

# *Draft Interlocal*

August 16, 2010

## INTERLOCAL AGREEMENT FOR ESTABLISHMENT OF COUNTYWIDE TRANSPORTATION BENEFIT DISTRICT AS PROVIDED FOR IN CHAPTER 36.73 RCW

**THIS INTERLOCAL AGREEMENT** is made by and among **Spokane County**, a political subdivision of the Washington State, having offices for the transaction of business at West 1116 Broadway Avenue, Spokane, Washington 99201, hereinafter referred to as “County,” the **City of Spokane**, a municipal corporation of the State of Washington, having offices for the transaction of business at 808 West Spokane Falls Boulevard, Spokane, Washington 99201, hereinafter referred to as the “SPOKANE,” the **City of Spokane Valley**, a municipal corporation of the State of Washington, having offices for the transaction of business at the Redwood Plaza, 11707 East Sprague Avenue, Suite 106, Spokane Valley, Washington 99206, hereinafter referred to as “SPOKANE VALLEY,” **City of Medical Lake**, a municipal corporation of the State of Washington, having offices for the transaction of business at 124 S. Lefevre P.O. Box 130, 99019, hereinafter referred to as “MEDICAL LAKE,” the **City of Cheney**, a municipal corporation of the State of Washington, having offices for the transaction of business at General Office, 609 Second, 99004, hereinafter referred to as “CHENEY,” the **City of Liberty Lake**, a municipal corporation of the State of Washington, having offices for the transaction of business at City Hall, c/o P.O. Box 370, 99019, hereinafter referred to as “LIBERTY LAKE”, the **City of Airway Heights**, a municipal corporation of the State of Washington, having offices for the transaction of business at City Hall, 1208 South Lundstrom, c/o P.O. Box 969, 99001, hereinafter referred to as “AIRWAY HEIGHTS,” the **City of Deer Park**, a municipal corporation of the State of Washington, having offices for the transaction of business at City Hall, 316 Crawford Avenue, c/o Box F, 99006, hereinafter referred to as “DEER PARK”, the **Town of Millwood**, a municipal corporation of the State of Washington, having offices for the transaction of business at 9103 East Fredrick, 99206, hereinafter referred to “MILLWOOD”, the **Town of Rockford**, a municipal corporation of the State of Washington, having offices for the transaction of business as 20 West Emma, c/o P.O. Box 49, Rockford, Washington 99030, hereinafter referred to as “ROCKFORD”, the **Town of Spangle**, a municipal corporation of the State of Washington, having offices for the transaction of business at 115 West Second Street, c/o P.O. Box 147, Spangle, Washington 99031, hereinafter referred to as “SPANGLE”, the **Town of Fairfield**, a municipal corporation of the State of Washington, having offices for the transaction of business at 218 East Main Street, c/o P.O. Box 334, Fairfield, Washington 99012, hereinafter referred to as “FAIRFIELD”, **Town of Latah**, a municipal corporation of the State of Washington, having offices for the transaction of business at 108 E. Market, Latah, Washington 99018, hereinafter referred to as “LATAH”, and the **Town of Waverly**, a municipal corporation of the State of Washington, having offices for the transaction of business at 255 N. Commercial, Waverly, Washington, 99039, hereinafter referred to as “WAVERLY”, jointly hereinafter referred to along as the “PARTIES.”

### W I T N E S S E T H:

**WHEREAS**, Spokane County and jurisdictions located within Spokane County acknowledge that providing transportation infrastructure is one of the primary functions of local government and that current revenues for maintaining the existing transportation infrastructure are not keeping pace with the costs of such maintenance; and

**WHEREAS**, Spokane County and jurisdictions located within Spokane County further acknowledge the need to construct ‘projects of regional significance’ that impact the transportation system of the entire region and recognize the lack of resources available to fund such projects; and

**WHEREAS**, federal and state funding for local transportation maintenance and construction projects has been declining and becoming less predictable. Local jurisdictions recognize the need to rely more heavily on local funding for local projects; and

**WHEREAS**, pursuant to the provisions of RCW 36.73.020, the legislative authority of a county or city (means city or town) may establish a transportation benefit district within the county or city area for the purpose of acquiring, constructing, improving, providing, and funding transportation improvements within the district that are consistent with any existing state, regional, and local transportation plans and necessitated by existing or reasonably foreseeable congestion levels. The transportation improvements shall be owned by the county of jurisdiction if located in an unincorporated area, by the city of jurisdiction if located in an incorporated area, or by the state in cases where the transportation improvements are or become a state highway; and

**WHEREAS**, pursuant to the provisions of RCW 36.73.020, a transportation benefit district may include area within an entire county or area within a jurisdiction, or area within jurisdictions if the legislative authority of each participating jurisdiction has agreed to the inclusion of its jurisdiction as provided in an interlocal agreement adopted pursuant to chapter 39.34 RCW. Provided, further, under RCW 82.80.140, an interlocal agreement for the establishment of a countywide transportation benefit district shall become effective when it is approved by the county and sixty (60) percent of the cities representing seventy-five (75) percent of the population of the cities within the county; and

**WHEREAS**, pursuant to the provisions of RCW 36.73.020 and RCW 36.73.065, the PARTIES desire to enter into an interlocal agreement to establish a countywide transportation benefit district as provided for in chapter 36.73 RCW.

**NOW, THEREFORE**, for and in consideration of the mutual covenants contained herein and as authorized under chapter 36.73 RCW, the PARTIES do mutually agree as follows:

**SECTION NO. 1:      PURPOSE**

The PARTIES desire to pursue a joint transportation funding mechanism whereby any revenues collected shall be utilized for (1) the operation, preservation and maintenance of existing transportation infrastructure and (2) the acquisition, construction, improvement of transportation improvements under the control of the PARTIES, and (3) the construction of transportation improvements ‘of regional significance’.

The purpose of this Agreement is to set forth the terms and conditions under which the PARTIES agree to the establishment of a countywide transportation benefit district as provided for in chapter 36.73 RCW. The Agreement sets forth, among other matters, how the district shall be governed and administrative functions carried out, how any revenues collected shall be distributed, and the process for determining transportation improvements of regional significance’ and prioritizing their funding.

**SECTION NO. 2:      ESTABLISHMENT OF COUNTYWIDE TRANSPORTATION BENEFIT DISTRICT.**

The PARTIES hereby request and agree, consistent with RCW 36.73.050, to the establishment of a countywide transportation benefit district to be known as the “Spokane Regional Transportation Benefit

District” (SRTBD) through the adoption of an ordinance by the Board of County Commissioners of Spokane County.

The boundaries of SRTBD shall be co-extensive with the boundaries of Spokane County and shall include the area of all incorporated cities and towns within Spokane County as well as all unincorporated area within Spokane County.

The PARTIES agree that the governing body of the SRTBD shall be the same as the governing board of the designated federal metropolitan planning organization (MPO) as provided for by USC Title 23, Section 134 (Governing Board). The Governing Body shall have the same powers as granted to the governing board of a regional transportation benefit district as set forth in chapter 36.73 RCW or otherwise agreed to by the PARTIES.

### **SECTION NO. 3: ADMINISTRATION AND DESIGNATION OF FISCAL AGENT**

For purposes of this Agreement, the MPO shall have the powers of a transportation benefit district as set forth in chapter 36.73 RCW.

The PARTIES agree that the fiscal agent of the SRTBD shall be the MPO. As such, the revenues from all taxes, fees, charges, or tolls enacted by the SRTBD or revenues received by the SRTBD shall be received, held and distributed by the MPO as provided in this Agreement or otherwise agreed by the PARTIES.

### **SECTION NO. 4: DEFINITION OF TRANSPORTATION IMPROVEMENTS.**

The PARTIES agree and understand the purpose of the transportation benefit district is (1) to assist in funding the operation, maintenance, and preservation of existing transportation infrastructure and (2) to provide funding for the acquisition, construction and improvement of transportation improvements within the boundaries of the transportation benefit district that are consistent with existing state, regional, and/or local transportation plans and necessitated by existing or reasonable foreseeable congestion levels.

The terminology “transportation improvement” is defined in RCW 36.73.015(3) to mean “...a project contained in the transportation plan of the state or a regional transportation planning organization”. In selecting a transportation improvement, the SRTBD shall consider those factors set forth in RCW 36.73.020 which include “(j) Other criteria, as adopted by the governing body”.

For the purpose of this Agreement, and as a condition of the establishment of the SRTBD, the terminology “transportation improvement” shall include those transportation projects listed as part of the regional transportation improvement program (TIP) as required by USC Title 23, Section 134 and administered by the designated metropolitan planning organization (MPO). Additionally the terminology “transportation improvement” shall include those improvement ‘of regional significance’ addressed in Section No. 5 hereinafter.

Transportation improvements acquired, constructed, or improved under this Agreement shall be owned by the County if located in the unincorporated area of Spokane County, or by the city or town within which they are located or by the state of Washington in cases were the transportation improvement is on or becomes a part of the state highway system.

## **SECTION NO. 5: IMPROVEMENTS ‘OF REGIONAL SIGNIFICANCE’**

Transportation improvements of ‘regional significance’ are those transportation related investments that benefit two or more jurisdictions within the SRTBD, benefit the economic health of the region, or enhance the state or federal transportation system within the boundaries of the SRTBD.

Transportation improvements of ‘regional significance’ may include investments for vehicular traffic, freight mobility, public transportation, passenger rail, or for bicycle-pedestrian accommodations. They may be for either a single transportation mode or multi-modal.

PARTIES shall submit requests for a determination as to whether or not a transportation investment is ‘of regional significance’ to the SRTBD. The SRTBD Governing Board shall determine whether a transportation investment is of ‘regional significance’ and prioritize the funding and construction timeline of the investment based upon the available funding. Transportation improvements of ‘regional significance’ shall be listed as part of the regional transportation improvement program (TIP) as required by USC Title 23, Section 134 and administered by the designated metropolitan planning organization (MPO).

## **SECTION NO. 6: TRANSPORTATION BENEFIT DISTRICT REVENUES**

The PARTIES agree that the SRTBD Governing Board may utilize (i) any single or combination of revenues sources as authorized in chapter 36.73 RCW (ii) any other local government transportation revenue authorized by the state legislature and/or (iii) State and/or Federal grant in aid program to fund the operation, maintenance, and preservation of existing transportation infrastructure and to provide funding for the acquisition, construction and improvement of transportation improvements to include those of ‘regional significance’ as provided for in this Agreement. All revenues shall be subject to voter approval.

However, the PARTIES further agree that once the transportation benefit district is formed, no individual jurisdiction that is party to this interlocal agreement shall impose a mandatory impact fee on any construction for the purposes of transportation mitigation.

## **SECTION NO. 7: DISTRIBUTION OF REVENUES**

All revenues received by the SRTBD shall be combined and distributed as follows:

Seventy percent (70%) of all revenues shall be used by the PARTIES for the operation, preservation, and maintenance of existing transportation investments within the boundaries of the SRTBD. Additionally, individual PARTIES may utilize their respective share of revenues to fund the acquisition and/or construction and/or improvement of transportation investments within their jurisdictions. The seventy percent (70%) distribution shall be based upon a combined population-vehicle miles traveled formula (formula). The formula takes each PARTIES proportionate share of population as published in the Office of Financial Management’s (OFM) Official April 1<sup>st</sup> Population Estimate and each PARTIES proportionate share of vehicle miles of travel (VMT) on the Federal Functional Classification System as published by the designated MPO’s regional travel demand model. Population and vehicle miles travel shall be equally weighted in the revenue distribution calculation.

Thirty percent (30%) of all revenues shall be utilized to fund fully, or in part, transportation improvements of ‘regional significance’ as defined and determined in Section No. 5.

## **SECTION NO. 8: DURATION**

The PARTIES agree, as provided for in RCW 82.80.140, that the provisions of this Agreement will become effective when the Agreement is executed by the COUNTY and sixty (60) percent of the cites representing seventy-five (75) percent of the population of the cites within Spokane County. The terminology "city" shall also include town. The population of the cities shall be determined based on the official records of the Washington State Department of Community Trade and Economic Development.

Upon the effective date of this AGREEMENT, the COUNTY will by Ordinance, establish the SRTBD consistent with the provisions of this Agreement and chapter 36.73 RCW. The Ordinance establishing the SRTBD shall provide that it shall automatically dissolve when all indebtedness of the district has been retired and anticipated responsibilities have been satisfied. As such, this Agreement shall terminate when the SRTBD is automatically dissolved as provided for herein or as provided by law.

**SECTION NO. 9:      GENERAL TERMS**

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.

In the event any portion of this Agreement should become invalid or unenforceable, the rest of the Agreement shall remain in full force and effect.

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.

This Agreement shall be construed under the laws of Washington State. Any action at law, suit in equity or judicial proceeding regarding this Agreement or any provision hereto shall be instituted only in courts of competent jurisdiction within Spokane County, Washington.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same.

**SECTION NO. 10:      CHAPTER 39.34 RCW REQUIRED CLAUSES**

A.      PURPOSE

See Section No. 1 above.

B.      DURATION

See Section No. 8 above.

C.      ORGANIZATION OF SEPARATE ENTITY AND ITS POWERS

See Section Nos. 2 and 3 above.

D.      RESPONSIBILITIES OF THE PARTIES

See provisions above.

E. AGREEMENT TO BE FILED

The PARTIES, except the COUNTY shall file this Agreement with their City Clerks. The COUNTY shall place this Agreement on its web site.

F. FINANCING.

See Section Nos. 2, 3, 4, 5, 6, and 7 above.

G. TERMINATION.

See Section No. 8 above.

H. PROPERTY UPON TERMINATION.

Not applicable or see Section No. 2 above.

**IN WITNESS WHEREOF**, the PARTIES have caused this Agreement to be executed on date and year opposite their respective signatures.

**DATED:** \_\_\_\_\_

**BOARD OF COUNTY COMMISSIONERS  
OF SPOKANE, COUNTY, WASHINGTON**

\_\_\_\_\_  
MARK RICHARD, Chair

ATTEST:

\_\_\_\_\_  
BONNIE MAGER, Vice-Chair

\_\_\_\_\_  
Daniela Erickson,

\_\_\_\_\_  
TODD MIELKE, Commissioner

**DATED:** \_\_\_\_\_

**CITY OF SPOKANE:**

By: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Its: \_\_\_\_\_  
(Title)

Approved as to form:

By: \_\_\_\_\_  
Assistant City Attorney

**DATED:** \_\_\_\_\_

**CITY OF SPOKANE VALLEY:**

Attest:

By: \_\_\_\_\_

\_\_\_\_\_  
City Clerk

Its: \_\_\_\_\_  
(Title)

Approved as to form only:

\_\_\_\_\_  
Acting City Attorney

**DATED:** \_\_\_\_\_

**CITY OF MEDICAL LAKE:**

Attest:

By: \_\_\_\_\_

\_\_\_\_\_  
City Clerk

Its: \_\_\_\_\_  
(Title)

**DATED:** \_\_\_\_\_

**CITY OF LIBERTY LAKE:**

Attest:

By: \_\_\_\_\_

\_\_\_\_\_  
City Clerk

Its: \_\_\_\_\_  
(Title)

Approved as to form only:

\_\_\_\_\_  
Acting City Attorney

**DATED:** \_\_\_\_\_

**CITY OF CHENEY:**

Attest:

By: \_\_\_\_\_

\_\_\_\_\_  
City Clerk

Its: \_\_\_\_\_  
(Title)

**DATED:** \_\_\_\_\_

**CITY OF AIRWAY HEIGHTS:**

Attest:  
\_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
(Title)

**DATED:** \_\_\_\_\_

**CITY OF DEER PARK:**

Attest:  
\_\_\_\_\_  
City Clerk

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
(Title)

**DATED:** \_\_\_\_\_

**TOWN OF MILLWOOD:**

Attest:  
\_\_\_\_\_  
Town Clerk

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
(Title)

**DATED:** \_\_\_\_\_

**TOWN OF ROCKFORD:**

Attest:  
\_\_\_\_\_  
Town Clerk

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
(Title)

**DATED:** \_\_\_\_\_

**TOWN OF FAIRFIELD**

Attest:  
\_\_\_\_\_  
Town Clerk

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
(Title)

**DATED:** \_\_\_\_\_

**TOWN OF SPANGLE**

Attest:  
\_\_\_\_\_  
Town Clerk

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
(Title)

**DATED:** \_\_\_\_\_

Attest:

\_\_\_\_\_  
Town Clerk

**TOWN OF LATAH**

By: \_\_\_\_\_

Its: \_\_\_\_\_  
(Title)

**DATED:** \_\_\_\_\_

Attest:

\_\_\_\_\_  
Town Clerk

**TOWN OF WAVERLY**

By: \_\_\_\_\_

Its: \_\_\_\_\_  
(Title)