

INTERLOCAL AGREEMENT

This Agreement is entered into as of the 23rd day of April, 2007, by and between the FORT VANCOUVER REGIONAL LIBRARY DISTRICT (FVRL) and the CITY OF VANCOUVER (the "City (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, upon the request of the FVRL Board of Trustees and the approval of the voters, all pursuant to chapter 27.15 RCW, the Vancouver Library Capital Facility Area (VLCFA) was established to finance, acquire, construct and equip an expanded replacement Main Library adjacent to downtown Vancouver, further equip Vancouver Mall Library, and acquire, construct and equip an expanded replacement Cascade Park Library constructed on donated land next to Firstenberg Community Center (the "Entire Project"); and

WHEREAS, the voters authorized the VLCFA to issue bonds in an amount not to exceed forty three million dollars to fund the Entire Project; and

WHEREAS, the VLCFA has entered into an agreement with the FVRL to administer the Entire Project; and

WHEREAS, the Parties now wish to establish their respective rights and responsibilities with respect to the Project as described below;

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

SECTION 1. LAND, DESIGN AND CONSTRUCTION

A. The "Project" is defined as the construction of a 25,000 square foot library located at the southeast corner of the property owned by the City and adjacent to the Firstenberg Community Center together with sufficient number of surface parking spaces required to meet the City's development code or the financial equivalent based on the cost of constructing such spaces to be located at the north end of the Firstenberg Community Center

B. FVRL shall enter into a ninety-nine (99) year lease at \$1.00 per year with the City for the land for the Project, subject to approval by the FVRL Board of Trustees and the City Council. The approximate size of the leased land shall be 28,000 square feet. Conveyance of a long term leasehold interest will require a land division or binding site plan. FVRL shall make

appropriate application to the City for any and all required land use approvals.

- C. FVRL shall prepare all requests for proposals and specifications necessary for the completion of the Project;
- D. The architect for the Project (the "Architect") shall be selected by FVRL.
- E. The City will have at least one representative on the architect selection committee.
- F. FVRL shall hold public hearings or meetings to provide information on the proposed design and gather input from the community within the VLCFA regarding the proposed design. FVRL shall coordinate the publicity for the hearings or meetings, including public notice.
- G. FVRL shall approve the final design of the Project by the Architect, subject to the approval of the VLCFA and the City.
- H. FVRL shall be responsible for the completion of the design work and construction drawings for the Project.
- I. The contractor for the Project shall be chosen pursuant to Library District's process, and administered by FVRL.
- J. The City shall name a liaison during construction of the Project in order to provide a means for effective communication regarding issues that arise during construction of the Project including but not limited to safety issues that involve the Firstenburg Community Center.

SECTION 2. FINANCES.

- A. The underwriter for the Project shall be selected by FVRL, with assistance from the Treasurer of Clark County, serving as ex officio treasurer of the VLCFA (the "Treasurer").
- B. FVRL shall select bond counsel and other consultants necessary for the issuance of the Bonds, with assistance from the Treasurer.
- C. FVRL shall manage and administer the finances of the Project with the participation of the Treasurer as provided in the Interlocal Agreement entered into between the Treasurer and FVRL.

SECTION 3. OPERATION.

- A. The VLCFA does not have a source of revenue for the operation of a library under chapter 27.15 RCW, but shall contract with FVRL for such operation under the provisions of RCW 27.15.040. FVRL shall govern the operation of the libraries constructed with the proceeds of the Bonds (the "Libraries"), and shall set all policies regarding the operation of the Libraries (RCW 27.12.210).
- B. Prior to completion of the Project, FVRL will enter into a separate agreement with the City for the maintenance of the property.

SECTION 4. OWNERSHIP.

- A. Legal title to the building shall be held as follows:

- (i) The building constructed by the VLCFA shall be owned by and in the name of the VLCFA, until the Bonds are paid and discharged. Upon payment of the Bonds in full, the VLCFA agrees to transfer the title to the building owned by the VLCFA to FVRL.

- (ii) The equipment, furnishings, and fixtures shall be owned and held by the VLCFA throughout their useful life and may be used by any library within the VLCFA. In the absence of any agreement to the contrary, the useful life of such items shall be determined by reference to the State of Washington Office of Financial Management's Fixed Asset Commodity Class Code List and Useful Life Schedule. At the end of an items' useful life it may be declared to be surplus by FVRL on behalf of the VLCFA and disposed of in accordance with FVRL's policies for operating branch libraries.

- (iii) Library Materials acquired with VLCFA funds shall be owned by FVRL from and after their acquisition. FVRL is hereby authorized, in its sole discretion, to transfer the Library Materials within the library district and according to its policies for operating branch libraries. FVRL shall be authorized in its sole discretion to declare surplus and discharge such portions of the Library Materials so acquired; provided, FVRL shall, at all times, maintain a level of Library Materials at the Project Libraries commensurate with other libraries within the library district.

- (iv) The consideration for the lease from the City to FVRL is based on the City's prior agreements to take primary responsibility for providing library facilities within the City of Vancouver and the value of locating a library on the

Firstenburg Community Center campus which will enhance the use of both facilities by attracting additional patrons.

- B. FVRL shall be responsible for the selection, purchase, upkeep, maintenance and replacement of the Library Materials, furnishings, fixtures, and equipment in keeping with its policies and procedures.
- C. FVRL will operate the library as a branch library. FVRL shall maintain hours of operation at the library in keeping with the hours of operation at FVRL branches.

SECTION 5. INDEMNITY AND HOLD HARMLESS. The City shall indemnify and hold the FVRL and the VLCFA harmless from any and all claims of any nature related directly or indirectly to the City's performance of its obligations pursuant to this Agreement.

The duty to indemnify and hold the FVRL and VLCFA harmless shall survive the termination or expiration of this Agreement.

FVRL shall indemnify and hold the City and the VLCFA harmless from any and all claims of any nature related directly or indirectly to FVRL's performance of its obligations pursuant to this Agreement.

The duty to indemnify and hold the City and the VLCFA harmless shall survive the termination or expiration of this Agreement.

SECTION 6. TERM OF AGREEMENT. This Agreement shall remain in effect during the term of the lease referred to in Section 1 of this Agreement or until this Agreement is terminated with the mutual consent of both parties.

SECTION 7. RESOLUTION OF DISAGREEMENTS. In the event of a continuing dispute between the Parties under this Agreement, each Party shall designate an appropriate representative to facilitate the resolution of the dispute according to a procedure established by the representatives and authorized by law. The representatives shall meet within fifteen days of either Party's request and shall use their best efforts to resolve the dispute in a manner acceptable to both Parties. The representatives' negotiated resolution shall be subject to approval by each of the Parties' governing boards.

SECTION 8. MISCELLANEOUS PROVISIONS.

- A. The Administrator responsible for administering this joint undertaking shall be the FVRL Executive Director or designee.


- B. This Agreement may be amended or terminated only upon consent of both Parties hereto. Any amendment or termination shall be in writing and signed by the parties.
- C. The waiver by any Party of any breach of any term, covenant, or condition of this Agreement shall not be deemed a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition of this Agreement.
- D. Any Party hereto shall have the right to enjoin any substantial breach or threatened breach of this Agreement by any other Party, and shall have the right to recover damages and to specific performance of any portion of this Agreement.
- E. This Agreement is solely for the benefit of the Parties hereto and no third party shall be entitled to claim or enforce any rights hereunder.
- F. The records and documents with respect to all matters covered by this Agreement shall be subject to audit by the Parties during the term of this Agreement and three (3) years after termination or such other longer period as may be required by applicable law.
- G. If any provision of this Agreement or application thereof to any Party or circumstance, is held invalid by a court of competent jurisdiction, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision or application, and to this end the provisions of this Agreement are declared to be severable.
- H. This Agreement shall be effective whether signed by the Parties on the same document or in counterparts.
- I. All notices or other communications shall be deemed sufficient hereunder if made in writing and delivered by telefacsimile, e-mail, or by first-class mail, postage prepaid, to each Party at its respective address set forth below, or such other address as such Party may hereafter designate to the others in writing.
- J. Nothing in this Agreement shall be construed to limit or alter the statutory authority or the responsibilities of the City, FVRL or the VLCFA.
- K. This Agreement may either be filed with the County Auditor or posted on each party's web site in accordance with state law

IN WITNESS WHEREOF, this Agreement has been executed by each Party as set forth below:

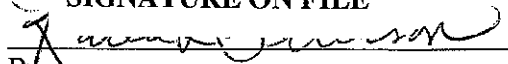
CITY OF
VANCOUVER

FORT VANCOUVER
REGIONAL LIBRARY DISTRICT

SIGNATURE ON FILE


By: Pat McDemnell
Its: City Manager

SIGNATURE ON FILE


By: _____
Its: _____

By:
Its:

Address: City of Vancouver

210 E 13th St
Vancouver, WA 98660

Telephone: (360)
Fax: (360)

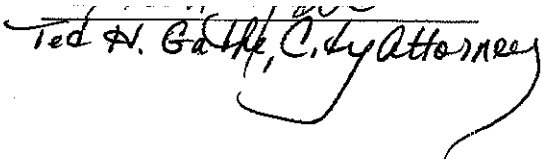
Address: Fort Vancouver Regional Library
District

1007 Mill Plain Blvd
Vancouver, WA 98663

Telephone: (360) 695-1561
Fax: (360) 693-2681

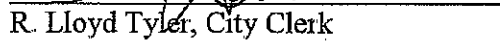
Approved as to form.

SIGNATURE ON FILE


Ted A. Galle, City Attorney

Attest:

SIGNATURE ON FILE


R. Lloyd Tyler, City Clerk
By: Carrie Lewellen, Deputy City Clerk