

June 8, 1995

Introduced By: BRUCE LAING

Proposed No.: 095-410

MOTION NO. **9606**

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2 A MOTION authorizing the County Executive to enter into an
3 interlocal agreement with the City of Newcastle to coordinate
4 the mitigation of transportation related development impacts
5 through the King County Mitigation Payment System.
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7 WHEREAS, the Coal Creek Parkway road improvement project is a significant
8 regional transportation corridor, and

9 WHEREAS, the project was identified as a Capital Improvement Project prior to
10 incorporation of the area into the city of Newcastle, and

11 WHEREAS, the city recognizes the importance of the project to the region as a
12 whole, and

13 WHEREAS, developments in both jurisdictions have significant impact to the
14 capacity of the roadway, and

15 WHEREAS, the State Growth Management Act (RCW 36.70A) and RCW 82.02
16 authorize cities and counties to collect road impact fees, and

17 WHEREAS, it is in the best interest of the citizens of the county and city that these
18 impacts be mitigated in a consistent and coordinated manner, and

19 WHEREAS, the county has established a road mitigation payment system as
20 authorized in King County Code _____, a comprehensive plan transportation needs report
21 and mitigation payment system which includes provision for reciprocal participation by
22 cities and the county, and

23 WHEREAS, the city of Newcastle Resolution No. 94, dated May 1, 1995,
24 authorized the City Manager to enter into an interlocal agreement with the county to
25 implement this provision, and

26 WHEREAS, pursuant to RCW 39.34, the interlocal cooperation act, the parties are
27 each authorized to enter an agreement for joint and cooperative action;

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NOW, THEREFORE, BE IT MOVED by the Council of King County:

The county executive is authorized to execute an interlocal agreement, substantially in the form attached, with the city of Newcastle for the interim joint participation in the county road mitigation payment system.

PASSED by a vote of 12 to 0 this 10th day of July, 1995.

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON

Kent Pullen
Chair

ATTEST:

Gerald A. Peterson
Clerk of the Council

Attachments: Interlocal Agreement

AN INTERLOCAL AGREEMENT BETWEEN
KING COUNTY AND THE CITY OF NEWCASTLE
FOR INTERIM PARTICIPATION IN THE
KING COUNTY ROAD MITIGATION PAYMENT SYSTEM
AND PROVIDING FOR A PROCESS TO PURSUE DEVELOPMENT
OF THE "COAL CREEK PARKWAY PROJECT".

This agreement is made and entered into this day by and between the City of Newcastle, hereinafter called "City" and King County, hereinafter called "County."

WHEREAS, the State Growth Management Act (RCW 36.70A) and RCW 82.02 authorizes cities and counties to collect road impact fees; and

WHEREAS, developments in the unincorporated areas of the County impact City streets, and

WHEREAS, developments within the City limits impact roads in unincorporated King County and in the jurisdictions of other participants, and

WHEREAS, it would be in the best interest of the citizens of the County and City that these impacts be mitigated in a consistent and coordinated manner, and

WHEREAS, the County has established a Road Mitigation Payment System as authorized in KCC 27.40, a Comprehensive Plan Transportation Needs Report and Mitigation Payment System Project list in King County Ordinance 11021; and

WHEREAS, the City has adopted a Comprehensive Plan that allows for King County Mitigation Payment System projects; and

WHEREAS, the City has adopted Ordinance 31 which authorizes the City Manager to negotiate an interlocal agreement between the City and County for reciprocal collection of Road Impact Payment System fees; and

WHEREAS, pursuant to RCW 39.34 the Interlocal Cooperation Act, the parties are each authorized to enter into an agreement for joint and cooperative action, and

NOW THEREFORE, the County and City hereby agree:

1. Reciprocal collection of Road Mitigation Payment System (MPS) Fees. The Parties agree to collect road impact fees pursuant to KCC 27.40 and pursuant to the procedures and responsibilities specified in this agreement or as the agreement may be subsequently amended. The parties agree that should the scope of the project be decreased to less than four lanes, it will be dropped from the MPS program.

2. Administrative Fees. The City agrees to charge an administrative fee for each permit eligible to pay a road mitigation fee. The City agrees to retain a portion of each fee to compensate for processing the permit and shall deposit the balance to the County Roads Operating Fund. The County portion of the administrative fee shall serve as compensation for tasks undertaken to support the responsibilities outlined in Section 11 of this agreement. A separate administrative fee for the preparation of a individually calculated mitigation fee shall also be collected by the City and deposited to the County Roads Operating Fund pursuant to Section 9 of this agreement. The County agrees to submit revised administrative fees when they are proposed and the City agrees to submit for City Council adoption the revised administrative fees.

3. Mitigation payment tracking and segregation of mitigation fees. The mitigation payments from each jurisdiction shall be deposited daily into the County MPS Trust and Agency Fund. At least weekly the daily deposit documentation and supporting permit data shall be submitted to the Roads Division to support the permit tracking database system. At the end of each month the portion of each party's permit mitigation fee transaction which has contributed to the Coal Creek Parkway project shall be segregated and transferred as one monthly total for the permits into a separate revenue account established for Coal Creek Parkway.

The segregation of fees shall be based on the applicable residential MPS fee schedule project list for each applicable MPS zone and shall be used for all permit fees except for individually calculated fees equal to or greater than \$1,000. Individually calculated fees equal to or greater than \$1,000 shall be segregated based on the actual project list used in calculating the fee.

The amount of each Coal Creek Parkway segregated monthly transfer shall be maintained as a separate record and a report identifying each permit comprising the monthly total shall be prepared as documentation. A separate interest earnings revenue account shall also be established for the Coal Creek Parkway project. Interest earnings shall be posted into the account on a quarterly basis consistent with County Office of Finance investment practices.

4. Prior Mitigation Fees for Coal Creek Parkway. Mitigation revenues from County permits with application dates prior to October 1, 1994 shall be pooled consistent with current County pooling procedures and practices. The County agrees to segregate mitigation revenues related to the Coal Creek Parkway project beginning with payments for those permits with application dates starting October 1, 1994. Interest earnings for the period from October 1, 1994 through the effective date of the agreement shall be calculated on a proportionate basis to interest earned and transferred to the interest account. Interest earned and posted to the Coal Creek Parkway project after October 1, 1994 shall be based on the revenues deposited to the Coal Creek Parkway project account and invested for the benefit of the account. Refunds for mitigation payments prior to October 1, 1994 shall be taken from mitigation fees received prior to that date.

5. Mitigation Fee Refund. Refunds of mitigation fee payments due to cancellation of permits or reduction of a paid mitigation fee to correct errors or implement an appeal decision shall be made from the County Trust and Agency Fund. The portion of the refund attributed to the Coal Creek Parkway project shall be debited from the current month's Coal Creek Parkway segregated monthly transfer.

6. Expenditure of segregated mitigation fees for Coal Creek Parkway. Segregated mitigation fees for Coal Creek Parkway shall go to offset expenditures for the Coal Creek Parkway project. The revenues shall be expended on a first in first out basis. A report prepared at least annually that indicates the outstanding unexpended mitigation revenue balances for the Coal Creek parkway Project shall be provided to assist the City in taking action to assure the funds are expended within the six year limit set by state law.

7. Project scope for Coal Creek Parkway for Future Mitigation Fees. The County is in the process of updating the mitigation fees for 1995. The cost basis for the Coal Creek Parkway project is an important element in the development of the updated mitigation fees. The Parties agree to use the environmental review work currently in progress to assess and develop a revised project scope and cost that is appropriate for the mitigation fee update.

8. Process for deciding Coal Creek Parkway project scope. The parties agree that the nature of County financial participation in the project is dependent on the ability for the scope of the Coal Creek Parkway project to meet regional traffic requirements. The Parties agree to jointly develop and approve a revised scope and project cost for the Coal Creek Parkway project. Milestones for this work:

| <u>Milestone</u> | <u>Due Date</u> |
|--|------------------|
| Preliminary Scoping Cost for MPS fee schedule Update | 1st Quarter 1995 |
| Completion of DEIS | 1st Quarter 1995 |
| Completion of FEIS | 2nd Quarter 1995 |
| Interagency Agreement re Scope/Project Lead | To be determined |
| Project Scoping for MPS Fee Schedule Update | 2nd Quarter 1995 |
| Identify Sources of Financing & Alternatives | 3rd Quarter 1995 |
| Preparation of Grant Application | To be determined |

9. Project lead. The City agrees to be the project lead to seek grant funding and the County agrees to provide staffing support to develop grant applications.

10. Project Cost Sharing. The parties agree to develop a local revenue cost sharing methodology which reflects the jointly developed and approved project scope and costs for grant application purposes. The parties agree to identify and assess additional alternative funding strategies for interim or final project alternatives that may be considered by the County and City.

11. County Responsibilities. The parties agree the County shall undertake the following responsibilities and tasks to carry out this agreement.

a. MPS Payment Tracking System. Operate and manage an MPS payment tracking system to provide information to the parties to assist each jurisdiction in making decisions for expending mitigation payments within the six year limit as required by state law.

b. Reports and documentation. Provide all reports and documentation supporting the sources and amounts for permits comprising the monthly transfer, balances in the Coal Creek Parkway project accounts, annual reports indicating mitigation revenues received and expended and other appropriate reports.

c. Technical Support: Maintain the Countywide Transportation Model needed to support fee development. Provide technical expertise and oversight to make all modeling related decisions to assure consistency within each jurisdiction in the treatment of permits subject to the mitigation program. The County agrees to consult the City, in writing, prior to making decisions which may impact the City, regarding costs to the City or any item which requires action by the City Council.

d. Low income exemptions. Review and approval of low income exemption applications submitted by the City.

e. Appeals of Mitigation Fees. Appeals of mitigation fees will be heard by the City Hearing Examiner. Prior to the appeal, the County Hearing Examiner will make available to the City Hearing Examiner any records or information on precedents that are relevant to or have bearing on the case being appealed.

f. Individually calculated mitigation fees. Preparation of the individually calculated fees and provide a report to the City.

g. Updated Fee Schedules. Preparation of any required fee schedule updates and agrees to provide staff support for city approval process as appropriate.

12. City Responsibilities. The City agrees to undertake the following responsibilities and tasks to carry out this agreement.

a. Administer city mitigation. Charge and collect the mitigation fee for permits subject to the mitigation. Prepare refund requests for any canceled permits or reductions of mitigation fees to address errors or appeal decisions and send to the County Roads Division for preparation of a refund check.

b. Daily Deposit of Mitigation Fees. Make daily deposits of mitigation revenues to the Count Trust and Agency Fund and provide to the County Roads Division a copy of the daily deposit documentation and the related city permit information to support administration of the MPS permit tracking system on a weekly basis.

c. Individually calculated fees. Review and collect all required data from permit applicants and prepare a report form for the County to develop the individually calculated fee.

d. Low income exemptions. Provide copies of the low income exemption request form to eligible applicants and submit to the County for review and approval.

e. Coal Creek Project Expenditure Reimbursements: Prepare documentation and procedures to request reimbursement of Coal Creek Parkway Project expenditures from the Coal Creek Parkway Project accounts that address cash flow requirements and assure that revenues are expended on appropriate costs.

13. Duration of agreement. This agreement shall be effective upon signature by both parties and shall continue in force until replaced by a permanent agreement except the interim agreement may be renewed by approval of an updated MPS fee schedule by the County and the City. Either party to the agreement may terminate the agreement upon thirty days notice to the other party.

14. Indemnification: Washington law shall govern the respective liability between the parties to this agreement for any loss due to property damage or personal injury arising out of the activities conducted pursuant to this contract.

15. Non-Discrimination: The County and the City certify that they are Equal Opportunity Employers. The County has developed and implemented Affirmative Action Programs in accordance with the guidelines in Revised Order 4 of the United States Department of Labor. The City is an equal opportunity employer.

16. Audits and Inspections: The records and documents with respect to all matters covered by this agreement shall be subject to inspection, review or audit by the County or the City during the term of this contract and three (3) years after termination.

17. Amendments The Agreement may be amended at any time by mutual written agreement of the Authorized representatives of the parties.

18. Entire Agreement: The parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded.

19. Dispute Resolution: The parties shall each appoint representatives to review performance and resolve problems which cannot be dealt with by the County and City liaisons. Each party shall notify the other in writing of its designated representatives. Any problem which cannot be resolved by the parties' designated representatives shall be referred to the City Manager and the King County Director of Public Works for settlement. In the event that the foregoing procedures fail to resolve a dispute, the parties reserve the right to pursue all legal remedies.

20 Invalid Provisions: If any provision of this agreement shall be held invalid, the remainder of the agreement shall not be affected thereby if such remainder would then continue to serve the purposes and objectives of the parties.

IN WITNESS THEREOF, the parties have executed this agreement.

KING COUNTY

CITY OF NEWCASTLE

King County Executive

City Manager

(Date)

(Date)

Approved as to Form

Approved as to Form

King County Prosecuting Attorney

City Attorney

(Date)

(Date)