

**INTERLOCAL AGREEMENT FOR BUILDING PLAN REVIEW AND PLANNING SERVICES  
BETWEEN THE CITY OF MILLWOOD AND THE CITY OF SPOKANE VALLEY**

**THIS AGREEMENT**, made and entered into by and between the **City of Millwood**, a municipal corporation of the State of Washington, and the **City of Spokane Valley**, a municipal corporation of the State of Washington, hereinafter referred to as “Spokane Valley,” jointly hereinafter referred to as the “Parties.” Millwood and Spokane Valley agree as follows:

**SECTION NO. 1: RECITALS AND FINDINGS**

A. Cities may contract with each other to perform certain functions which each may legally perform under chapter 39.34 RCW (Interlocal Cooperation Act); and

B. Millwood has adopted and enforces the Washington State Building Code pursuant to chapter 19.27 RCW within its jurisdictional boundaries; and

C. Spokane Valley has a building division staffed by trained personnel that regularly review permit applications and plans for compliance with the Washington State Building Code; and

D. Millwood has a need for building plan review services to supplement their plan review program and Spokane Valley currently has the ability to provide these services without negative impacts to its program or service level; and

E. Spokane Valley has a need for occasional planning services, and Millwood has the ability to provide such services depending upon current availability of their own staff; and

F. This Agreement is entered into for the benefit of the Parties to this Agreement only and shall confer no benefits, direct or implied, on any third persons.

**SECTION NO. 2: DEFINITIONS**

A. Agreement: “Agreement” means this Interlocal Agreement between Millwood and Spokane Valley regarding building plan review services.

B. Services: “Services” means those services identified in this Agreement.

C. Compensation: “Compensation” means the amount of money which the Parties will collect for providing Services as identified in this Agreement.

D. Uncontrollable Circumstances: “Uncontrollable Circumstances” means the following events: riots, wars, civil disturbances, insurrections, acts of terrorism, external fires and floods, volcanic eruptions, lightning, pandemic, or earthquakes at or near where the Services are performed and/or that directly affect provision of such Services.

**SECTION NO. 3: PURPOSE**

The purpose of this Agreement is to establish the terms and conditions of the Parties with respect to provision of the building plan review and permitting services by Spokane Valley to Millwood, and planning services by Millwood to Spokane Valley. It is the intent of the Parties that Services will be provided consistent with Millwood’s strong-mayor form of government pursuant to RCW Title 35, and with Spokane Valley’s council-manager form of government pursuant to RCW Title 35A.

#### **SECTION NO. 4: DURATION/WITHDRAWAL**

This Agreement shall commence on January 1, 2023 and run until one of the Parties provides notice pursuant to Section 9. Any Party may withdraw at any time from this Agreement for any reason whatsoever upon a minimum of 60 days' advance written notice.

#### **SECTION NO. 5: SPOKANE VALLEY'S RESPONSIBILITIES**

Spokane Valley shall conduct plan reviews of building permit applications and perform building permit inspections for compliance with the Washington State Building Code, as currently adopted or subsequently amended, on behalf of Millwood using Spokane Valley staff.

A. Spokane Valley agrees to utilize a certified plans examiner and/or certified building inspector to conduct reviews.

B. Plan reviews of building permit applications shall be conducted as generally set forth in Exhibit A to this Agreement.

C. Unless previously agreed to by both Parties, the building permit plan review will be completed with written comments returned to the permit applicant in 10 working days or less for applications reviewed subject to the current International Residential Code (IRC), and 20 working days or less for applications reviewed subject to the current International Building Code (IBC). Notwithstanding the above, plan review times may be adjusted by written agreement of both Parties.

D. Following submission of a compliant building plan application to Spokane Valley by the applicant, Spokane Valley will issue the applicant a building permit. This permit will be identified in such a way that Millwood may access, track, and review the permit inspection status in the Spokane Valley permitting system.

E. Spokane Valley will furnish all applicable building inspections associated with the permit. These inspections include commercial and residential building structures, re-roofing, mechanical/HVAC, and plumbing.

F. Once the applicant has received final approval for all appropriate inspected elements, Spokane Valley will note the permit as "complete" within the Spokane Valley permitting system.

#### **SECTION NO. 6: MILLWOOD'S RESPONSIBILITIES**

A. Millwood will direct building permit applicants to Spokane Valley only after review and approval of a site plan by Millwood.

B. Millwood is responsible for all road approach, water, and sewer permits associated with the application.

C. Millwood will issue a Certificate of Occupancy to the applicant when the permit is noted as "complete" within the Spokane Valley permitting system.

D. Millwood shall provide occasional planning services to Spokane Valley when requested, so long as Millwood has trained staff for such services, and subject to work capacity of Millwood's trained planner(s).

Unless previously agreed to by both Parties, any planning services provided pursuant to this Agreement shall be completed with any written comments returned to Spokane Valley within 10 working days. Notwithstanding the foregoing, planning services time frames may be adjusted by written agreement of both Parties.

**SECTION NO 7: COST OF SERVICES AND PAYMENTS**

A. Spokane Valley services. Spokane Valley shall charge applicable building plan review and permitting fees pursuant to its currently-adopted Master Fee Schedule B – Building Fees, attached as Exhibit B to this Agreement and as may be amended by Spokane Valley. Permit applicants shall be responsible for remitting payment of permitting fees directly to the City of Spokane Valley.

Millwood shall annually pay for a Spokane Valley permit software single-user license.

B. Millwood services. Millwood shall charge Spokane Valley the hourly rate of \$65.00 for planning services provided pursuant to this Agreement. This amount may be modified annually by the Parties to reflect actual cost of services.

C. The Parties recognize that it is not always possible for either Party to timely discover errors in payment. The Parties further recognize that there must be some finality to addressing such errors. Accordingly, the Parties agree that both Parties are precluded from challenging any errors in payment if the matter is not drawn in writing to the other Party's attention within 30 calendar days of the last invoice of the calendar year. Errors raised within this time frame that are not mutually resolved shall be subject to the Dispute Resolution pursuant to Section 17 unless otherwise agreed.

**SECTION NO. 8: RELATED RESPONSIBILITIES IN CONJUNCTION WITH PROVIDING SERVICES**

A Spokane Valley representative shall make reasonable efforts to meet upon request by Millwood's Mayor or his/her designee to discuss any Service provided under the terms of this Agreement.

**SECTION NO. 9: NOTICE**

All notices or other communications given hereunder shall be deemed given on: (i) the day such notices or other communications are received when sent by personal delivery; or (ii) the third day following the day on which the same have been mailed by first class delivery, postage prepaid addressed to Spokane Valley or Millwood at the address set forth below for such Party, or at such other address as either Party shall from time-to-time designate by notice in writing to the other Party:

**CITY OF SPOKANE VALLEY:**

City of Spokane Valley City Manager  
or his/her authorized representative  
10210 East Sprague Avenue  
Spokane Valley, Washington 99206

**CITY OF MILLWOOD:**

City of Millwood Mayor  
or his/her authorized representative  
9103 East Frederick Avenue  
Millwood, Washington 99206

## **SECTION NO. 10: ASSIGNMENT**

No Party may assign in whole or part its interest in this Agreement without the written approval of the other Party.

## **SECTION NO. 11: EMPLOYEES OF EACH PARTY**

Spokane Valley shall appoint, hire, assign, retain, and discipline all employees performing Spokane Valley Services under this Agreement. Millwood shall appoint, hire, assign, retain, and discipline all employees performing Millwood Services under this Agreement.

## **SECTION NO. 12: LIABILITY**

A. Spokane Valley shall indemnify and hold harmless Millwood and its officers, agents, and employees from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any alleged negligent act or omission of Spokane Valley, its officers, agents, and employees, relating to or arising out of performing Services pursuant to this Agreement. In the event that any suit based upon such claim, action, loss, or damages is brought against Millwood, Spokane Valley shall defend the same at its sole cost and expense; provided that Millwood reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment in said suit be rendered against Millwood, and its officers, agents, and employees, or jointly against Millwood and Spokane Valley and their respective officers, agents, and employees, Spokane Valley shall satisfy the same.

B. Millwood shall indemnify and hold harmless Spokane Valley and its officers, agents, and employees from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by any reason of or arising out of any alleged negligent act or omission of Spokane Valley, its officers, agents, and employees relating to or arising out of performing Services pursuant to this Agreement. In the event that any suit based upon such claim, action, loss, or damages is brought against Spokane Valley, Millwood shall defend the same at its sole cost and expense; provided that Spokane Valley reserves the right to participate in said suit if any principle of governmental or public law is involved; and if final judgment in said suit be rendered against Spokane Valley, and its officers, agents, and employees, or jointly against Spokane Valley and Millwood and their respective officers, agents, and employees, Millwood shall satisfy the same.

C. If the comparative negligence of the Parties and their officers and employees is a cause of such damage or injury, the liability, loss, cost, or expense shall be shared between the Parties in proportion to their relative degree of negligence and the right of indemnity shall apply to such proportion.

D. Where an officer or employee of a Party is acting under the direction and control of the other Party, the Party directing and controlling the officer or employee in the activity and/or omission giving rise to liability shall accept all liability for the other Party's officer or employee's negligence.

E. Each Party's duty to indemnify shall survive the termination or expiration of the Agreement.

F. The foregoing indemnity is specifically intended to constitute a waiver of each Party's immunity under Washington's Industrial Insurance Act, chapter 51 RCW, respecting the other Party only, and only to the extent necessary to provide the indemnified Party with a full and complete indemnity of claims made by the indemnitor's employees. The Parties acknowledge that these provisions

were specifically negotiated and agreed upon by them.

G. Spokane Valley and Millwood agree to either self-insure or purchase liability policies covering the matters contained in this Agreement with coverages of not less than \$3,000,000 per occurrence with \$3,000,000 aggregate limits including professional liability and auto liability coverages.

### **SECTION NO. 13: RELATIONSHIP OF THE PARTIES**

The Parties intend that an independent contractor relationship will be created by this Agreement. Spokane Valley shall be an independent contractor and not the agent or employee of Millwood and that Millwood is interested only in the results to be achieved and that the right to control the particular manner, method, and means in which the services are performed is solely within the discretion of Spokane Valley. Any and all employees who provide Services to Millwood under this Agreement shall be deemed employees solely of Spokane Valley. Spokane Valley shall be solely responsible for the conduct and actions of all employees under this Agreement and any liability that may attach thereto. Likewise, no agent, employee, servant, or representative of the Millwood shall be deemed to be an employee, agent, servant, or representative of Spokane Valley for any purpose.

### **SECTION NO. 14: MODIFICATION**

This Agreement may be modified in writing by mutual written agreement of the Parties. Proposals for modification shall be submitted to the other Party at least 60 days before the end of this Agreement.

### **SECTION NO. 15: PROPERTY AND EQUIPMENT**

The ownership of all property and equipment utilized in conjunction with providing the Services shall remain with the original owner, unless otherwise specifically and mutually agreed to by the Parties to this Agreement. For the purpose of this section, the terminology "owner" means that Party which paid the full purchase price for the property or equipment.

### **SECTION NO. 16: ALL WRITINGS CONTAINED HEREIN/BINDING EFFECT**

This Agreement contains terms and conditions agreed upon by the Parties. The Parties agree that there are no other understandings, oral or otherwise, regarding the subject matter of this Agreement. No changes or additions to this Agreement shall be valid or binding upon the Parties unless such change or addition is in writing, executed by the Parties.

This Agreement shall be binding upon the Parties hereto, their successors and assigns.

### **SECTION NO. 17: DISPUTE RESOLUTION**

Any dispute between the Parties which cannot be resolved between the Parties shall be subject to arbitration. Except as provided for to the contrary herein, such dispute shall first be reduced to writing and considered by Spokane Valley's City Manager and Millwood's Mayor. If Spokane Valley's City Manager and Millwood's Mayor cannot resolve the dispute it will be submitted to arbitration. The provisions of chapter 7.04A RCW shall be applicable to any arbitration proceeding.

Spokane Valley and Millwood shall have the right to designate one person each to act as an arbitrator. The two selected arbitrators shall then jointly select a third arbitrator. The selection of arbitrators shall commence within 30 calendar days of the running of the 30 calendar days' time frame. The decision of the arbitration panel shall be binding on the Parties and shall be subject to judicial review as provided for

in chapter 7.04A RCW.

The costs of the arbitration panel shall be equally split between the Parties. Each Party shall be responsible for its own costs in preparing and presenting its case.

#### **SECTION NO. 18: VENUE STIPULATION**

This Agreement has been and shall be construed as having been made and delivered within the State of Washington and it is mutually understood and agreed by each Party that this Agreement shall be governed by the laws of the State of Washington both as to interpretation and performance. Any action at law, suit in equity, or judicial proceeding for the enforcement of this Agreement, or any provision hereto, shall be instituted only in courts of competent jurisdiction within Spokane County, Washington.

#### **SECTION NO. 19: SEVERABILITY**

The Parties agree that if any part, term, or provision of this Agreement are held by the courts to be illegal, the validity of the remaining portions or provisions shall not be affected and the rights and obligations of the Parties shall not be affected in regard to the remainder of this Agreement. If it should appear that any part, term, or provision of this Agreement is in conflict with any statutory provision of the State of Washington, then the part, term, or provision thereof that may be in conflict shall be deemed inoperative, null, and void insofar as it may be in conflict therewith and this Agreement shall be deemed to modify to conform to such statutory provision.

#### **SECTION NO. 20: RECORDS**

All public records prepared, owned, used, or retained by Spokane Valley in conjunction with providing Services under the terms of this Agreement shall be deemed Millwood property and shall be made available to Millwood upon request by Millwood's Mayor subject to the attorney-client and attorney work product privileges set forth in statute, court rule, or case law. Spokane Valley will notify Millwood of any record request made pursuant to chapter 42.56 RCW for copies or viewing of such records as well as Spokane Valley's response thereto.

#### **SECTION NO. 21: HEADINGS**

The section headings appearing in this Agreement have been inserted solely for the purpose of convenience and ready reference. In no way do they purport to, and shall not be deemed to define, limit, or extend the scope or intent of the sections to which they pertain.

#### **SECTION NO. 22: UNCONTROLLABLE CIRCUMSTANCES/IMPOSSIBILITY**

A delay or interruption in or failure of performance of all or any part of this Agreement resulting from Uncontrollable Circumstances shall be deemed not a default under this Agreement.

A delay or interruption in or failure of performance of all or any part of this Agreement resulting from any change in or new law, order, rule, or regulation of any nature which renders providing of Services in accordance with the terms of this Agreement legally impossible, and any other circumstances beyond the control of Spokane Valley which render legally impossible the performance by Spokane Valley of its obligations under this Agreement shall be deemed not a default under this Agreement.

**SECTION NO. 23: FILING**

The Parties shall comply with any requirements to file this Agreement pursuant to RCW 39.34.040.

**SECTION NO. 24: EXECUTION AND APPROVAL**

The Parties warrant that the officers executing below have been authorized to act for and on behalf of the Party for purposes of confirming this Agreement.

**SECTION NO. 25: INITIATIVES**

The Parties recognize that revenue-reducing initiative(s) passed by the voters of Washington may substantially reduce local operating revenue for Millwood, Spokane Valley, or both Parties. The Parties agree that it may become necessary to amend this Agreement in response to budget constraints resulting from the passage of revenue-reducing initiative(s). If such an event occurs, the Parties agree to negotiate in good faith to achieve a mutually agreeable resolution in a timely fashion.

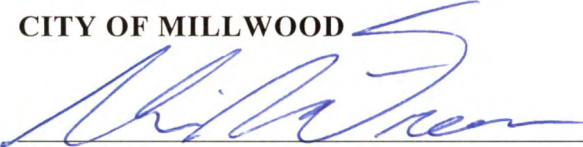
**SECTION NO. 26: COMPLIANCE WITH LAWS**

The Parties shall observe all federal, state, and local laws, ordinances, and regulations to the extent that they may be applicable to the terms of this Agreement.

**SECTION NO. 27: DISCLAIMER**

Except as otherwise provided, this Agreement shall not be construed in any manner that would limit either Party's authority or power under law.

**CITY OF MILLWOOD**

  
\_\_\_\_\_  
Kevin Freeman, Mayor

**CITY OF SPOKANE VALLEY**


  
\_\_\_\_\_  
John Hohman, City Manager

DATED: 1/10/2023

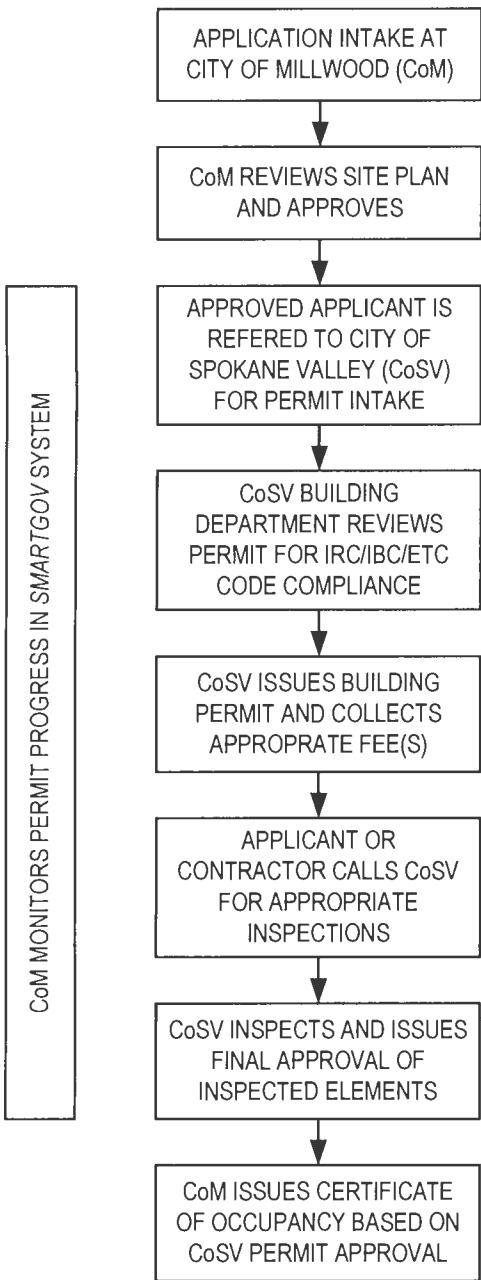
DATED: 1-3-23

**APPROVED AS TO FORM ONLY:**

**APPROVED AS TO FORM ONLY:**

  
\_\_\_\_\_  
Brian Werst, City Attorney

  
\_\_\_\_\_  
Office of the City Attorney



- PERMITS ISSUED BY CoSV FOR CoM
- Commercial building (new build, additions & remodels)
  - Residential building (new build, additions & remodels)
  - Re-roofing
  - Mechanical/HVAC
  - Plumbing