

**Interlocal Agreement
Between the City of Tonasket and the Tonasket Parks and Recreation District**

This INTERLOCAL AGREEMENT (the "Agreement") is entered into on this 13 day of Sept, 2016 between the City of Tonasket (the "City"), a Washington municipal corporation, and the Tonasket Parks and Recreation District (the "District"), a Washington municipal corporation formed under the provisions of RCW 36.69 (collectively referred to as the "Parties").

Background

- A. Pursuant to RCW 39.34, the City and District are authorized to execute interlocal agreements for the purpose of providing services and facilities;
- B. The City passed resolution 2015-06 approving inclusion of the city within the proposed boundaries and strongly supporting the formation of a Parks and Recreation District to provide a funding mechanism for a new swimming pool facility within the City's boundary for use by the residents of the City and surrounding area;
- C. The Okanogan County Board of County Commissioners adopted Resolution 67-2015 upon a petition to form a park and recreation district in the Tonasket area;
- D. Local Tonasket area residents elected to create the Tonasket Parks and Recreation District (Proposition 1) with all of the powers of provided under RCW 36.69 for the purpose of providing leisure time activities and recreational facilities; and
- E. Local Tonasket area residents authorized the Tonasket Parks and Recreation District to impose a regular property tax levy as a means of both maintaining a community swimming pool and maintaining existing Tonasket City Parks.

The Parties, mutually benefiting from this Agreement, agree as follows:

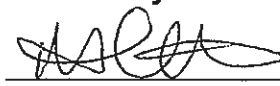
- 1. Purpose. The City and the District desire to collaborate to provide for the funding, operation, and maintenance of a community pool and community parks. The purpose of this Agreement is to outline the roles and obligations of the Parties as well as to make clear the Parties' intent.
- 2. Duration. This Agreement is effective on the date set forth above and will continue through December 31, 2022. This Agreement will renew automatically on January 1, 2023 for six year terms unless either party provides written notice of an intent to terminate or renegotiate the Agreement no later than 180 days prior the renewal date.
- 3. Amendments. An amendment to this Agreement may be made if mutually agreed to by the Parties in writing.
- 4. Termination. This Agreement may be terminated if the Parties mutually agree to terminate the Agreement or upon the dissolution of the District. A final reconciliation of costs, payments, and a current report of completed activities shall be completed by the City upon termination or as

otherwise agreed upon by the Parties. Unless earlier terminated, this Agreement will expire on dissolution, if the District is dissolved in accordance with provisions of chapter 36.69 RCW. Upon dissolution of the District, it is the intent of the Parties that, after the payment of any outstanding debts of the District, all assets be turned over to the City.

5. Administration. This Agreement will be administered cooperatively by the City and the District. This provision satisfies RCW 39.34.030(4).
6. Annual Budget. The Annual Budget described in this document refers to a budget agreed to between the City and the District and is separate from any other budgets that may exist that serve as instruments of City, District, or county planning, or that may be required by law. The Annual Budget will be agreed upon between the Parties and ratified by each respective municipal corporation on or before Oct 31st of each year. Ratification occurs when a municipal corporation adopts the Annual Budget by approving the document with a majority vote.
7. Responsibilities of the District. The District is responsible for the following:
 - a. Finance. Through six-year levy cycles, the District will generate revenue to fund the amounts set forth in each Annual Budget. In the event that a levy is rejected by the voters, the District will not be obligated for financing parks and recreation, including the maintenance and operation of the pool, until a levy funding the District is passed by the voters. The District will not be obligated to pay any expenses in excess of the resources agreed to in the Annual Budget.
 - b. Fund. The District will fund the staffing and maintenance of the Tonasket pool as agreed to in the Annual Budget. The District may elect to provide additional financial resources to be used in support of other recreation facilities or projects, as described in the Annual Budget. As described above, the District is not obligated to fund the Annual Budget or any other recreation facilities or projects if a tax levy is rejected by the voters.
 - c. Participate in the development of the Annual Budget. The District will participate in the development and execution of an Annual Budget that describes the mutually agreed upon activities funded by the District within the City.
 - d. Additional Funding. The District may seek and acquire additional funding, possibly in the form of grants or donations, to be used in City projects or in ways that impact City property, provided that the City grants approval of the use of such funding.
 - e. Participation in Hiring of Pool Manager. The District will participate in the City's hiring of a Pool Manager.
8. Responsibilities of the City. The City is responsible for the following:
 - a. Ownership of pool premises. Hold and maintain title to pool facilities located within History Park, at 4 Locust Avenue South in Tonasket, Washington.
 - b. Operation and management. The City has the sole responsibility of operating and managing all pool facilities and park facilities.
 - c. Employees. The City will hire, train, manage, and compensate employees as needed to staff and manage pool facilities and park facilities.
 - d. Insurance. The City will hold an adequate insurance policy.
 - e. Pool revenue. Any revenue generated by the operation of the pool will go directly to funding pool staff, facilities, and the maintenance of the pool.

- f. Concessions. The City may sell concessions at the pool premises, provided that all profits created go directly to funding pool staff, facilities, and maintenance.
 - g. Access to documents. The City will provide the District with access to all documents, including bookkeeping and other records, related to the operation, maintenance, and administration of the pool, or any other parks and recreation project the Parties undertake cooperatively, upon the District providing written notice of its intent to view such documents. Access will be provided no less than five days after the City's receipt of such a written notice.
 - h. Participation in the development of the Annual Budget. The City will participate in the development and execution of an Annual Budget that describes the mutually agreed upon activities funded by the District within the City.
 - i. Annual report. The City will provide an annual report detailing how District funds were spent during the calendar year.
 - j. Allocation of Funds. The City may only use District funds as allocated in the Annual Budget. District funds will be used to provide additional maintenance and services, and will not replace current or future regular City maintenance or services for which they were not intended.
9. Compliance with all laws. In providing services under this Agreement, the Parties will abide by all applicable federal, state, and local requirements, including without limitation those regarding labor relations, open public meeting, public records, ethics, and nondiscrimination.
10. Severability. If any term or provision of this Agreement, or its application to any person or circumstance is ruled invalid or unenforceable, the remainder of this Agreement will not be affected and will continue in full force and effect.
11. Indemnification. The City will indemnify and hold the District, and its respective officers and agents, harmless against liability costs and expenses arising out of any and all claims or for the loss or damage to property and for injuries or deaths arising out of or resulting from the acts, errors, or omissions of the District acting in accordance with this Agreement.
12. Entire agreement. This Agreement, together with any documents incorporated by reference constitute the entire agreement between the Parties with respect to the subject matter contained here and supersedes all prior agreements, proposals, understandings, representations, correspondences, or communications. No modification or amendment of the Agreement is valid unless executed as provided in this Agreement.
13. Force Majeure. The Parties will not be liable for inadequate performance of its obligations under the Agreement to the extent caused by a circumstance beyond its reasonable control, including but not limited to: fires, flood, governmental action, labor conditions, earthquakes, and material shortages.

For the City of Tonasket

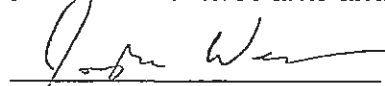


Mayor

9.13.16

Date

For the Tonasket Parks and Recreation District



District Chair

11/9/2016

Date