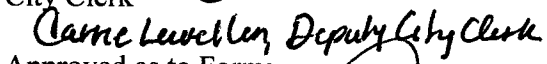

Eric Holmes, City Manager

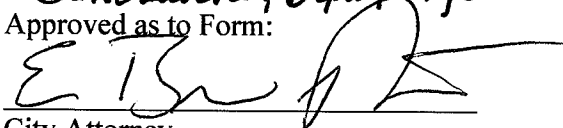
VANCOUVER TRANSPORTATION
BENEFIT DISTRICT

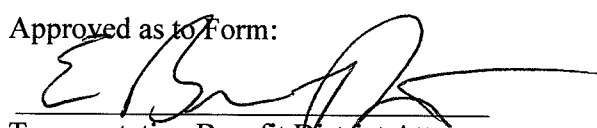

Timothy D. Leavitt, Chairperson

Attest:


Carrie Dunell
City Clerk


Carrie Leavelle, Deputy City Clerk

Approved as to Form:

City Attorney

Approved as to Form:

Transportation Benefit District Attorney