

INTERLOCAL LIBRARY ANNEXATION AGREEMENT BETWEEN THE CITY OF
MUKILTEO AND THE SNO-ISLE REGIONAL LIBRARY DISTRICT

This agreement is entered into this 26 day of August, 1996 by and between the CITY OF MUKILTEO (the "City") and the SNO-ISLE INTERCOUNTY RURAL LIBRARY DISTRICT, doing business as the Sno-Isle Regional Library District (the "District") (collectively, the "Parties" and each a "Party"). This Agreement is made pursuant to chapter 39.34 RCW (the "Interlocal Cooperation Act") and has been authorized by the governing body of each Party. Each of the Parties is a "public agency" as defined in the Interlocal Cooperation Act.

RECITALS

WHEREAS, the City proposes to submit ballot issues to its voters to provide library service to the community; and

WHEREAS, the City proposes to undertake actions necessary to annex to the District as the best possible means of providing library service; and

WHEREAS, the City intends to construct a library facility for the use of its residents and those who live in the nearby unincorporated county areas; and

WHEREAS, the District has the responsibility to serve the residents of Snohomish and Island Counties who live in affiliated cities and the unincorporated county areas; and

WHEREAS, the District seeks to improve library service to the residents of the City and the nearby unincorporated county areas; and

WHEREAS, a library facility located nearest the population center of the City could best serve the residents of the City and the nearby unincorporated county areas; and

WHEREAS, the City and the District recognize that they have a unique opportunity to enter into a partnership to build a library facility and to offer quality library service to the residents of the City and the nearby unincorporated county areas.

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Annexation to the District.
The City shall submit a ballot proposition to the voters of the City to authorize annexation of the City to the District to be effective January 1, 1998.
2. Voter-approved Construction Financing.
The City shall submit a ballot proposition to the voters of the City to authorize financing of a library facility, including appropriate furnishings and equipment, by no later than May 1997.

3. District Contribution.

The District shall contribute to the City's library facility construction project, a sum not to exceed \$570,635. If the library site is purchased for less than \$570,635, the District's contribution shall be correspondingly reduced. Additionally, the District's contribution shall be based upon the following conditions:

a. The library facility shall be located on Lot No. 1 of Big Gulch Campus, located approximately one-quarter mile west of the intersection of State Highway 525 and Harbour Pointe Boulevard North, more particularly shown and legally described in Exhibit A, hereby included in its entirety and made part of this agreement by reference;

b. The City shall construct a library facility of at least 12,000 square feet;

c. The City shall take measures to substantially complete construction of the library facility on or before December 31, 1998;

d. The City shall involve the District in the selection of the library architect and the design of the library facility by including a representative(s) of the District on all working groups assigned the task of advising the City on these matters. The City agrees to evaluate architects and make design decisions based upon, but not limited to the following criteria: direct, extensive and proven experience of the architect with the design and construction of municipal libraries of similar size and function; proven operational utility of facility layouts and designs; financial considerations, demonstrated innovation with cost-effective design; ability to work with public agencies and the public; and general consistency with the city's adopted Mukilteo Library Building Program. The City shall fully consider the District's opinion and strive to achieve mutual agreement regarding these matters and shall not select an architect nor make a design decision over the reasonable objection of the District. The parties shall mutually select and share the cost of an independent party to determine the reasonableness of any District objection.

e. The District's Contribution of \$570,635 shall be made in four payments as follows:

Payment No. 1: \$77,000 upon purchase of the library site by the City after the voters of the city have authorized annexation of the City to the District and approved construction financing as described in Section 2;

Payment No. 2: \$164,545 on or before a date seven (7) months after Payment No. 1 is due;

Payment No. 3: \$164,545 on or before a date eighteen (18) months after Payment No. 2 is due;

Payment No. 4: \$164,545 on or before a date six (6) months after Payment No. 3 is due.

f. The library facility shall remain in service as a library operated by the District for at least the period required to pay off the construction financing approved according to Section 2 of this Agreement.

If the City is de-annexed from the District at the initiation of the City before the construction financing is repaid in full, the City shall immediately repay to the District a proportionate amount of the total District Contribution made pursuant to Section 3e., less \$77,000 (which represents Payment No. 1 contributed from the Mukilteo Reserve Fund) and any amounts paid pursuant to

Section 3g., multiplied by the number of months remaining to pay off the construction financing divided by the total number of months for which the construction financing was issued.

If the District ceases to provide library services in the library facility before the construction financing is repaid in full for reasons other than de-annexation initiated by the City, the District shall immediately make any remaining contribution payments required by Section 3.e. to the City and shall forfeit all rights to recover any of these amounts.

g. The District's contribution shall be reduced by one half (1/2) if the City builds a City Hall or any other municipal facility (exclusive of library or library-related facilities) on the library site within 10 years of the execution of this agreement. If the City is required to repay to the District any amounts pursuant to this Section and later becomes obligated to repay a portion of the remaining contribution because of de-annexation, said amounts paid under this section shall be deducted from the base contribution amount (i.e. Payments 2, 3, 4) before calculating any additional amount to be repaid to the District.

Any amounts due under this section shall be immediately paid to the District. If the City builds such facilities before Payment No. 2, 3, or 4 is made, the District may reduce these remaining payments in an amount appropriate to reduce the District's total contribution to no more than one-half (1/2) of the total original contribution amount.

Pursuant to Section 3f, if the City becomes obligated to repay the District because of de-annexation or the District ceases to provide library services in the library facility, and the City thereafter builds any type of municipal facility, including library facilities, the City shall only be obligated to repay to the District the amount due pursuant to Section 3f.

4. Ownership of Land and Facility.

The land and library facility shall be owned by and be the responsibility of the City. The City shall maintain, repair, and rehabilitate the interior and exterior of the library building including such items as: carpet and wall repair and/or replacement; parking lot and landscape grounds maintenance; property insurance; repair and maintenance of plumbing, electrical, heating, cooling, waste water, and other mechanical systems; and the on-going cost of utilities associated with operating the building.

The District shall be responsible for providing all library services, including acquisition and maintenance of library collections and materials; providing staff to operate the facility as a library; tools and equipment necessary to operate the library including but not limited to computers, office equipment, etc.; and custodial maintenance of the interior of the facility, including custodial supplies.

5. Provision of Library Services.

If the voters of the City authorize annexation of the City to the District to be effective January 1, 1998, the District shall provide full and complete library services to the City and its residents as are provided to other residents and businesses of the District's service area, including free borrowing privileges as described in the District's Materials Loan Policy, from the effective date of annexation. Full and complete library services shall include the Mukilteo library facility when that facility is completed.

6. Failure of Annexation or Construction Financing.

If either the annexation ballot issue or the construction financing ballot issue is not approved by voters before June 1, 1997, this agreement shall be null and void.

7. Indemnification and Insurance Coverage.

The District shall indemnify, defend, and hold harmless the City, its officials, officers, employees and agents, from any and all claims or liability arising from any act or omission of the District, its employees or agents caused by the performance or failure to perform its obligations under this agreement.

The City shall indemnify, defend, and hold harmless the District, its officials, officers, employees and agents, from any and all claims or liability arising from any act or omission of the City, its employees or agents caused by the performance or failure to perform its obligations under this agreement.

If both the District and the City are found liable to a third party, the cost of defense and the amount of any judgment shall be paid by each party according to the percentage of fault determined by the court.

Both parties shall maintain at least one million dollars (\$1,000,000) liability insurance or coverage, throughout the term of this agreement. Additionally, each party shall secure and provide other insurance coverage, as required by law or normal business practices, including but not limited Labor and Industries coverage for its employees.

8. Independent Status

Each party warrants that it is an independent governmental agency existing under the laws of the State of Washington and nothing contained in this agreement shall be construed to establish a contractor or employment relationship.

AGREED AND EXECUTED BY THE PARTIES on the date first above written.

CITY OF MUKILTEO

SNO-ISLE REGIONAL LIBRARY


Brian J. Sullivan, Mayor


Suzanne DeCuir, President, Board of Trustees

EXHIBIT "A"

Lot 1 of the Record of Survey and Binding Site Plan for Harbour Pointe Business Center Big Gulch Campus in the SE 1/4 of SE 1/4 of Section 16 and in NE 1/4 of NE 1/4 Section 21, all in Township 28 North, Range 4 East, West Meridian, City of Mukilteo, Snohomish County, Washington and recorded in Volume 2 of Binding Site Plans, Pages 1 - 5, records of Snohomish County Washington.

