

INTERLOCAL AGREEMENT BETWEEN SNOHOMISH COUNTY AND THE CITY OF MUKILTEO FOR MUKILTEO BALLFIELDS PROJECT

This INTERLOCAL AGREEMENT BETWEEN SNOHOMISH COUNTY AND THE CITY OF MUKILTEO FOR PARK PROJECT FUNDING (this "Agreement"), is made and entered into this 12th day of February, 2018, by and between SNOHOMISH COUNTY, a political subdivision of the State of Washington (the "County"), and the CITY OF MUKILTEO, a Washington municipal corporation (the "City"), pursuant to Chapter 39.34 RCW.

RECITALS

A. The 2007 Comprehensive Parks and Recreation Plan, a component of the Snohomish County Growth Management Act Comprehensive Plan, documented a County-wide need for a wide variety of recreational facilities; and

B. The County Executive and the County Council have determined that it is consistent with the Comprehensive Parks and Recreation Plan and is in the public interest of County residents to participate in joint undertakings with local municipalities to increase recreational opportunities and facility capacity; and

C. Pursuant to the Council Adopted 2014 – 2019 Capital Improvement Program the County authorized the issuance of Five hundred thousand and no/100 (\$500,000) of REET II dollars to the Boys and Girls Club of Snohomish County to support improvements at the Everett Boys and Girls Club. These dollars will be repurposed to fund what is now titled the "Mukilteo Ballfields Project," and

D. Pursuant to the Snohomish County Council Adopted 2014 – 2019 Capital Improvement Program the County authorized the issuance of Twenty five thousand and no/100 (\$25,000) of REET II dollars to the Mukilteo Ballfields Project. This funding was to support improvements to the ballfield(s) in the Mukilteo area. These dollars will be used to fund what is now titled the "Mukilteo Ballfields Project," and

E. Pursuant to the Council Adopted 2015 - 2020 Capital Improvement Program, the County authorized the issuance of Two hundred fifty thousand and no/100 (\$250,000) to the City of Mukilteo for the renovation of existing play fields and the construction of a new multi-purpose athletic field on property owned by the City of Mukilteo (the "Mukilteo Ballfields Project" or simply the "Project"); and

F. Pursuant to Ordinance No. 14-125 (concerning the "Mukilteo Ballfields Project") the County authorized the issuance of Two hundred fifty thousand and no/100 (\$250,000) to the City of Mukilteo for the construction of ballfields on property owned by the City of Mukilteo; and

G. Per recitals C, D, and E, the County has authorized the issuance of a total of Seven hundred seventy- five thousand and no/100 (\$775,000) (the "Funds") which will

be directed to the City of Mukilteo for the "Project"; and

H. The City of Mukilteo has provided the following: a written request to the County for the funds (Attachment A); a description of the Project (Attachment B); a confirmation from the City indicating an ownership interest in the property (Attachment C); a description of the City's involvement and on-going role in planning, design, development, maintenance, and operation of the Project; and

I. Pursuant to this Agreement and Chapter 39.34 RCW, the City wishes to accept the above-described funds from the County.

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 County and the City agree as follows:

1. Purpose of Agreement.

This Agreement is authorized by and entered into pursuant to Chapter 39.34 RCW. The purpose and intent of this Agreement is to define the responsibilities of the County and the City as they relate to the County's provision of funds in the amount of Seven Hundred and Seventy Five Thousand Dollars (\$775,000) to the City's Mukilteo Ballfields Project located at 10600 47th Place West, Mukilteo, WA (the "City Property") for purposes of site enhancements, which include renovation of the play fields and ball field improvements in connection with the construction of a new facility (which also includes gymnasiums, teen center, and a computer lab).

2. Effective Date and Duration.

This Agreement shall not take effect unless and until it has been duly executed by both parties and either filed with the County Auditor or posted on the County's Interlocal Agreements website. This Agreement shall remain in effect through December 31, 2018, unless earlier terminated pursuant to the provisions of Section 12 below, PROVIDED HOWEVER, that each party's obligations are contingent upon local legislative appropriation of necessary funds for this specific purpose in accordance with applicable law.

3. Administrators.

Each party to this Agreement shall designate an individual (an "Administrator"), who may be designated by title or position, to oversee and administer such party's participation in this Agreement. The parties' initial Administrators shall be the following individuals:

County's Initial Administrator:

Tom Teigen, Director
Snohomish County Parks and
Recreation Department
6705 Puget Park Drive
Snohomish, Washington 98296
(425) 388-6617 phone
(425) 388-6645 facsimile
Tom.Teigen@snoco.org

City's Initial Administrator:

Patricia Love
Community Development Director
11930 Cyrus Way
Mukilteo, WA 98275
plove@ci.mukilteo.wa.us
(425) 263-8041

Either party may change its Administrator at any time by delivering written notice of such party's new Administrator to the other party.

4. Project Performance.

4.1 Certification of Real Property Interest. The City certifies to the County that the City owns the real property or easements upon which the Project shall be executed and additional real property or easements are not needed to complete the Project.

4.2 City's Financial and Staff Commitment. The City certifies to the County that the City has monies sufficient to develop, complete the project, maintain and operate the project without additional County monies needed under the terms of this Agreement by the Project deadline identified in Section 4.3 below (the "City's Financial Commitment").

4.3 Project Deadline. On or before October 30, 2018, construction of the Project shall be completed. In executing the Project, the City shall obtain and, upon request, provide the County with copies of all permits necessary to complete the Project.

4.4 Recognition of County as Financial Sponsor. The City shall recognize the County as a financial sponsor of the Project as follows:

4.4.1 Upon completion of the Project or dedication of the Park Property, whichever comes first, the City shall install at the Park Property a plaque in a form approved by the County that indicates that the County is a financial sponsor or contributor of the Project;

4.4.2 The City shall invite the County to all events promoting the Project or Park Property and recognize the County at all such events as a financial sponsor of the Project;

4.4.3 The City shall recognize the County as a financial sponsor in all brochures, banners, posters, and other promotional material related to the Project.

4.5 Project Maintenance. The City shall be responsible for on-going capital improvements to, and maintenance of, the Project and City Property. The County makes no commitment to support the Project or City Property beyond what is provided for in this Agreement and assumes no obligation for future support of the Project or City Property except as expressly set forth in this Agreement.

4.6 Availability to County Residents. The City shall make the Property available to all County residents on the same terms as to residents of the City.

5. Invoicing and Payment.

5.1 Invoicing. Prior to December 31, 2018, the City shall submit to the County an invoice requesting disbursement of the Funds for the Project.

5.2 Accounting. The City shall maintain a system of accounting and internal controls which complies with generally accepted accounting principles and governmental accounting and financial reporting standards in accordance with Chapter 40.14 RCW.

5.3 Recordkeeping. The City shall maintain adequate records to support billings. The records shall be maintained by the City for a period of five (5) years after completion of this Agreement. The County, or any of its duly authorized representatives, shall have access to books, documents, or papers and records of the City relating to this Agreement for purposes of inspection, audit, or the making of excerpts or transcripts.

6. Independent Contractor. The City will perform or assign all work associated with the Project as an independent contractor and not as an agent, employee, or servant of the County. The City shall be solely responsible for control, supervision, direction and discipline of its personnel, who shall be employees and agents of the City and not the County. The County shall only have the right to ensure performance.

7. Indemnification/Hold Harmless.

The City shall assume the risk of liability for damage, loss, costs and expense arising out of the activities under this Agreement and all use of any improvements it may place on the Property. The City shall hold harmless, indemnify and defend the County, its officers, elected and appointed officials, employees and agents from and against all claims, losses, lawsuits, actions, counsel fees, litigation costs, expenses, damages, judgments, or decrees by reason of damage to any property or business and/or any death, injury or disability to or of any person or party, including but not limited to any employee, arising out of or suffered, directly or indirectly, by reason of or in connection with the acquisition or use of the Park Property and this Agreement; PROVIDED, that the above indemnification does not apply to those damages solely caused by the negligence or willful misconduct of the County, its elected and appointed officials, officers, employees or agents.

8. Liability Related to City Ordinances, Policies, Rules and Regulations.

In executing this Agreement, the County does not assume liability or responsibility for or in any way release the City from any liability or responsibility which arises in whole or in part from the existence or effect of City 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 ordinance, policy, rule or regulation is at issue, the City shall defend the same at its sole expense and, if judgment is entered or damages are awarded against the City, the County, or both, the City shall satisfy the same, including all chargeable costs and reasonable attorney's fees.

9. Insurance.

The City shall procure and maintain for the duration of this Agreement, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with exercise of the rights and privileges granted by this Agreement, by the City, his agents, representatives, and employees/subcontractors. The cost of such insurance shall be paid by the City.

9.1 Minimum Scope and Limits of Insurance. General Liability: Insurance Services Office Form No. CG 00 01 Ed. 11-88, covering COMMERCIAL GENERAL LIABILITY with limits no less than \$1,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage.

9.2 Other Insurance Provisions. Coverage shall be written on an "Occurrence" form. The insurance policies required in this Agreement are to contain or be endorsed to contain the County, its officers, officials, employees, and agents as additional insureds as respects liability arising out of activities performed by or on behalf of the City in connection with this Agreement.

9.3 Verification of Coverage. The City shall furnish the County with certificate(s) of insurance and endorsement(s) required by this Agreement.

10. Compliance with Laws.

In the performance of its obligations under this Agreement, each party shall comply with all applicable federal, state, and local laws, rules, and regulations.

11. Default and Remedies.

11.1 Default. If either the County or the City fails to perform any act or obligation required to be performed by it hereunder, the other party shall deliver written notice of such failure to the non-performing party. The non-performing party shall have twenty (20) days after its receipt of such notice in which to correct its failure to perform

the act or obligation at issue, after which time it shall be in default ("Default") under this Agreement; provided, however, that if the non-performance is of a type that could not reasonably be cured within said twenty (20) day period, then the non-performing party shall not be in Default if it commences cure within said twenty (20) day period and thereafter diligently pursues cure to completion.

11.2 Remedies. In the event of a party's Default under this Agreement, then after giving notice and an opportunity to cure pursuant to Section 11.1 above, the non-Defaulting party shall have the right to exercise any or all rights and remedies available to it in law or equity.

12. Early Termination.

12.1 30 Days' Notice. Except as provided in Sections 12.2 below, either party may terminate this Agreement at any time, with or without cause, upon not less than thirty (30) days advance written notice to the other party. The termination notice shall specify the date on which the Agreement shall terminate.

12.2 Termination for Breach. In the event that the City fails to complete the Project by October 30, 2018 and/or commits a Default as described in Section 11, the County may terminate this Agreement immediately by delivering written notice to the City. Within thirty (30) days of such early termination, the City shall return to the County all funds previously disbursed from the County to the City for the Project plus interest at the rate of twelve percent (12%) per annum beginning thirty (30) days from the date of early termination.

13. Dispute Resolution.

In the event differences between the parties should arise over the terms and conditions or the performance of this Agreement, the parties shall use their best efforts to resolve those differences on an informal basis. If those differences cannot be resolved informally, the matter may be referred for mediation to a mediator mutually selected by the parties. If mediation is not successful or if a party waives mediation, either of the parties may institute legal action for specific performance of this Agreement or for damages.

14. Notices.

All notices required to be given by any party to the other party under this Agreement shall be in writing and shall be delivered either in person, by United States mail, or by electronic mail (email) to the applicable Administrator or the Administrator's designee. Notice delivered in person shall be deemed given when accepted by the recipient. Notice by United States mail shall be deemed given as of the date the same is deposited in the United States mail, postage prepaid, and addressed to the Administrator, or their designee, at the addresses set forth in Section 3 of this Agreement. Notice delivered by email shall be deemed given as of the date and time received by the

recipient.

15. Miscellaneous.

15.1 Entire Agreement; Amendment. This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof, and supersedes any and all prior oral or written agreements between the parties regarding the subject matter contained herein. This Agreement may not be modified or amended in any manner except by a written document executed with the same formalities as required for this Agreement and signed by the party against whom such modification is sought to be enforced.

15.2 Conflicts between Attachments and Text. Should any conflicts exist between any attached exhibit or schedule and the text or main body of this Agreement, the text or main body of this Agreement shall prevail.

15.3 Governing Law and Venue. This Agreement shall be governed by and enforced in accordance with the laws of the State of Washington. The venue of any action arising out of this Agreement shall be in the Superior Court of the State of Washington, in and for Snohomish County.

15.4 Interpretation. This Agreement and each of the terms and provisions of it are deemed to have been explicitly negotiated by the parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either of the parties hereto. The captions and headings in this Agreement are used only for convenience and are not intended to affect the interpretation of the provisions of this Agreement. This Agreement shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa, and the use of any gender shall be applicable to all genders.

15.5 Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall, for any reason and to any extent, be found invalid or unenforceable, the remainder of this Agreement and the application of that provision to other persons or circumstances shall not be affected thereby, but shall instead continue in full force and effect, to the extent permitted by law.

15.6 No Waiver. A party's forbearance or delay in exercising any right or remedy with respect to a Default by the other party under this Agreement shall not constitute a waiver of the Default at issue. Nor shall a waiver by either party of any particular Default constitute a waiver of any other Default or any similar future Default.

15.7 No Assignment. This Agreement shall not be assigned, either in whole or in part, by either party without the express written consent of the other party, which may be granted or withheld in such party's sole discretion. Any attempt to assign this Agreement in violation of the preceding sentence shall be null and void and shall constitute a Default under this Agreement.

15.8 Warranty of Authority. Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the party for whom he or she purports to sign this Agreement.

15.9 No Joint Venture. Nothing contained in this Agreement shall be construed as creating any type or manner of partnership, joint venture or other joint enterprise between the parties.

15.10 No Separate Entity Necessary. The parties agree that no separate legal or administrative entities are necessary to carry out this Agreement.

15.11 Ownership of Property. Except as expressly provided to the contrary in this Agreement, any real or personal property used or acquired by either party in connection with its performance under this Agreement will remain the sole property of such party, and the other party shall have no interest therein.

15.12 No Third Party Beneficiaries. This Agreement and each and every provision hereof is for the sole benefit of the City and the County. No other persons or parties shall be deemed to have any rights in, under or to this Agreement.

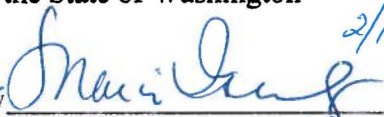
15.13 Execution in Counterparts. This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

[The remainder of this page is intentionally left blank.]

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

COUNTY:

Snohomish County, a political subdivision of the State of Washington

By  2/12/16
for Name: ~~INTERIM~~ DAVE SOMERS
Title: County Executive
Marcia Isenberg
Interim Deputy Executive

Approved as to Form:

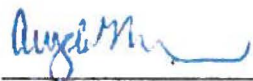

Deputy Prosecuting Attorney

CITY:

City of Mukilteo, a Washington municipal corporation

By 
Name: Jennifer Gregerson
Title: Mayor

Approved as to Form:


City Attorney

COUNCIL USE ONLY	
Approved:	2.10.16
Docfile:	D-2

ATTACHMENTS FROM BODY OF AGREEMENT

ATTACHMENT A
DESCRIPTION OF PROPERTY

Legal Description of Harbour Pointe Property

The following describes the State land to be transferred to the City of Mukilteo:

Those lands described by document recorded April 20, 1982, in Vol. 1744 at Pages 1058 through 1063, under Auditor's File No. 8204200211, Snohomish County Records, being Lots 1 through 21 inclusive, Harbour Pointe Sector 7 Business Park, according to the Plat thereof recorded March 10, 1982 in Volume 43 of Plats at Pages 154 thru 156 under A.F. No. 8203105012, Snohomish County Records, situated in the E1/2 of Section 21, Township 28 North, Range 4 East, Willamette Meridian, Snohomish County, Washington, together with and subject to easements, reservations, agreements, covenants, etc., as shown on said A.F. No. 8204200211.



Dennis J. Gelvin PLS 21674
Land Description & R/W Specialist
Land Survey Unit
Engineering Division
PO Box 47060
Olympia, WA 98504-7060

Dated 6-20-05

FILENAME: L1783A

ATTACHMENT B
CITY PROOF OF OWNERSHIP

COPY

AFTER RECORDING RETURN TO:
Department of Natural Resources
Asset Management and Protection Division
Asset Planning and Transaction Section
P.O. Box 47014
Olympia, WA 98504-7014

QUITCLAIM DEED
Snohomish County

Grantor: State of Washington, by and through the Department of Natural Resources
Grantee: City of Mukilteo
Legal Description: Portion of E2E2 Section 21-28N-4E
Tax Parcel Numbers: 007151-000-001-00, 007151-000-002-00, 007151-000-003-00,
007151-000-004-00, 007151-000-005-00, 007151-000-006-00,
007151-000-007-00, 007151-000-008-00, 007151-000-009-00,
007151-000-010-00, 007151-000-011-00, 007151-000-012-00,
007151-000-013-00, 007151-000-014-00, 007151-000-015-00,
007151-000-016-00, 007151-000-017-00, 007151-000-018-00,
007151-000-019-00, 007151-000-020-00, 007151-000-021-00

THE GRANTOR, STATE OF WASHINGTON, acting by and through the Department of Natural Resources, for and in consideration of the sum of TWO MILLION THREE HUNDRED THIRTY FOUR THOUSAND Dollars (\$2,334,000), hereby conveys and quitclaims to the City of Mukilteo, a municipal corporation, GRANTEE, all interest in the real property situated in Snohomish County, Washington, and described in EXHIBIT A, attached hereto, which by this reference is made a part hereof.

The property is conveyed under the authority of and use is subject to Ch. 26, Section 421, Washington Laws of 2003, 1st Special Session as amended by Washington Laws of 2005, Regular Session, Ch 488, Section 950. Pursuant to section (6) of this law, the property is dedicated for a period of thirty years to recreation consistent with Section (1) and Section (13) of the law and, particularly as provided in Section (13), four acres of buildable land shall be dedicated for use of a recreational facility to serve only school-age children with additional space designated as ball fields for the purposes of serving the area youth.

The above-described lands are subject to that certain statutory reserved right as set forth in RCW 79.17.200 and to the following reservation:

The Grantor hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself and its successors and assigns forever, all oils, gases, coal, ores, minerals, and fossils of every name, kind, or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself and its successors and assigns forever, the right to enter by itself or its agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, and working mines thereon, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns, forever, the right by its or their agents, servants, and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, and railroads, sink such shafts, remove such soil, and to remain on said lands or any part thereof for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business, hereby expressly reserving to itself and its successors and assigns, as aforesaid, generally, all rights and powers in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and the rights hereby expressly reserved.

No rights shall be exercised under the foregoing reservation, by the state or its successors or assigns, until provision has been made by the state or its successors or assigns, to pay to the owner of the land upon which the rights reserved herein to the state or its successors or assigns, are sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land: PROVIDED, That if said owner from any cause whatever refuses or neglects to settle said damages, then the state or its successors or assigns, or any applicant for a lease or contract from the state for the purpose of prospecting for or mining valuable minerals, or option contract, or lease, for mining coal, or lease for extracting petroleum or natural gas, shall have the right to institute such legal proceedings in

the superior court of the county wherein the land is situate, as may be necessary to determine the damages which said owner of said land may suffer.

Grantee accepts the Property "AS IS, WHERE IS" with all faults. State disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose about the Property, including but not limited to improvements located thereon, and no employee or agent of State is authorized otherwise. The foregoing specifically excludes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste or claims based thereon arising out of the actual or threatened discharge, disposal, seepage, migration, or escape of such substances at, from, or into the Property. Grantee hereby fully releases State from any and all liability to Grantee arising out of or related to the condition of the Property prior to, at, or after Grantee accepts title to the Property, including but not limited to the deposit or release of hazardous or toxic wastes or material and pollutants.

This Deed is executed and delivered pursuant to RCW 79.02.270 at the request of the Commissioner of Public Lands with the approval of the Board of Natural Resources, State of Washington.

WITNESS the Seal of the State of Washington, affixed this 10th day of July, 2005.

Christine Gregoire
GOVERNOR

ATTEST:

[Signature]
ASST. SECRETARY OF STATE

Approved as to form this 20 day

of June, 2005.

James Scherer
Assistant Attorney General

Deed No. 26678

State Record of Deeds, Volume 13, Page 90.

Transaction File No. 02-077459

EXHIBIT A

Legal Description of Harbour Pointe Property

The following describes the State land to be transferred to the City of Mukilteo:

Those lands described by document recorded April 20, 1982, in Vol. 1744 at Pages 1058 through 1063, under Auditor's File No. 8204200211, Snohomish County Records, being Lots 1 through 21 inclusive, Harbour Pointe Sector 7 Business Park, according to the Plat thereof recorded March 10, 1982 in Volume 43 of Plats at Pages 154 thru 156 under A.F. No. 8203105012, Snohomish County Records, situated in the E1/2 of Section 21, Township 28 North, Range 4 East, Willamette Meridian, Snohomish County, Washington, together with and subject to easements, reservations, agreements, covenants, etc., as shown on said A.F. No. 8204200211.



Dennis J. Gelvin PLS 21674
Land Description & R/W Specialist
Land Survey Unit
Engineering Division
PO Box 47060
Olympia, WA 98504-7060

Dated 6-20-05

FILENAME: L1783A

After Recording Return To:
City Clerk
City of Mukilteo
4480 Chennault Beach Road
Mukilteo WA 98275

Please print or type information

Document Title(s) or transactions contained therein: 1. 2. LEASE AGREEMENT 3. 4.
Grantor(s) (Last name first, then first name and initials) 1. 2. CITY OF MUKILTEO 3. 4. <input type="checkbox"/> Additional names on page ____ of document.
Grantee(s) (Last name first, then first name and initials) 1. 2. BOYS & GIRLS CLUBS OF SNOHOMISH COUNTY 3. 4. <input type="checkbox"/> Additional names on page ____ of document.
Legal description (abbreviated: i.e. lot, block, plat or section, township, range, qtr./qtr.) LOTS 1-21 INCLUSIVE, HARBOUR POINTE SECTOR 7 BUSINESS PARK <input type="checkbox"/> Additional legal is on page ____ of document
Reference Number(s) of Documents assigned or released: <input type="checkbox"/> Additional numbers on page ____ of document.
Assessor's Property Tax Parcel/Account Number 007151-000-00100 <input type="checkbox"/> Property Tax Parcel ID is not yet assigned <input checked="" type="checkbox"/> Additional parcel numbers on page <u>15</u> of document
The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information.

**LEASE AGREEMENT BETWEEN
CITY OF MUKILTEO AND BOYS & GIRLS CLUBS OF SNOHOMISH COUNTY
FOR PROPERTY GENERALLY LOCATED AT 10600 47th PLACE WEST**

This Lease is made and entered into this 1st day of October, 2006 by and between the City of Mukilteo, a Municipal Corporation (Lessor) and the Boys & Girls Clubs of Snohomish County, a non-profit corporation (Lessee).

WHEREAS, Lessor recently received pursuant to a Quit Claim Deed approximately 13 unimproved acres of real property located within the City of Mukilteo from the State of Washington, Department of Natural Resources, contingent upon or with the understanding that the real property would be dedicated and/or restricted for recreational purposes serving school-age children; and

WHEREAS, Lessee operates facilities within Snohomish County for the purpose, among other things, of providing recreational activities for school-age children; and

WHEREAS, Lessee and Lessor have had a long-standing relationship relating to a lease and operation of a Boys & Girls Club within the City of Mukilteo; and

WHEREAS, Lessee, pursuant to a favorable lease is willing to raise the necessary funds and/or finance improvements to the property so as provide a recreational facility and ball fields, upon the leased property specifically for providing recreational facilities and serving school-age children; and

WHEREAS, Lessor has determined that it is in the public's its interest for Lessee to be allowed to lease the property and build and provide recreational facilities for school-age children of the area; and

NOW, THEREFORE, in consideration of the promises and commitments made herein, the sufficiency of which is hereby acknowledged, it is agreed as follows:

1. **Premises.** Lessor hereby leases to Lessee, upon the following terms and conditions, the unimproved real property legally described on that certain "Quit Claim Deed" wherein the State of Washington, by and through the Department of Natural Resources is the grantor and the City of Mukilteo is the Grantee, said Quit Claim Deed having been recorded with the Snohomish County Auditor's Office on August 24, 2005 under Snohomish County Auditor's File Number 200508240895, a copy of which is marked Exhibit A attached hereto and incorporated herein by this reference. Said premises is hereinafter referred to as "the Premises".

2. **Term.** The term of this lease shall be thirty (30) years and shall begin on the 1st day of October, 2006 and end on the 30th day of September, 2036. The parties may agree to extend the lease term thereafter by mutual agreement.

3. **Rent.** Lessee shall pay to Lessor the sum of \$1 per year, payable in one advance lump sum of \$30 on or before the first day of this lease. If the lease is terminated for any reason before the initial 30 year term has expired, Lessor shall provide a prorated refund of any overpayment to Lessee.

4. **Leasehold/Excise Tax.** Lessee, if required, shall pay any leasehold excise tax due pursuant to RCW 84.29A

5. **Purpose/Use.** In addition to the terms and conditions of this lease, the use of the property shall be subject, specifically to the restrictions and/or conditions of the Quit Claim Deed attached hereto as Exhibit A. As is reflected therein Lessee shall use the premises to provide recreation and recreational facilities to serve school-age children.

A. **Physical Improvements:** Lessee shall improve the premises, substantially in form as described in Exhibit B, attached hereto and incorporated herein by this reference. Such improvements shall be subject to the approval of the Lessor; shall be designed, constructed, and maintained at the sole expense of the Lessee; and shall be substantially completed not later than December 31, 2012. Once the property is improved, Lessee shall maintain the premises and all improvements, landscaping, fixtures and equipment which are placed there as a quality community recreation facility for school-age children and in a neat, clean, safe and sanitary condition and shall at all times preserve the premises in good and safe repair. Upon the expiration of the lease, Lessee shall transfer ownership of the foregoing improvements in good condition, ordinary wear and tear accepted, to Lessor.

B. **Recreational Services to be Provided.** Upon completion of the physical improvements described in paragraph 5(a), Lessee shall provide upon the premises, at its sole cost, not less than 1,500 hours per calendar year of recreational programming and services for school age children.

C. **Scheduling Use of Premises by Other Agencies.** Lessee shall schedule and make available any ball fields constructed on the premises to other community-based groups to provide recreation services to school age children. Lessee may charge a nominal fee (subject to approval of Lessor) for such use. Any community-based group which uses the facilities will be required to provide evidence of insurance acceptable to Lessee and to indemnify and hold harmless the Lessee and Lessor. Lessee shall not be obligated to allow use of the ball fields if such use materially restricts Lessee's ability to conduct its own recreational programs or services.

6. **Liens.** In maintaining, operating, and/or making improvements to the premises, it is understood and agreed that the Lessee will not and cannot contract any debt or debts for any labor, material, services or otherwise which will or may become a lien against the premises and/or the interest of the Lessor and Lessor hereby specifically denies to Lessee any right, power, or authority to do any act, contract any obligation or liability which would in any way subject the interest of Lessor in the premises to any lien, claim, or demand

whatsoever. However, nothing in this paragraph shall prevent Lessee from contracting for labor, materials or other services, which may become a lien or debt against the required physical improvements to be constructed by Lessee; or which may become a lien or debt against the Lessee's interest in this lease. Should Lessee's actions cause a lien or debt against the premises, Lessee shall immediately pay for said services and immediately take all actions necessary to remove any levee, lien or encumbrance that might be placed against the premises.

7. Assignment or Sublease. Lessee, except with written permission of Lessor, shall not assign or transfer this lease or any interest therein nor, sublet the whole or any part of the premises, nor grant an option for assignment, transfer or sublease for the whole or any part of premises, nor shall this lease or any interest thereunder be assignable or transferable by operation of law, or by any process or proceeding of any court or otherwise.

8. Compliance with All Laws and Regulations. In using the premises, Lessee will comply with all applicable laws, ordinances and regulations from any and all authorities having jurisdiction. The Lessee specifically agrees to comply and pay all costs associated with achieving such compliance without any notice from Lessor and further agrees that Lessor does not waive this section by giving notice of demand for compliance in any instance.

9. Utilities. Lessee shall timely pay for all costs, expenses, fees, services and charges of all kinds for heat, light, water, sewer, stormwater, gas and telephone, and for all other utilities used on said premises so that the same shall not become a lien against the lease premises.

10. Indemnity and Hold Harmless. The Lessee agrees to indemnify and hold Lessor harmless as provided herein to the maximum extent possible under law. Accordingly, the Lessee agrees for itself, its successors, and assigns, to defend, indemnify, and hold harmless Lessor, its appointed and elected officials, and employees from and against liability for all claims, demands, suits, and judgments, including costs of defense thereof for injury to persons, death, or property damage which is caused by, arises out of, or is incidental to Lessee's exercise of rights and privileges granted by this Lease Agreement, except to the extent of Lessor's sole negligence. The Lessee's obligations under this section shall include:

- A. The duty to promptly accept tender of defense and provide defense to the Lessor at the Lessee's own expense;
- B. Indemnification of claims made by the Lessee's own employees or agents; and
- C. Waiver of the Lessee's immunity under the industrial insurance provisions of Title 51 R.C.W. but only to the extent necessary to indemnify Lessor, which waiver has been mutually negotiated by the parties.

In the event it is necessary for the Lessor to incur attorneys' fees, legal expenses or other costs to enforce the provisions of this section, all such fees, expenses and costs shall be recoverable from the Lessee.

In the event it is determined that R.C.W.4.24.115 applies to this Lease Agreement, the Lessee agrees to defend, hold harmless, and indemnify Lessor to the maximum extent permitted thereunder, and specifically for its negligence concurrent with that of Lessor to the full extent of Lessee's negligence. Lessee agrees to defend, indemnify, and hold harmless the Lessor for claims by Lessee's employees and agrees to waiver of its immunity under Title 51 R.C.W., which waiver has been mutually negotiated by the parties.

Lessor hereby agrees to defend, indemnify and hold Lessee harmless from and against liability to third parties for any claims, damages, demands, suits and judgments, including reasonable attorneys' fees, arising from any latent structural or other design defect of the Premises that could not be reasonably discovered by Lessee.

11. Fire Insurance and Casualty.

- A. The Lessee will carry fire and extended coverage insurance with rent interruption endorsement in an amount equal to the full amount equal to the full insurable value of all improvements, structures, and buildings located on the premises. The policy shall include Lessor as an insured for its interest in the property. A certificate of insurance must be provided to Lessor. Lessor will not carry insurance on Lessee's property.
- B. In the event of the total or partial destruction of the building, structures, or facilities currently on the Premises or subsequently constructed by the Lessee, the Lessee shall have the obligation to reconstruct such facilities to the condition in which they existed at the inception of the Lease within six (6) months after their destruction, provided that such obligation shall be limited to the extent the costs of such reconstruction are covered by the insurance proceeds available to Lessee or with the insurance proceeds that would have been available to Lessee had Lessee maintained the insurance required thereunder.

12. Insurance Requirements. By the date of execution of this Lease, the Lessee shall procure and maintain for the duration of this Lease, insurance against claims for injuries to persons or damages to property which may arise from, or in connection with exercise of the rights and privileges granted by this lease, by the Lessee, his agents, representatives, employees/subcontractors. The cost of such insurance shall be paid by the Lessee.

For all coverages: Each insurance policy shall be written on an "Occurrence" form.

A. Minimum Scope of Insurance.

Coverage shall be at least as broad as:

General Liability: Insurance Services Office Form No. CG 00 01 Ed. 11-88, covering COMMERCIAL GENERAL LIABILITY.

B. Minimum Limits of Insurance. The Lessee shall maintain limits for General Liability no less than \$5,000,000 combined single limit per occurrence for bodily injury, personal injury, and property damage.

C. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to and approved by Lessor. The deductible and or self-insured retention of the policies shall not limit or apply to the Lessee's liability to the Lessor and shall be the sole responsibility of the Lessee.

D. Other Insurance Provisions. The insurance policies required in this Lease are to contain or be endorsed to contain the following provisions:

General Liability Policy:

1. Lessor, its officers, officials, employees, and agents are to be covered as additional insureds as respects liability arising out of activities performed by or on behalf of the Lessee in connection with this Lease.
2. To the extent of Lessee's negligence, the Lessee's insurance coverage shall be primary insurance as respects to the Lessor, its officers, officials, employees, and agents. Any insurance and/or self-insurance maintained by the County, its officers, officials, employees, or agents shall not contribute with the Lessee's insurance or benefit the Lessee in any way.
3. The Lessee's insurance shall apply separately to each insured against whom a claim is made and or lawsuit is brought, except with respect to the limits of the insurer's liability.

All Policies:

Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits, until after forty-five (45) days prior notice – return receipt requested, has been given to the Lessor.

E. Acceptability of Insurers. Insurance is to be placed with insurers with a Bests' rating of no less than A:VIII, or if not rated with Bests' with minimum surpluses, the equivalent of Bests' surplus size VIII.

If at any time, of the foregoing policies shall be or become unsatisfactory to the Lessor, as to form or substance, or if a company issuing any such policy shall be or become unsatisfactory to the Lessor, the Lessee shall, upon notice to that effect from the Lessor, promptly obtain a new policy, and shall submit the same to the Lessor, with the appropriate certificates and endorsements for approval.

- F. Verification of Coverage. Lessee shall furnish to Lessor with certificate(s) of insurance and endorsement(s) required by this Lease. The certificate(s) and endorsement(s) for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The certificates and endorsements for each insurance policy are to be on forms approved by the Lessor and are to be received and approved by the Lessor prior to the commencement of activities associated with the Lease. Lessor reserves the right to require complete certified copies of all required insurance policies at any time.

13. Mutual Release and Waiver. To the extent a loss is covered by insurance in force, Lessor and Lessee hereby mutually release each other from liability and waive all right of recovery against each other for any loss from perils insured against under their respective fire insurance policies, including any extended coverage endorsements hereto; provided that this Agreement shall be inapplicable if it would have the effect of invalidating any insurance coverage of Lessor or the Lessee.

14. Surrender of the Premises. At the expiration or earlier termination of this Lease, Lessee shall promptly surrender possession of the Premises, along with any and all physical improvements made to the Premises by Lessee, to Lessor, and shall deliver to Lessor all keys that it may have to any and all parts of the Premises.

15. Default and Re-Entry. If any rents above reserved or other obligations provided herein, or any part thereof shall be and remain unpaid when the same shall become due, or if Lessee shall violate or default on any of the covenants and agreements herein contained, then Lessor may cancel this Lease upon giving the Notice required by law and/or this Agreement and re-enter said Premises using such force as may be required.

Notwithstanding the default provisions above, Lessor agrees not to exercise any of the remedies for default specified herein unless and until: (a) if the default consists of a violation to pay money, Lessor has failed to cure the default within thirty (30) days of receipt of such notice; or (b) if the default consists of a violation of a covenant other than to pay money, Lessor has given Lessee at least thirty (30) days notice of such default and Lessee has failed to cure the default within such thirty (30) day period, provided no such notice must be given if the default was deliberate or immediate action is needed to protect persons or property from imminent harm, and provided further if the default is one that is capable of being cured, but cannot with due diligence be cured within thirty (30) days, such thirty (30)

day period shall be deemed extended, to a maximum of ninety (90) days from the date of original default, if lessee advises Lessor of its intention to cure within thirty (30) days of the original default notice and prosecutes the curing of the default with all due diligence.

16. **Non-Waiver.** It is hereby agreed that no waiver of any condition or covenant in this Lease or any breach thereof, shall be taken to constitute waiver of any subsequent breach.

17. **Inspection.** Lessor reserves the right to inspect the premises at any and all reasonable times throughout the terms of this lease, provided that Lessor shall not interfere unduly with Lessee's operations.

18. **Heirs, Agents, and Assigns.** Without limiting any provisions of this Lease pertaining to assignment and subletting, the provisions of this Lease bind the heirs, successors, agents and assigns of any of the parties to this Lease.

19. **Captions.** The captions in this Lease are for convenience only and do not in any way limit or amplify the provisions of this Lease.

20. **Time is of the Essence.** Time is of the essence of this Lease, and in the event of the failure of Lessee to pay any charges at the time in the manner herein specified, or to keep any of the covenants or agreements herein set forth, the Lessee shall be in default.

21. **Cumulative Remedies.** No provision of this Lease precludes Lessor from pursuing any other remedies for Lessee's failure to perform his obligations.

22. **Attorneys' Fees/Collection Charges.** In the event legal action is brought by either party to enforce any of the terms, conditions, or provisions of this Lease, the prevailing party shall recover against the other party in addition to the costs allowed by law, such sum as the court may adjudge to be a reasonable attorney's fee.

23. **Hazardous Materials and Environmental Compliance.**

A. **DEFINITION.** "Hazardous Materials" as used herein shall mean:

1. Any toxic substances or waste, sewage, petroleum products, radioactive substances, medical, heavy metals, corrosive, noxious, acidic, bacteriological or disease-producing substances; or
2. Any dangerous waste or hazardous waste as defined in:
 - a. Washington Hazardous Waste Management Act as now existing or hereafter amended (RCW Ch. 70.105); or

- b. Resource Conservation and Recovery Act as now existing or hereafter amended (42 U.S.C. Sec. 6901 et seq.); or
 - 3. Any hazardous substance as defined in:
 - a. Comprehensive Environmental Response, Compensation and Liability Act of 1980 as now existing or hereafter amended (42 U.S.C. Sec. 9601 et seq.); or
 - b. Washington Model Toxics Control Act as now existing or hereafter amended (RCW Ch. 70.105D); or
 - 4. Any pollutants, contaminants, or substances posing a danger or threat to public health, safety or welfare, or the environment, which are regulated or controlled as such by any applicable federal, state or local laws, ordinances or regulations as now existing or hereafter amended.
- B. Lessee shall not without first obtaining Lessor's prior written approval, use, generate, release, handle, spill, store, treat, deposit, transport, or dispose of any Hazardous Materials in, on, or about the Premises, or transport any Hazardous Material to or from the Premises. In the event, and only in the event, Lessor approves any of the foregoing, Lessee agrees that such activity shall occur safely and in compliance with all applicable federal, state, and local laws, ordinances and regulations.
- C. Environmental Compliance.
 - 1. Lessee shall, at Lessee's own expense, comply with all federal, state and local laws, ordinances and regulations now or hereafter affecting the Premises, Lessee's business, or any activity or condition on or about the Premises, including, without limitation, all laws, ordinances and regulations related to Hazardous Materials and all other environmental laws, ordinances and regulations, and any other laws relating to the improvements on the Premises, soil and groundwater, storm water discharges, or the air in and around the Premises, as well as such rules as may be formulated by King County ("the Laws"). Lessee warrants that its business and all activities to be conducted or performed in, on, or about the Premises shall comply with all of the Laws. Lessee agrees to change, reduce, or stop any non-complying activity, or install necessary equipment, safety devices, pollution control systems, or other installations may be necessary at any time during the lease to comply with the Laws.

2. Lessee shall not cause or permit to occur any violation of the Laws on, under, or about the Premises, or arising from Lessee's use or occupancy of the Premises, including, but not limited to, soil and ground water conditions.
3. Lessee shall promptly provide all information regarding any activity of Lessee related to Hazardous Materials on or about the Premises that is requested by Lessor. If Lessee fails to fulfill any duty imposed under this paragraph within a reasonable time, Lessor may do so; and in such case, Lessee shall cooperate with Lessor in order to prepare all documents Lessor deems necessary or appropriate to determine the applicability of the Laws to the Premises and Lessee's use thereof, and for compliance therewith, and Lessee shall execute all documents promptly upon Lessor's request. No such action by Lessor and no attempt made by Lessor to mitigate damages shall constitute a waiver of any of Lessee's obligations under this paragraph.
4. Lessee shall, at Lessee's own expense, make all submissions to, provide all information required by, and comply with all requirements of all governmental authorities ("the Authorities") under the Laws.
5. Should any Authority demand that a cleanup plan be prepared and that a cleanup be undertaken because of any deposit, spill, discharge or other release of Hazardous Materials that occurs during the term of this Lease at or from the Premises and that is not the result of the acts or omissions of Lessor, or which arises at any time from Lessee's use of occupancy of the Premises, then Lessee shall, at Lessee's own expense, prepare and submit the required plans and all related bonds and other financial assurances; and Lessee shall carry out all such cleanup plans. Any such plans and cleanup are subject to Lessor's prior written approval.

D. Indemnification.

1. Lessee shall be fully and completely liable to Lessor for any and all cleanup costs, and any and all other charges, fees, penalties (civil and criminal) imposed by any Authority with respect to Lessee's use, disposal, transportation, generation, release, handling, spillage, storage, treatment, deposit and/or sale of Hazardous Materials in or about the Premises, common area, or buildings. Lessee shall indemnify, defend, and save Lessor harmless from any and all of the costs, fees, penalties, and charges assessed against or imposed upon Lessor (as well as Lessor's attorney's fees

and costs) by any Authority as a result of Lessee's use, disposal, transportation, generation, release, handling, spillage, storage, treatment, deposit and/or sale of Hazardous Materials, or from Lessee's failure to provide all information, make all submissions, and take all steps required by all Authorities under the Laws.

2. Lessee shall indemnify and hold Lessor harmless from any and all claims, liabilities, lawsuits, damages, and expenses, including reasonable attorney's fees, for bodily injury or death, property damage, loss, or costs caused by or arising from the use, disposal, transportation, generation, release, handling, spillage, storage, treatment, deposit and/or sale of Hazardous Materials by Lessee or any of its agents, representatives or employees in, on, or about the Premises occurring during the term of the this Lease.
 3. Lessor shall indemnify and hold Lessee harmless from any and all claims, liabilities, lawsuits, damages, and expenses, including reasonable attorney's fees, arising from third party actions brought against Lessee that are caused by or arise from the use, disposal, transportation, generation, release, handling, spillage, storage, treatment, deposit and/or sale of Hazardous Materials by Lessor or any of its agents, representatives or employees in, on, or about the Premises.
- E. Reporting Requirements. Lessee shall comply with the Laws requiring the submission, reporting, or filing of information concerning Hazardous Materials with the Authorities, and shall provide to Lessor a full copy of any such filing or report as submitted within fifteen (15) days of such submission.
- F. Right to Check On Lessee's Environmental Compliance. Lessor expressly reserves the right, and Lessee shall fully cooperate in allowing, from time to time, such examinations, tests, inspections, and reviews of the Premises as Lessor, in its sole and absolute discretion, shall determine to be advisable in order to evaluate any potential environmental problems.
- G. Remedies. Upon Lessee's default under this Section 24 Hazardous Materials and Environmental Compliance, Lessor shall be entitled to the following rights and remedies in addition to any other rights and remedies that may be available to the County:
1. At Lessor's option, to terminate this Lease immediately, notwithstanding the notice and cure provisions of paragraph 14 above; and/or

2. At Lessor's option, to perform such response, remediation and/or cleanup as is required to bring the Premises and any other areas of Lessor property affected by Lessee's default into compliance with the Laws and to recover from Lessee all of the County's costs in connection therewith; and/or
3. To recover from Lessee any and all damages associated with the default, including but not limited to, response, remediation and cleanup costs and charges, civil and criminal penalties and fees, adverse impacts on marketing the Premises or any other adjacent areas of Lessor property, loss of business and sales by Lessor and other Lessor lessees, diminution of value of the Premises and/or other adjacent areas owned by Lessor, the loss of or restriction of useful space in the Premises and/or other adjacent areas owned by Lessor, any and all damages and claims asserted by third parties, and Lessor's attorney's fees and costs.

H. Remediation on Termination of Lease. Upon the expiration or earlier termination of this Lease, Lessee shall remove, remediate or clean up any Hazardous Materials on or emanating from the Premises, provided that the presence of such Hazardous Materials arises from Lessee's use or occupancy of the Premises or Lessee's acts or omissions exacerbate the cost of remediation and Lessee shall undertake whatever other action may be necessary to bring the Premises into full compliance with the Laws ("Termination Cleanup"). The process for such Termination Cleanup is subject to Lessor's prior written approval. If Lessee fails or refuses to commence the Termination Cleanup process, or fails to reasonably proceed toward completion of such process, Lessor may elect to perform such Termination Cleanup after providing Lessee with written notice of the County's intent to commence Termination Cleanup, and after providing Lessee a reasonable opportunity, which shall be not less than ninety (90) days after such notice (unless Lessor is given notice by a government agency with jurisdiction over such matter that Termination Cleanup must commence within a shorter time, in which case Lessor shall give Lessee notice of such shorter time), to commence or resume the Termination Cleanup process. If Lessor performs such Termination Cleanup after said notice and Lessee's failure to perform same, Lessee shall pay all of Lessor's costs.

I. Survival. Lessee's obligations and liabilities under this Section 24, Hazardous Materials and Environmental Compliance, shall survive the expiration of this Lease.

24. Entire Agreement/Amendments. This printed Lease together with Exhibits expressly incorporated herein by reference and attached hereto shall constitute the whole agreement between the Parties. There are no terms, obligations, covenants or conditions other than those contained herein. Except as otherwise provided herein, no modification or amendment of this Lease shall be valid or effective unless evidenced by an agreement in writing signed by both parties.

25. Notices. Required notices except legal notices shall be given in writing to the following respective addresses:

To Lessor: City of Mukilteo
4480 Chennault Beach Road
Mukilteo, WA 98275
Attention: City Administrator

To Lessee: Boys & Girls Club of Snohomish County
4322 Rucker Avenue
Everett, WA 98203
Attention: Executive Director

Or to such other respective addresses as either party hereto may hereafter from time to time designate in writing. Notices sent by mail shall be deemed given three (3) days after properly mailed.

26. Severability. If any term or provision of this Lease or the application of any term or provision to any person or circumstance is invalid or unenforceable, the remainder of this Lease, or the application of the term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected and will continue in full force.

27. Termination. This lease may be terminated under the following conditions:

- A. Violation or Non-Performance. If Lessee violates or defaults on any of the covenants and agreements herein contained, this lease may be terminated in accordance with Section 15 of this Agreement.
- B. Mutual Agreement. Upon mutual agreement of the parties, this lease may be terminated.

Page 13 of 21

Lease Agreement - City of Mukilteo and Boys & Girls Clubs of Snohomish County - Exhibit A

393674

AFTER RECORDING RETURN TO:
Department of Natural Resources
Asset Management and Protection Division
Asset Planning and Transaction Section
P.O. Box 47014
Olympia, WA 98504-7014

200508240895 4 PGS
08-24-2005 01:30pm \$35.00
SNOHOMISH COUNTY, WASHINGTON

No. 3865338 8/23/2005 10:33 AM
Thank you for your payment.
PMT

QUITCLAIM DEED
Snohomish County

Grantor: State of Washington, by and through the Department of Natural Resources
Grantee: City of Mukilteo
Legal Description: Portion of E2E2 Section 21-28N-4E
Tax Parcel Numbers: 007151-000-001-00, 007151-000-002-00, 007151-000-003-00, 007151-000-004-00, 007151-000-005-00, 007151-000-006-00, 007151-000-007-00, 007151-000-008-00, 007151-000-009-00, 007151-000-010-00, 007151-000-011-00, 007151-000-012-00, 007151-000-013-00, 007151-000-014-00, 007151-000-015-00, 007151-000-016-00, 007151-000-017-00, 007151-000-018-00, 007151-000-019-00, 007151-000-020-00, 007151-000-021-00

THE GRANTOR, STATE OF WASHINGTON, acting by and through the Department of Natural Resources, for and in consideration of the sum of TWO MILLION THREE HUNDRED THIRTY FOUR THOUSAND Dollars (\$2,334,000), hereby conveys and quitclaims to the City of Mukilteo, a municipal corporation, GRANTEE, all interest in the real property situated in Snohomish County, Washington, and described in EXHIBIT A, attached hereto, which by this reference is made a part hereof.

The property is conveyed under the authority of and use is subject to Ch. 26, Section 421, Washington Laws of 2003, 1st Special Session as amended by Washington Laws of 2005, Regular Session, Ch 488, Section 950. Pursuant to section (6) of this law, the property is dedicated for a period of thirty years to recreation consistent with Section (1) and Section (13) of the law and, particularly as provided in Section (13), four acres of buildable land shall be dedicated for use of a recreational facility to serve only school-age children with additional space designated as ball fields for the purposes of serving the area youth.

The above-described lands are subject to that certain statutory reserved right as set forth in RCW 79.17.200 and to the following reservation:

The Grantor hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself and its successors and assigns forever, all oils, gases, coal, ores, minerals, and fossils of every name, kind, or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself and its successors and assigns forever, the right to enter by itself or its agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, and working mines thereon, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns, forever, the right by its or their agents, servants, and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, and railroads, sink such shafts, remove such soil, and to remain on said lands or any part thereof for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business, hereby expressly reserving to itself and its successors and assigns, as aforesaid, generally, all rights and powers in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and the rights hereby expressly reserved.

No rights shall be exercised under the foregoing reservation, by the state or its successors or assigns, until provision has been made by the state or its successors or assigns, to pay to the owner of the land upon which the rights reserved herein to the state or its successors or assigns, are sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land: PROVIDED, That if said owner from any cause whatever refuses or neglects to settle said damages, then the state or its successors or assigns, or any applicant for a lease or contract from the state for the purpose of prospecting for or mining valuable minerals, or option contract, or lease, for mining coal, or lease for extracting petroleum or natural gas, shall have the right to institute such legal proceedings in

the superior court of the county wherein the land is situate, as may be necessary to determine the damages which said owner of said land may suffer.

Grantee accepts the Property "AS IS, WHERE IS" with all faults. State disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose about the Property, including but not limited to improvements located thereon, and no employee or agent of State is authorized otherwise. The foregoing specifically excludes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste or claims based thereon arising out of the actual or threatened discharge, disposal, seepage, migration, or escape of such substances at, from, or into the Property. Grantee hereby fully releases State from any and all liability to Grantee arising out of or related to the condition of the Property prior to, at, or after Grantee accepts title to the Property, including but not limited to the deposit or release of hazardous or toxic wastes or material and pollutants.

This Deed is executed and delivered pursuant to RCW 79.02.270 at the request of the Commissioner of Public Lands with the approval of the Board of Natural Resources, State of Washington.

WITNESS the Seal of the State of Washington, affixed this 10th day of July, 2005.

Christine Gregoire
GOVERNOR

ATTEST:

[Signature]
ASST. SECRETARY OF STATE

Approved as to form this 20 day

of June, 2005.

James Schwartz
Assistant Attorney General

Deed No. 26678

State Record of Deeds, Volume 13, Page 90.

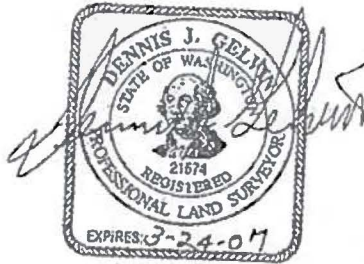
Transaction File No. 02-077459

EXHIBIT A

Legal Description of Harbour Pointe Property

The following describes the State land to be transferred to the City of Mukilteo:

Those lands described by document recorded April 20, 1982, in Vol. 1744 at Pages 1058 through 1063, under Auditor's File No. 8204200211, Snohomish County Records, being Lots 1 through 21 inclusive, Harbour Pointe Sector 7 Business Park, according to the Plat thereof recorded March 10, 1982 in Volume 43 of Plats at Pages 154 thru 156 under A.F. No. 8203105012, Snohomish County Records, situated in the E1/2 of Section 21, Township 28 North, Range 4 East, Willamette Meridian, Snohomish County, Washington, together with and subject to easements, reservations, agreements, covenants, etc., as shown on said A.F. No. 8204200211.



Dennis J. Gelvin PLS 21674
Land Description & R/W Specialist
Land Survey Unit
Engineering Division
PO Box 47060
Olympia, WA 98504-7060

Dated 6-20-05

FILENAME: L1783A

Lease Agreement - City of Mukilteo and Boys & Girls Clubs of Snohomish County – Exhibit B

Physical Improvements shall include the following elements as shown on the attached Preliminary Site Plan and architectural elevation rendering. The Physical Improvements may be constructed in phases as follows:

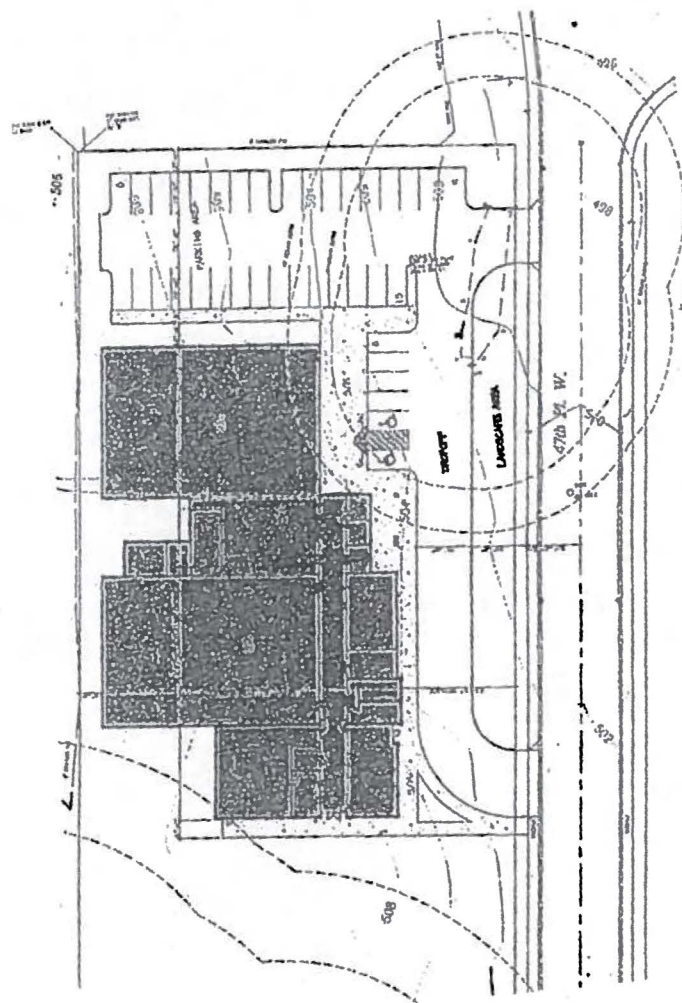
Phase I (16,000-17,000 square feet): Main Building: Lobby, Administrative Space, Game Room, Gymnasium, restrooms, vehicle parking, landscaping, etc. and ball fields.

Phase II (6,000-8,000 square feet): Second Gymnasium and Teen Center

GPC183513\425095.V01 (9407011.DOC) [BG LEASE.RAL REVISION6.3.DOC]



Lease Agreement - City of Mukilteo and Boys & Girls Clubs of Snohomish County - Exhibit B



ENLARGED SITE PLAN
SCALE: 1" = 30'-0"
NORTH

Lease Agreement - City of Mukilteo and Boys & Girls Clubs of Snohomish County – Exhibit B



**ADDENDUM TO LEASE AGREEMENT BETWEEN
CITY OF MUKILTEO, WASHINGTON
AND
BOYS & GIRLS CLUBS OF SNOHOMISH COUNTY
FOR PROPERTY GENERALLY LOCATED AT 10600 47TH PLACE WEST**

The City of Mukilteo, a Municipal Corporation (Lessor) and the Boys & Girls Clubs of Snohomish County, a non-profit corporation (Lessee) entered into an Agreement on October 1, 2006, for the purpose of allowing the Lessee to build and provide recreational facilities for school-age children of the area, and

WHEREAS, the Lessor and Lessee have mutually agreed to extend completion of this project by four (4) years; and

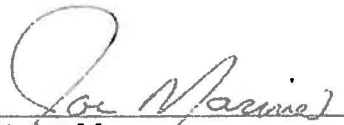
WHEREAS, the City Council of Mukilteo has approved an amendment to the Lease Agreement for physical improvements described in Section 5 (A) to be extended by four (4) years to be substantially completed by December 31, 2016, and to require ongoing landscape maintenance to the site; and

WHEREAS, except as expressly modified by this Addendum, all other terms and conditions of the Lease Agreement remain in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have subscribed their names as of the 2nd day of August, 2011.

CITY OF MUKILTEO

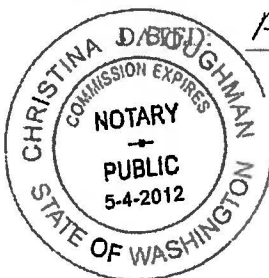
**BOYS & GIRLS CLUBS OF
SNOHOMISH COUNTY**


Joe Marine, Mayor

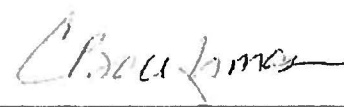

Bill Tsoukalas, Executive Director

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence the JOE MARINE is the person who appeared before me, and said person acknowledged that he was authorized to execute the instrument and acknowledged it as Mayor of the City of Mukilteo to be the free and voluntary act and deed of such party for the uses and purposes mentioned in this instrument.



August 2, 2011


NOTARY PUBLIC
My appointment expires: 5.4.12

STATE OF WASHINGTON)
) ss.
COUNTY OF SNOHOMISH)

I certify that I know or have satisfactory evidence that Bill Tsoukas
is the person who appeared before me, and said person acknowledged that (he/she) was authorized to
execute the instrument and acknowledged it as Executive Director of
Boys + Girls Club of Snohomish County to be the free and voluntary
act and deed of such party for the uses and purposes mentioned in this instrument.

DATED: 8-22-11



Debra L. Sherfelt
NOTARY PUBLIC
My appointment expires: 12-27-2012

ATTACHMENT C

DESCRIPTION OF PROJECT & ESTIMATION OF COSTS

Project Narrative:

The Boys and Girls Club is an important part of our local community; they provide convenient and affordable family support services through their daycare, sports programs, and summer camps. Their purpose is to provide K-5th grade students with programs that encourages academic success, builds leadership and promotes team work. The Mukilteo Boys and Girls Club are proposing to build a new facility that is centrally located in Harbour Pointe to increase the access and availability of the Club for families in Mukilteo and Southwest Snohomish County. This new facility will be built on City owned land and will include playfields, gymnasiums, a teen center, and a computer lab. The all-purpose fields will be available for soccer, lacrosse, t-ball, baseball, rugby, and flag football.

Use of Grant Funds:

The grant funds identified in the Mukilteo Ballfield Project will be used solely for the construction of two all-purpose play fields and associated improvements to serve the area youth.

The proposal includes the following project elements:

- Site preparation will include mobilization, grubbing, grading, erosion control, drainage improvements, site access, and installing subbase materials.
- Construct two recreational play fields. The small field will be available for soccer, lacrosse and t-ball for younger children while the larger field will be available for older youth and adults to play baseball, soccer, rugby, and flag football. The small field may be surfaced with some form of synthetic material; grass will be installed on the large field.
- Install a sprinkler system in the large play field as a bid alternative.

Project Milestones & Budget Estimate:

Construction Element	Project Estimate
Site Preparation	\$275,000
Two Ballfields	\$900,000
Sprinkler System (Bid Alternative)	\$100,000
Total Estimated Project Cost	\$1,275,000

Project costs are shown as estimates only; funds may be distributed between project milestones so long as the total reimbursable funds does not exceed the total grant amount and all of the project milestones have been constructed.

Cost Overruns:

The County shall not be responsible for any cost overruns associated with the project or the milestones as listed in Attachment A.

[The remainder of this page is intentionally left blank.]

ATTACHMENTS FROM RECITALS

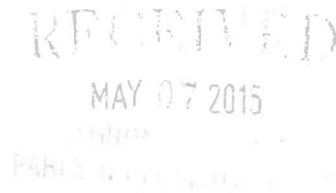
ATTACHMENT A
CITY REQUEST FOR COUNTY FUNDS



Mayor's Office 425.263.8018

May 5, 2015

Mr. Russ Bosanko
Division Manager
Snohomish County Parks & Recreation
6705 Puget Park Drive
Snohomish, WA 98296



Re: ILA for the Mukilteo Boys & Girls Club

Dear Russ;

Thank you for contacting the City regarding Snohomish County's 2015-2020 Capital Improvement Program funding for the Mukilteo Boys and Girls Club project.

The City of Mukilteo's partnership with the Snohomish County Boys and Girls Club goes back to 1961 when the Mukilteo Boys Club was granted its charter. They are an important part of our local community as they provide convenient and affordable family support services through their daycare, sports programs, and summer camps. Their current building was built in 1936 and due to the age and size of the building it cannot meet the Club's current programming needs. There are no outside play spaces or ball fields.

The Mukilteo Boys and Girls Club is working on a capital funding campaign to build a modern facility, centrally located in Harbour Pointe to increase the access and availability of the Club for families in Mukilteo and Southwest Snohomish County. This new facility will be built on City owned land and will include playfields, gymnasiums, a teen center, and a computer lab.

As part of the County's 2015-2020 Capital Improvement Program, the City of Mukilteo respectfully requests that the County help fund this needed facility. With a new facility, the Mukilteo Boys and Girls Club will be able to expand their services, provide better programming to meet the needs of youth and will be more accessible to the families who rely on the quality programming at a more central location closer to their schools and neighborhoods.

Attached for your review is a draft project description, confirmation of the City's land ownership, and a summary of how the City will be involved with the project. Patricia Love, Community Development Director, will be your main contact as we work together on this project. You may reach her at 425-263-8041 or by email at plove@ci.mukilteo.wa.us.

I look forward to partnering with the County on this essential community asset. Please feel free to contact me if I can be of any assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer Gregerson". The signature is fluid and cursive, with the first name being more prominent.

Jennifer Gregerson
Mayor

ATTACHMENT B
PROJECT DESCRIPTION

Mukilteo Boys and Girls Club Project

Project Narrative:

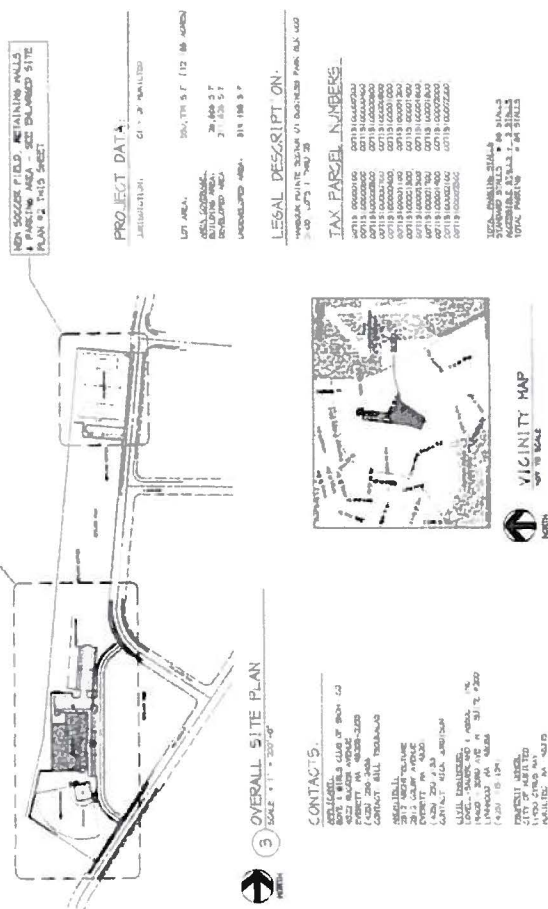
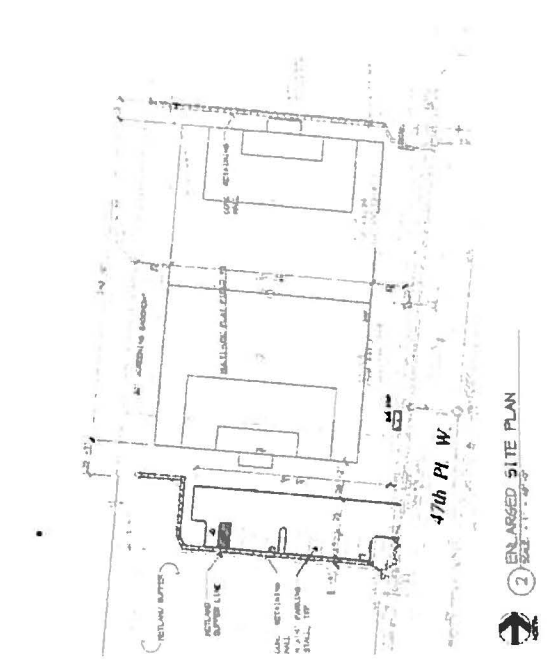
The Boys and Girls Club is an important part of our local community; they provide convenient and affordable family support services through their daycare, sports programs, and summer camps. Their purpose is to provide K-5th grade students with programs that encourages academic success, builds leadership and promotes team work. The Mukilteo Boys and Girls Club are proposing to build a new facility that is centrally located in Harbour Pointe to increase the access and availability of the Club for families in Mukilteo and Southwest Snohomish County. This new facility will be built on City owned land and will include playfields, gymnasiums, a teen center, and a computer lab. The all-purpose fields will be available for soccer, lacrosse, t-ball, baseball, rugby, and flag football. See Attached Exhibit A – Site Plan and Exhibit B – Campaign Overview.

Confirmation of City Ownership:

In 2005, the City of Mukilteo accepted approximately 12 acres of property along 47th Place West from the Washington State Department of Natural Resources (DNR). When the City accepted the property, it agreed to dedicate the land to recreation purposes for 30 years and to dedicate four acres of buildable land for a recreational facility to serve only school-age children with additional space designated as ball fields for the purpose of serving area youth. On October 1, 2006, the Boys and Girls Club of Snohomish County signed a 30-year lease agreement with the City of Mukilteo for the property located at 10600 47th Place West. See Exhibit C – Deed and Lease Agreement with the Mukilteo Boys and Girls Club.

City Involvement:

As owners of the property, the City of Mukilteo is obligated to ensure that the DNR transfer agreement and Boys and Girls Club lease agreement are adhered to. The City will act as a pass through agent for the funds and the Boys and Girls Club will build and operate the facility. The City will issue all permits for the construction of the building and facilities. If at any time the Boys and Girls Club does not meet the terms of the lease agreement they will be in default and the facility be turned over to the City of Mukilteo for operation or leased to another entity for the same purpose.



Mukilteo



BOYS & GIRLS CLUBS
OF SNOHOMISH COUNTY

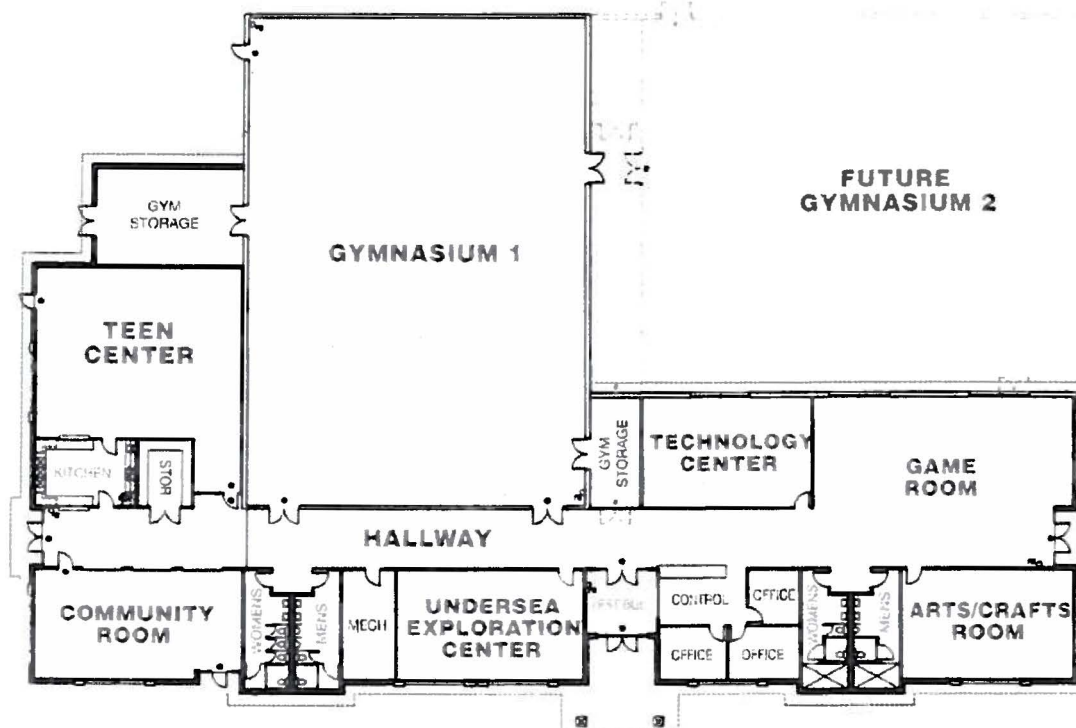
A new 25,000 sq.ft. facility located on 13 acres in Harbour Pointe featuring:

- 2 Gymnasiums
- 2 Ball Fields
- State-of-the-art Teen Center
- Technology Center
- Undersea Exploration Center



BOYS & GIRLS CLUB
MUKILTEO, WA

10600 47th Place West, Mukilteo, WA



Facility & Development Cost

Land	\$4 000,000
Construction	\$4,000,000
Development	\$ 500,000
Other	\$ 500,000
Sub-Total	\$9,000,000
Land & In-Kind Donations	\$(4,000,000)
TOTAL \$ NEEDED to complete project	\$5,000,000

PROOF
Positive



THE NEED

- Nearly 50% of kids that attend school in the Mukilteo School District receive free or reduced lunch. That number has increased significantly in the just the last five years.
- The Mukilteo Club was chartered in 1961 in the same 1920's era building it occupies today.
- The existing property is too small and outdated, and is inconveniently located to members' schools and neighborhoods.

THE SOLUTION

A new 25,000 square foot Boys & Girls Club at Harbour Pointe will offer:

- a convenient, easily accessible location
- two gyms
- two ball fields
- teen center
- technology center
- undersea exploration center

COMPARE & CONTRAST

	Current Facility	New Facility
Members	1,245	3,000
Square Feet	5,000	25,000
Community Room	n/a	Serve meals/snacks, staff meetings, community meetings and parties
Arts/Crafts Room	Arts and Crafts	Arts, crafts, meetings and multi-purpose
Fields	n/a	Flag football, t-ball, soccer, baseball, clinics, tournaments, and lacrosse
Games Room	Pool, foosball and carpetball	Pool, foosball, carpetball, bumper pool, chess, checkers, ping pong and board games
Gym	1 GYM: basketball and volleyball	2 GYMS: basketball, volleyball, clinics, and tournaments
Technology Center	n/a	Internet, homework assistance, music, digital photo/video editing, and Skype
Teen Center	n/a	State-of-the-art entertainment, computers and programs
Undersea Exploration Center	n/a	School partnerships, Jason Project with Sea Research Foundation
Meals/Snacks Served	5,000 (snacks only)	52,500 (meals and snacks)
Programs Offered	Limited	Unlimited

great futures start here.

Campaign Cabinet

Co-Chairs

Bill Rucker

Brian Sullivan

Marilana Rubatino

Cabinet Members

Jerry & Deb Bush

Tom & Jane Collins

Jeff & Kathy Dunleavy

Dick & Lisa Haines

Steve & Patty Holtgeerts

Tom & Mary Lowery

Joe & Candy Marine

Matt & Shannon Martin

Lawrence Roe

Doug & Mary Smith

Sean Straub

Roy and Barbara Yates

Staff Support

Chuck Davis

www.bgcsc.org

ATTACHMENT C

PROOF OF CITY OWNERSHIP OF PROPERTY

COPY

AFTER RECORDING RETURN TO:
Department of Natural Resources
Asset Management and Protection Division
Asset Planning and Transaction Section
P.O. Box 47014
Olympia, WA 98504-7014

QUITCLAIM DEED
Snohomish County

Grantor: State of Washington, by and through the Department of Natural Resources
Grantee: City of Mukilteo
Legal Description: Portion of E2E2 Section 21-28N-4E
Tax Parcel Numbers: 007151-000-001-00, 007151-000-002-00, 007151-000-003-00, 007151-000-004-00, 007151-000-005-00, 007151-000-006-00, 007151-000-007-00, 007151-000-008-00, 007151-000-009-00, 007151-000-010-00, 007151-000-011-00, 007151-000-012-00, 007151-000-013-00, 007151-000-014-00, 007151-000-015-00, 007151-000-016-00, 007151-000-017-00, 007151-000-018-00, 007151-000-019-00, 007151-000-020-00, 007151-000-021-00

THE GRANTOR, STATE OF WASHINGTON, acting by and through the Department of Natural Resources, for and in consideration of the sum of TWO MILLION THREE HUNDRED THIRTY FOUR THOUSAND Dollars (\$2,334,000), hereby conveys and quitclaims to the City of Mukilteo, a municipal corporation, GRANTEE, all interest in the real property situated in Snohomish County, Washington, and described in EXHIBIT A, attached hereto, which by this reference is made a part hereof.

The property is conveyed under the authority of and use is subject to Ch. 26, Section 421, Washington Laws of 2003, 1st Special Session as amended by Washington Laws of 2005, Regular Session, Ch 488, Section 950. Pursuant to section (6) of this law, the property is dedicated for a period of thirty years to recreation consistent with Section (1) and Section (13) of the law and, particularly as provided in Section (13), four acres of buildable land shall be dedicated for use of a recreational facility to serve only school-age children with additional space designated as ball fields for the purposes of serving the area youth.

The above-described lands are subject to that certain statutory reserved right as set forth in RCW 79.17.200 and to the following reservation:

The Grantor hereby expressly saves, excepts, and reserves out of the grant hereby made, unto itself and its successors and assigns forever, all oils, gases, coal, ores, minerals, and fossils of every name, kind, or description, and which may be in or upon said lands above described, or any part thereof, and the right to explore the same for such oils, gases, coal, ores, minerals, and fossils; and it also hereby expressly saves and reserves out of the grant hereby made, unto itself and its successors and assigns forever, the right to enter by itself or its agents, attorneys, and servants upon said lands, or any part or parts thereof, at any and all times, for the purpose of opening, developing, and working mines thereon, and taking out and removing therefrom all such oils, gases, coal, ores, minerals, and fossils, and to that end it further expressly reserves out of the grant hereby made, unto itself, its successors and assigns, forever, the right by its or their agents, servants, and attorneys at any and all times to erect, construct, maintain, and use all such buildings, machinery, roads, and railroads, sink such shafts, remove such soil, and to remain on said lands or any part thereof for the business of mining and to occupy as much of said lands as may be necessary or convenient for the successful prosecution of such mining business, hereby expressly reserving to itself and its successors and assigns, as aforesaid, generally, all rights and powers in, to, and over said land, whether herein expressed or not, reasonably necessary or convenient to render beneficial and efficient the complete enjoyment of the property and the rights hereby expressly reserved.

No rights shall be exercised under the foregoing reservation, by the state or its successors or assigns, until provision has been made by the state or its successors or assigns, to pay to the owner of the land upon which the rights reserved herein to the state or its successors or assigns, are sought to be exercised, full payment for all damages sustained by said owner, by reason of entering upon said land: PROVIDED, That if said owner from any cause whatever refuses or neglects to settle said damages, then the state or its successors or assigns, or any applicant for a lease or contract from the state for the purpose of prospecting for or mining valuable minerals, or option contract, or lease, for mining coal, or lease for extracting petroleum or natural gas, shall have the right to institute such legal proceedings in

the superior court of the county wherein the land is situate, as may be necessary to determine the damages which said owner of said land may suffer.

Grantee accepts the Property "AS IS, WHERE IS" with all faults. State disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose about the Property, including but not limited to improvements located thereon, and no employee or agent of State is authorized otherwise. The foregoing specifically excludes warranties with respect to the existence or nonexistence of any pollutants, contaminants, or hazardous waste or claims based thereon arising out of the actual or threatened discharge, disposal, seepage, migration, or escape of such substances at, from, or into the Property. Grantee hereby fully releases State from any and all liability to Grantee arising out of or related to the condition of the Property prior to, at, or after Grantee accepts title to the Property, including but not limited to the deposit or release of hazardous or toxic wastes or material and pollutants.

This Deed is executed and delivered pursuant to RCW 79.02.270 at the request of the Commissioner of Public Lands with the approval of the Board of Natural Resources, State of Washington.

WITNESS the Seal of the State of Washington, affixed this 10th day of July, 2005.

Christine Gregoire
GOVERNOR

ATTEST:

[Signature]
ASST. SECRETARY OF STATE

Approved as to form this 20 day
of June, 2005.

[Signature]
Assistant Attorney General

Deed No. 26678
State Record of Deeds, Volume 13, Page 90.
Transaction File No. 02-077459

EXHIBIT A

Legal Description of Harbour Pointe Property

The following describes the State land to be transferred to the City of Mukilteo:

Those lands described by document recorded April 20, 1982, in Vol. 1744 at Pages 1058 through 1063, under Auditor's File No. 8204200211, Snohomish County Records, being Lots 1 through 21 inclusive, Harbour Pointe Sector 7 Business Park, according to the Plat thereof recorded March 10, 1982 in Volume 43 of Plats at Pages 154 thru 156 under A.F. No. 8203105012, Snohomish County Records, situated in the E1/2 of Section 21, Township 28 North, Range 4 East, Willamette Meridian, Snohomish County, Washington, together with and subject to easements, reservations, agreements, covenants, etc., as shown on said A.F. No. 8204200211.



Dennis J. Gelvin PLS 21674
Land Description & R/W Specialist
Land Survey Unit
Engineering Division
PO Box 47060
Olympia, WA 98504-7060

Dated 6-20-05

FILENAME: L1783A

ATTACHMENT D

**CITY'S INVOLVEMENT AND ON-GOING ROLE IN PLANNING, DESIGN, DEVELOPMENT,
MAINTENANCE AND OPERATION OF THE PROJECT**

**FIRST ADDENDUM TO LEASE AGREEMENT
BETWEEN CITY OF MUKILTEO AND
BOYS & GIRLS CLUBS OF SNOHOMISH COUNTY FOR
THE MUKILTEO BALLFIELDS PROJECT**

THIS FIRST ADDENDUM is made to that certain Lease Agreement Between City of Mukilteo and Boys & Girls Clubs of Snohomish County For Property Generally Located at 10600 47th Place West dated September 28, 2006 and recorded at Snohomish County Auditor's File No. 200611020736 (the "Lease Agreement") by and between the CITY OF MUKILTEO, a Washington municipal corporation (hereinafter the "City"), and BOYS & GIRLS CLUBS OF SNOHOMISH COUNTY, a Washington non-profit corporation (hereinafter "BGCSC").

RECITALS

A. The City and BGCSC's partnership dates from 1961 when the Mukilteo Boys Club was granted its charter and started serving the Mukilteo community in a City owned building off of 2nd Street; and

B. The BGCSC is an important part of Mukilteo's community as they provide convenient and affordable family support services through their daycare, sports programs, and summer camps; and

C. The BGCSC is working on a capital funding campaign to build a modern facility, centrally located in Harbour Pointe to increase the access and availability of the Club for families in Mukilteo and Southwest Snohomish County; and

D. This new facility will be built on 12 acres of City owned land and will include playfields, gymnasiums, a teen center, and a computer lab; and

E. Under the Lease Agreement BGCSC is leasing the property located at 10600 47th Place West for a term of 30 years; and

F. The Lease Agreement requires that the land be used for recreation purposes serving school-age children with designated space for ballfields; and

G. The Snohomish County Executive and the County Council have determined that supporting the BGCSC's capital campaign is consistent with the Comprehensive Parks and Recreation Plan and is in the public interest of County residents to participate in joint undertakings with local municipalities to increase recreational opportunities and facility capacity; and

H. Pursuant to County Council Adopted 2014 – 2019 Capital Improvement Program and the Council Adopted 2015 -2020 Capital Improvement Program, the County authorized the issuance of Seven Hundred Seventy- five Thousand Dollars (\$775,000) to

the City of Mukilteo for the construction of new multi-purpose athletic fields on the property owned by City under lease to BGCSC; and

I. The City and Snohomish County have agreed to enter into an Interlocal Agreement pursuant Chapter 39.34 RCW, to accept the above-described funds from the County; and

J. In 2014 the City applied for a Five Hundred Thousand Dollar (\$500,000) grant from the Washington State Recreation and Conservation Office (RCO) as the lead agency in partnership with BGCSC for the purpose of installing ballfields on the City owned properties leased by the BGCSC; and

K. As part of the 2015 Washington State budget, the City's RCO grant application for the Mukilteo Athletic Fields Project was funded; and

L. The City and BGCSC wish to enter into an agreement for the administration and distribution of the grant funding to build the Mukilteo Ballfields Project.

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 BGCSC agree as follows:

1. Purpose of Agreement.

The purpose and intent of this Addendum is to define the responsibilities of the City and BGCSC as they relate to the County and RCO grant funds for the Mukilteo Ballfields Project located at 10600 47th Place West, Mukilteo, WA (the "Premises") for purposes of site enhancements, which include renovation of the play fields and ballfield improvements in connection with the construction of a new facility (which also includes gymnasiums, teen center, and a computer lab), and to provide for the continued operation, maintenance and use of the playfield/ballfield improvements.

2. Effective Date and Duration.

This Addendum shall not take effect unless and until it has been duly executed by both parties and filed with the County Auditor's Office. This Addendum shall remain in effect so long as the Lease Agreement remains in effect.

3. Administrators and Notices.

Each party shall designate an individual (an "Administrator"), who may be designated by title or position, to oversee and administer such party's participation in this Agreement. The parties' initial Administrators shall be the following individuals:

BGCSC Initial Administrator:

Bill Tsoukalas
Executive Director
Boys & Girls Club of Snohomish County
9502 19th Ave SE, Suite F
Everett, WA 98208
Btsoukalas@bgcsc.org
Phone: (425) 258-2436

City's Initial Administrator:

Patricia Love
Community Development Director
City of Mukilteo
11930 Cyrus Way
Mukilteo, WA 98275
plove@ci.mukilteo.wa.us
Phone: (425) 263-8041

Either party may change its Administrator at any time by delivering written notice of such party's new Administrator to the other party. All notices, except legal notices shall be sent to the parties noted above. Notices shall be deemed given after properly mailed.

4. City Responsibilities.

4.1 Grant Funds. The City has been awarded \$1,275,000 in grant funding from Snohomish County and the Washington Recreation and Conservation Office which will be distributed to the BGCSC for the purpose of constructing the Mukilteo Ballfield Project in accordance with this Addendum.

4.2 Distribution of Funds. The City will act as a pass through agent for distribution of the funds as project milestones are reached according to **Attachment A**. Funds will be paid to BGCSC on a reimbursement basis within 30 days of submittal of an invoice and copies of paid receipts for the work completed as provided in Attachment A, Project Milestone and Budget Estimate.

4.3. Completion of Work. The City, County and State representatives shall have the right to inspect the project prior to commencement, during and after completion of the project to ensure that the grant funded project items have been completed and remain open and available for public use in perpetuity.

5. BGCSC Responsibilities.

5.1 BGCSC Financial and Staff Commitment. The SGCSC certifies to the City that they will have monies sufficient to develop, complete the Project, maintain and operate the Property without additional City monies needed under the terms of this Addendum by the Project deadline identified in Section 5.2 below.

5.2 Cost Overruns. BGCSC shall be responsible for the full cost of the project with exception of the grant funds provided by this Agreement. Any cost overruns associated with the project or the milestones as listed in Attachment A shall be the sole responsibility of the BGCSC.

5.3 Project Deadline. BGCSC shall complete the Project no later than October 30, 2018. In executing the Project, BGCSC shall obtain and, upon request, provide the City with copies of all permits necessary to complete the Project.

5.4 Recognition of County as Financial Sponsor. The BGCSC shall recognize the County and the Washington Recreation and Conservation Office as a financial sponsor of the Project as follows:

5.4.1 Upon completion of the Project BGCSC shall install at the property a plaque in a form approved by the County and RCO that indicates that the County and RCO were financial sponsors of the Project;

5.4.2 The BHCSC shall invite the County and State RCO representatives to all events promoting the Project and recognize the County and RCO at all such events as a financial sponsor of the Project;

5.4.3 The BGCSC shall recognize the County and State RCO as a financial sponsor in all brochures, banners, posters, and other promotional material related to the Project.

5.5 Project Maintenance. The BGCSC shall be responsible for all on-going capital improvements to, and maintenance of, the Project. The City makes no commitment to support the Project beyond what is provided for in this Addendum and assumes no obligation for future support of the Project.

5.6 Development Standards. The BGCSC agree to construct the project in accordance with all applicable City, County, State and federal laws, rules, regulations and policies including but not limited to RCO Manuals #4 and #5.

5.7 Availability to County Residents. The BGCSC shall make the Property available to all County residents on the same terms as to residents of the City.

5.8 Long Term Obligations. Upon acceptance of funds, the BGCSC is responsible for ensuring that the management of project site and improvements conform to RCO Manual #7, Long Term Obligations. If the BGCSC cannot meet the obligations of the County and State funding restrictions, such failure shall constitute a Default under the Lease Agreement.

6. Invoicing and Payment.

6.1 Invoicing. The BGCSC shall submit to the City all invoices requesting disbursement of the Funds for the Project no later than November 30, 2018. Invoices may be submitted monthly, quarterly, or in one lump sum at the discretion of the BGCSC so long as the invoices reflect the completed work matching the project milestones in

Attachment A.

6.2 Accounting. The BGCSC shall maintain a system of accounting and internal controls which complies with generally accepted accounting principles and governmental accounting and financial reporting standards in accordance with Chapter 40.14 RCW.

6.3 Recordkeeping. The City and BGCSC shall maintain adequate records to support billings. The records shall be maintained for a period of five (5) years after completion of the Project. The County and State, or any of its duly authorized representatives, shall have access to books, documents, or papers and records relating to this Agreement for purposes of inspection, audit, or the making of excerpts or transcripts.

7. **Independent Contractor.**

The BGCSC will perform or assign all work associated with the Project as an independent contractor and not as an agent, employee, or servant of the City. The BGCSC shall be solely responsible for control, supervision, direction and discipline of its personnel, who shall be employees and agents of the BGCSC and not the City. The City shall only have the right to ensure performance.

8. **Compliance with Laws.**

In the performance of its obligations under this Agreement, each party shall comply with all applicable federal, state, and local laws, rules and regulations.

9. **Termination.**

9.1 Prior to Disbursement of Funds. Prior to the first disbursement of funds under this Addendum, party may terminate this Addendum, with or without cause, upon not less than thirty (30) days advance written notice to the other party. The termination notice shall specify the date on which this Addendum shall terminate.

9.2 Termination for Breach. Failure of the BGCSC to complete the Project by October 30, 2018, shall constitute a Default under the Lease Agreement.

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

BGCSC:

CITY:

Boys and Girls Club of Snohomish County, a non-profit organization under the State of Washington

City of Mukilteo, a Washington municipal corporation

By _____
Name: Bill Tsoukalas
Title: Executive Director

By _____
Name: Jennifer Gregerson
Title: Mayor

Date

Date

Approved as to Form:

Approved as to Form:

Attorney

City Attorney

ATTACHMENT A

PROJECT DESCRIPTION & ESTIMATION OF COSTS

Project Narrative:

The Boys and Girls Club is an important part of our local community; they provide convenient and affordable family support services through their daycare, sports programs, and summer camps. Their purpose is to provide K-5th grade students with programs that encourages academic success, builds leadership and promotes team work. The Mukilteo Boys and Girls Club are proposing to build a new facility that is centrally located in Harbour Pointe to increase the access and availability of the Club for families in Mukilteo and Southwest Snohomish County. This new facility will be built on City owned land and will include playfields, gymnasiums, a teen center, and a computer lab. The all-purpose fields will be available for soccer, lacrosse, t-ball, baseball, rugby, and flag football.

Use of Grant Funds:

The grant funds identified in the Mukilteo Ballfield Project will be used solely for the construction of two all-purpose play fields and associated improvements to serve the area youth.

The proposal includes the following project elements:

- Site preparation will include mobilization, grubbing, grading, erosion control, drainage improvements, site access, and installing subbase materials.
- Construct two recreational play fields. The small field will be available for soccer, lacrosse and t-ball for younger children while the larger field will be available for older youth and adults to play baseball, soccer, rugby, and flag football. The small field will be surfaced with some form of synthetic material; grass will be installed on the large field.
- Install a sprinkler system in the large play field as a bid alternative.

Project Milestones & Budget Estimate:

Construction Element	Project Estimate
Site Preparation	\$275,000
Two Ballfields	\$900,000
Sprinkler System (Bid Alternative)	\$100,000
Total Estimated Project Cost	\$1,275,000

Project costs are shown as estimates only; funds may be distributed between project milestones so long as the total reimbursable funds does not exceed the total grant amount and all of the project milestones have been constructed.

Cost Overruns:

BGCSC shall be responsible for the full cost of the project with exception of the grant funds provided by this Agreement. Any cost overruns associated with the project or the milestones as listed in Attachment A shall be the sole responsibility of the BGCSC.

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WA

cities

Insurance Authority

P.O. Box 88030

29-Jun-15

Cert#: 9706

Mukilteo, WA 98148

Phone: 206-575-0310

Fax: 206-575-7426

Snohomish County Parks & Recreation Dept
Attn: Tom Teigen, Director
6705 Puget Park Dr
Snohomish, WA 98296

RE: City of Mukilteo
ILA for Mukilteo Boys and Girls Club Ballfields

Evidence of Coverage

The above captioned entity is a member of the Washington Cities Insurance Authority (WCIA), which is a self insured pool of over 150 public entities in the State of Washington.

WCIA has at least \$1 million per occurrence limit of liability coverage in its self insured layer that may be applicable in the event an incident occurs that is deemed to be attributed to the negligence of the member.

WCIA was created by an interlocal agreement among public entities and liability is self funded by the membership. As there is no insurance policy involved and WCIA is not an insurance company, your organization cannot be named as an additional insured.

Sincerely,



Eric B. Larson
Deputy Director

cc: Christina Boughman
Patricia Love

cletter