

INTERLOCAL AGREEMENT FOR SCHOOL IMPACT FEES

WHEREAS, pursuant to the City of Milton School Impact Fee ordinance, the Fife School District No. 417 and the City are required to enter into an interlocal agreement containing certain provisions regarding the administration of the fee program; and

WHEREAS, pursuant to Chapter 39.34 RCW the Interlocal Cooperation Act, the City and the School District listed below have agreed upon the terms of an interlocal agreement required by the ordinance;

NOW, THEREFORE, the undersigned parties agree as follows:

1. **PURPOSE.** The purpose of this agreement is to establish a process for the collection of school impact fees by the Fife School District, and the submission of information regarding the District's capital facilities plan. This agreement is intended to comply with the requirements of the City of Milton "School Impact Fee" Ordinance No. 1314, the primary substantive provisions of which are codified under Section 1 as Chapter 13.42 of the Milton Municipal Code; and the provisions of RCW 82.02.050-090 concerning the collection, expenditure, refunding and accounting of impact fees.
2. **ORGANIZATION.** This agreement does not create any separate legal or administrative entity.
3. **DURATION AND TERMINATION.** This agreement shall remain in effect so long as the City requires a school impact fee for new development.
4. **IMPACT FEE COLLECTION AND ACCOUNTS.**
 - (a) The District shall collect school impact fees from developers as required by MMC 13.42.060. The District shall be fully responsible for ensuring that the collection, expenditure, retention and any other activities related to the impact fees are consistent with state law as well as Chapter 13.42 of the Milton Municipal Code.
 - (b) Upon the collection of any school impact fees from a person who wishes to develop property in the City of Milton, the District shall promptly issue the developer a receipt that identifies the amount of impact fees paid as well as the development project for which they are paid for.
 - (c) Milton shall not issue a building permit for a project in which school impact fees are due until it receives a receipt prepared by the District, as identified in Paragraph 4(b) herein. Notwithstanding any conflicting provisions in Paragraph 14, the District holds harmless and waives any claim it could assert against the City of Milton for failing to require a developer to pay school impact fees prior to any permit issuance.
5. **EXPENDITURE OF IMPACT FEE FUNDS; REPORTS.**

- a. The District shall have sole responsibility for the expenditure of impact fee accounts in accordance with Ordinance No. 1314 and state law.
 - b. By December 31 of each year, beginning in 1997, pursuant to Section 1, MMC 13.42.040 or Ordinance No. 1314, the District shall submit to the City a report describing for the District's preceding fiscal year ending August 31:
 - i. The source and amount of all funds in the school impact fee account;
 - ii. Expenditures from or encumbrances on the school impact fee account;
 - iii. The facilities for which the account was expended or encumbered;
 - iv. The remaining unencumbered balance of the account; and
 - v. Any refunds of school impact fees.
6. REFUNDS. The District shall monitor its school impact fee account for the purpose of determining whether the owner(s) of any property for which any school impact fee has been assessed and collected are entitled to a refund under the Ordinance No. 1314 and RCW 82.02.070-080 provided however, that if the District seeks an extension of time to retain unencumbered school impact fees longer than ten years the District must first obtain a finding from the City Council approving that request. If the District determines that a refund is due, it shall notify the City Public Works Department Director or designee of the affected property and the amount of the refund, including interest earned on the funds, and provide notice to the current owner of property as required under Section 1, or Ordinance No. 13134 at MMC 13.42.080. If the City receives a request for a refund, adjustment, credit or appeal from a developer or property owner, including any requests received from persons that have not commenced or completed construction of development activity subject to the school impact fee ordinance, it shall refer the request to the District for review and comment, including a calculation of the amount of any refund, adjustment, credit or appeal, and any interest. The City shall review the District's response before taking any action pursuant to Chapter 13.42 MMC on the request. The District agrees either to accept and comply with the decision issued by the City to refund, adjust, or credit (with interest, if any), or to appeal the decision pursuant to Chapter 13.42 MMC. If the City terminates the school impact fee program, it shall administer the refunding of any unencumbered or unexpended funds at the time of the termination.
7. TERMINATION. The District may terminate participation in this agreement whenever it ceases to have school impact fees collected and no funds are retained in its school impact fee account. If the City terminates any school impact fee requirements, this agreement shall also terminate. The parties do

not anticipate the acquisition of property or other assets that would be required to be distributed to the parties upon termination of this agreement.

8. EFFECTIVE DATE AND FILING. Pursuant to RCW 39.34.040 this agreement shall become effective after approval by the City's Mayor and the District, and the filing of a copy of the approved agreement in accordance with RCW 39.34.040.
9. CAPITAL FACILITIES PLAN. The District shall maintain and update its capital facilities plan in accordance with Chapter 36.70A RCW. On or before June 1 of each year, the District shall submit any plan amendments to the City for subsequent incorporation by reference as part of the City Comprehensive Plan.

Any plan amendments shall contain information required under Chapter 36.70A RCW and Ordinance No. 1314.

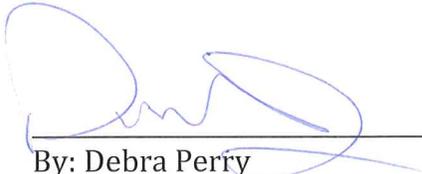
10. ADMINISTRATION. Pursuant to RCW 39.34.030(4) a joint board consisting of a representative of the District and the City shall be responsible for administering the performance of this agreement. The board shall meet at least twice a year to review any issues arising under the agreement or at any time upon the request of the City or the District to address particular concerns. The joint board's authority shall be advisory only.
11. INDEMNIFICATION. The City shall indemnify and hold harmless the District, 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 or arising out of any negligent act or omission of the City, its officers, agents, and employees, relating to or arising out of performance of this agreement except for losses or claims occasioned by the sole negligence of the District.

The District shall indemnify and hold harmless the City 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 or arising out of any negligent act or omission of the District, its officers, agents, and employees, relating to or arising out of performance of this agreement except for losses or claims occasioned by the sole negligence of the City. In executing this agreement the City does not assume liability or responsibility for or in any way release the District from any liability or responsibility which arises in whole or in part from the existence or effect of the Chapter 13.42 of the Milton Municipal Code or this agreement for school impact fees imposed pursuant to RCW 82.02.060. If any cause, claim, suit, action or administrative procedure is commenced in which the application, enforceability and/or validity of Chapter 13.42 of the Milton Municipal Code

or this agreement, is at issue the District agrees to defend the same at its sole expense and, if judgment is entered or damages are awarded against the City, including through arbitration, mediation or settlement, the District shall satisfy the same, including all chargeable costs and reasonable attorney's fees.

ENTERED INTO in duplicate originals this 14th day of January, 2013.

CITY OF MILTON


By: Debra Perry
Its: Mayor

Dated: 1/14/13

ATTEST:

Lisa M Tylor
Lisa Tylor, City Clerk

APPROVED AS TO FORM:


Bio Park, City Attorney

FIFE SCHOOL DISTRICT 417

Stephen McCann
By: Supt. of Fife Schools
Its:

Dated: 1-31-13

ATTEST:

APPROVED AS TO FORM:

Attorney