

AN INTERLOCAL AGREEMENT BETWEEN KING COUNTY, WASHINGTON, AND THE KING COUNTY
TRANSPORTATION DISTRICT

This agreement is between King County, a political subdivision of the State of Washington ("King County"), and the King County Transportation District ("KCTD" or "the District"), a municipal corporation of the State of Washington, and is effective as of the date of the last signature to this Agreement ("Effective Date").

WHEREAS, Chapter 39.34 RCW (Interlocal Cooperation Act) permits local governmental entities to make the most efficient use of their powers by enabling them to cooperate on the basis of mutual advantage.

WHEREAS, King County Ordinance 17746 established the KCTD.

WHEREAS, the KCTD and King County have a shared interest in providing funding for transportation improvements.

WHEREAS, currently, the KCTD has no authorized revenue, and intends to establish an ongoing revenue source to provide funding for the District.

WHEREAS, without revenue in place, the KCTD does not yet have resources to perform startup functions, including the potential to seek approval for ongoing revenues from voters through a ballot measure.

WHEREAS, King County has the resources to provide KCTD startup functions for the District and King County will directly and substantially benefit from KCTD funding, which would result in significant additional funding for King County transportation improvements.

WHEREAS, the KCTD will fully reimburse King County for costs incurred, once KCTD funding is available.

WHEREAS, the KCTD will benefit from the efficiency of utilizing the expertise of King County staff to provide staff services to facilitate the startup of KCTD.

NOW THEREFORE, the parties enter into this Agreement in consideration of the mutual benefits to be derived by each and to coordinate their respective efforts through the structure provided by the Interlocal Cooperation Act.

1. Purpose. In accordance with state law, the KCTD has been constituted to provide a source of financing to support transportation improvements for King County Metro Transit and city and county roads for the benefit of the residents of King County. To collect revenue for financing projects in King County, the KCTD must enact taxes and fees in accordance with RCW ch. 36.73. The purpose of this Agreement is to provide the KCTD with resources to perform KCTD startup functions, to prepare a potential ballot measure and to pay for the costs of the election. All costs will be repaid to King County by the KCTD if and as the District secures revenue.

2. King County Obligations. King County shall:

2.1. Provide initial staff support necessary for the KCTD to perform startup functions from the date that the KCTD was established by effective ordinance to the date that the KCTD starts to receive revenue. The startup functions to be performed by King County will be as directed by the KCTD in writing and agreed to by King County in writing. The startup functions may include the administrative, accounting, financial management, communications, clerk and other services necessary: to establish the KCTD; to prepare and submit to the voters a potential ballot measure; to prepare interlocal agreements with King County and other jurisdictions to distribute revenue consistent with Resolution No. TD2014-03 adopted by the KCTD on February 24, 2014; to establish systems for the collection and distribution of revenue; and to otherwise operate the KCTD until it starts to receive revenue.

2.2. If directed by the KCDT in writing and agreed to by King County in writing, prepare and negotiate the terms of an interlocal agreement for King County to provide the KCTD with ongoing services that would commence upon the termination of this Agreement. Under such agreement King County staff resources would be used to the greatest extent practicable for all administrative, accounting, financial management, communications, clerk, and other services necessary for the KCTD to operate.

2.3. Based on submitted invoices from KCTD, pay for those other services determined necessary by KCTD and not provided by King County for the startup functions of the District.

2.4. Maintain records and account for staff and other costs, which will be charged to the KCTD.

3. KCTD Obligations. The KCTD shall:

3.1. Take actions to secure a revenue source for the KCTD in 2014 as provided by RCW ch. 36.73.

3.2. Once revenue is received by KCTD, reimburse King County for all costs incurred by King County in providing services under Section 2 above from the date that the KCTD was established by effective ordinance to the date that this Agreement terminates. The KCTD shall pay the County for all actual incurred costs for providing the services under this Agreement, such as direct labor, employment benefits, subcontractors, materials and supplies, and utilities. The KCTD shall also pay the County for administrative overhead costs for the services provided by the County under this Agreement. The administrative overhead costs incurred from the distribution of central rate charges shall be billed to the KCTD in accordance with the standard methodologies for determining such costs as reviewed and approved by the King County Office of Performance, Strategy and Budget and included to generate the overhead costs in the adopted County budget each year. Reimbursement by KCTD will occur within thirty (30) days after receiving an itemized invoice or invoices for reimbursement from King County that is submitted after KCTD starts to receive revenue.

3.3. If King County prepares a draft interlocal agreement under Section 2.2 of this Agreement, negotiate with King County the terms of an interlocal agreement for King County to provide the KCTD with ongoing services that would commence upon the termination of this Agreement. Under such agreement King County staff resources would be used to the greatest extent practicable for administrative, accounting, financial management, communications, clerk, and other services necessary for the KCTD to operate.

4. Duration. This Agreement shall terminate or expire as follows:

4.1. This Agreement may be terminated by either party upon the provision of sixty (60) calendar days' notice. A final reconciliation of costs and payments shall be completed by King County within such period following the notice by either party.

4.2. Unless sooner terminated by either party, this Agreement shall expire on the date when the KCTD first starts to receive revenue.

5. Legal Relations.

5.1. It is understood and agreed that this Agreement is solely for the benefit of the Parties hereto and gives no right to any other party. No joint venture or partnership is formed as a result of this Agreement. No employees or agents of one party or any of its contractors or subcontractors shall be deemed, or represent themselves to be, employees of the other party.

5.2. This Agreement shall be interpreted in accordance with the laws of the State of Washington. The Superior Court of King County, Washington, shall have exclusive jurisdiction and venue over any legal action arising under this Agreement.

5.3. Failure to require full and timely performance of any provision at any time shall not waive or reduce the right to insist upon complete and timely performance of such provision thereafter.

6. Administration and Identification of Contacts.

6.1. This Agreement shall be administered for the KCTD by the Chair of KCTD and for the County, if related to services provided by King County Council staff, the Chair of the Council, and if related to services provided by Executive department staff, _____, or their designees, which shall be contacted as follows:

County Council:

Michael Woywod
Chief of Staff
1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

County Executive:

Harold S. Taniguchi
Director, Department of Transportation
201 S. Jackson St., KSC-TR-0815
Seattle, WA 98104

KCTD:

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John Resha
1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

7. Entire Agreement.

This Agreement is a complete expression of the terms hereto and any oral representation or understandings not incorporated herein are excluded. Any modification, amendment, or clarification to this Agreement shall be in writing and signed by both parties. Copies of such changes shall be attached hereto and by this reference made a part of this Agreement as though fully set forth herein. Any amendments to this Agreement are subject to the prior approval of the King County Council.

8. Severability.

If any provisions of this Agreement are held invalid by a court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby if such remainder would then continue to serve the purposes and objectives originally contemplated.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed.

KING COUNTY

By: Dow Constantine
King County Executive

Dated

KING COUNTY TRANSPORTATION DISTRICT

By: _____
Its: _____

Dated