

PROPOSED ORDINANCE 2005-0269

**ATTACHMENTS 2-7 and 9-11
July 17, 2005 STAFF REPORT**

**INTERLOCAL AGREEMENT BETWEEN THE CITY OF ISSAQUAH AND
KING COUNTY, RELATING TO THE ANNEXATION AREAS OF KLAHANIE
AND SOUTH COVE/GREENWOOD POINT**

THIS AGREEMENT is made and entered into this ___ day of _____, 2005. The parties ("Parties") to this Agreement are the City of Issaquah, a State of Washington municipal corporation ("City") and King County, a political subdivision of the State of Washington ("County").

WHEREAS, on November 8, 2005, the citizens of Klahanie and South Cove/Greenwood Point will have an opportunity to vote on whether to annex to the City; and

WHEREAS, if approved by the voters, the Klahanie and South Cove/Greenwood Point annexation areas ("Annexation Areas") will become effective on or before June 1, 2006 and on or before December 31, 2006 respectively, pursuant to City ordinance; and

WHEREAS, as of the date of legal annexation of the area, pursuant to state law, the City will own, and have the responsibility for the operation, safety and maintenance of all former County roads, bridges and rights-of-way located within the City limits together with all appurtenances located within such rights-of-way, including but not limited to, drainage facilities, environmental mitigation sites and monitoring projects, street lights, traffic signals and traffic signs; and

WHEREAS, the City and the County desire to facilitate an orderly transition of services associated with the Annexation Area; and

WHEREAS, the City and the County desire to mutually determine the appropriate timing for the transfer of public records; and

WHEREAS, the County shall make available to the City a one time payment of funds from its Annexation Incentive Funds to assist with the cost of transitioning services and in consideration of the City relieving the County of the burden of providing public services to the areas to be annexed; and

WHEREAS, in 2006 the County and City will initiate a joint planning effort for the East Cougar Mountain potential annexation area; and

WHEREAS, the City and the County want to ensure a smooth transfer of ownership and maintenance of existing park facilities and properties; and

WHEREAS, the City and the County want to ensure a smooth transfer of ownership and maintenance of existing surface water facilities and properties; and

WHEREAS, the County sheriff department and city police department have heretofore agreed upon a transition plan relating to policing services for the Annexed Areas; and

WHEREAS, all governmental land use authority and jurisdiction with respect to the newly annexed area transfer from the County to the City upon the date of annexation; and

WHEREAS, the governing bodies of each of the parties hereto have determined to enter into this Agreement as authorized and provided for by the Interlocal Cooperation Act, codified at Chapter 39.34 RCW, and other Washington law, as amended;

NOW THEREFORE, in consideration of the mutual terms, provisions and obligations contained herein, it is agreed by and between the City and the County as follows:

1. TERM. This Agreement shall be deemed to take effect following the approval of the Agreement by the official action of the governing bodies of each of the Parties and the signing of the Agreement by the duly authorized representative of each of the Parties, and shall continue in force for a period of ten years.
2. RECORDS TRANSFER. The County shall work with the City to transfer to the City public records including but not limited to record drawings or construction drawings that are requested by the City. The City shall send a written request for records to the director of the County division holding such records. Alternately, the City may request in writing that such director schedule a records transfer meeting at which a City representatives shall meet with County department representatives in order to review and identify records to be copied and/or transferred consistent with the terms of this section 2. The request shall provide sufficient detail to allow the County to identify and locate the requested records. The County shall make its best effort to provide the documents within 45 days of the request. The County may elect to provide original records or copies of records. The County shall not be required to provide records that are not reasonably available or to create records or compilations that have not already been created. The County will make its best effort to provide records no later than April 1, 2006.
3. DEVELOPMENT PERMIT PROCESSING. Pursuant to Section 19 of the Interlocal Agreement Between King County and the City of Issaquah Relating to Processing of Building Permits and Land Use Applications fully executed as of February 29, 2000, the terms of that interlocal concerning development permit processing shall be extended to cover the annexation area Klahanie and South Cove/Greenwood Point annexation areas.
4. ANNEXATION FUND PAYMENT. In order to partially offset the City's cost of transitioning and providing services to the Annexation Areas, and in consideration of the City relieving the County of the burden of providing local public services, the County will within 90 days of the effective date of annexation of the Klahanie annexation area provide the City with \$850,000 from its annexation initiative incentive reserve funds.
5. ROAD PROJECT FUNDING. King County Department of Transportation, Roads Service Division, will within 90 days of the effective date of the Klahanie annexation transfer \$1.1 million in funds allocated in its capital improvement program (CIP # 201597) for use by the City to add capacity to the Issaquah-Fall City road from SE 48th Street to Klahanie Drive ("project") provided that the City shall be responsible for completing the project and the County shall have no further responsibility for

completing the project.. The funds provided shall not be allocated by the City to another road project absent separate written agreement between the Parties. The County funds allocated to the City constitute the entirety of the County's contribution toward the project. Any unspent project funds shall be remitted back to the County 10 years from the date of this agreement unless extended by separate written agreement of the Parties. The County may at its discretion elect to support grants or other assistance for the project if requested to do so by the City.

6. FUTURE ANNEXATION AREA ANALYSIS. In 2006, the Parties agree to work cooperatively to scope and complete an annexation study ("study") of the City's East Cougar Mountain potential annexation area located South of Interstate 90. The study will serve as a sub-area plan that will assess among other things, environmental constraints, utility service delivery, future land use, and timing and cost of annexation. The County agrees to fund the cost of the study and other annexation related activities, which may include, but are not limited to, land surveys, cost of election, and production of relevant public information. The County shall incur no more than \$50,000 in total costs. The County further agrees to be project lead on the study. Funding of the study by the County is contingent upon the City assuming ownership of Meerwood and Timberlake parks prior to commencement of the study.

7. PARK AND OPEN SPACE FACILITIES AND PROPERTIES

The County shall on the effective date of the Klahanie Annexation transfer to the City, and the City shall accept, the park and open space properties listed in Exhibit A, attached hereto and incorporated herein. These transfers shall be accomplished through the appropriate legislative approval and execution of an intergovernmental transfer agreement or agreements in substantially the form as Exhibit B, attached hereto and incorporated herein, with modifications allowed to reflect the specific characteristics of each park or open space property, including without limitation, characteristics related to funding sources, title matters, encumbrances, reserved easements, and the current use and development of the properties. Upon execution of this Interlocal Agreement, the parties shall diligently work to finalize the intergovernmental transfer agreement or agreements so that timely transfers will occur.

8. SURFACE WATER MANAGEMENT

- a. Transfer of Drainage Facilities and Drainage Facility Property Interests.

- i. Upon the effective date of annexation for the area in which the "Drainage Facilities" identified in Exhibit C, attached hereto and incorporated herein by reference, are located, the Drainage Facilities shall automatically be transferred from the County to the City, and the City shall assume ownership and full and complete responsibility for the operation, maintenance, repairs, and any subsequent improvements to the Drainage Facilities

- ii. The County shall upon the effective date of annexation for the area in which the "Drainage Facility Property Interests" identified in Exhibit D, attached hereto and incorporated herein by reference, are located, convey by quit claim deed in substantially the form in Exhibit E, attached hereto and incorporated by reference, to the City, and the City shall accept, the Drainage Facility Property Interests, subject to all rights, conditions, covenants, obligations, limitations and reservations of record for such property interests. The City agrees to abide by and enforce all rights, conditions, covenants, obligations, limitations and reservations for the Drainage Facility Property Interests.
- iii. The County is willing to provide surface water management services and maintenance in 2006 for the annexation areas via separate written agreement between the Parties.

b. Condition of and Responsibility for Operations, Maintenance, Repairs, and Improvements of Drainage Facilities and Drainage Facility Property Interests.

- i. The City agrees to accept the Drainage Facilities and Drainage Facility Property Interests in AS IS condition, and to assume full and complete responsibility for all operations, maintenance, repairs, and improvements of the Drainage Facilities and Drainage Facility Property Interests.
- ii. King County does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Drainage Facilities and Drainage Facility Property Interests, and no official, employee, representative or agent of King County is authorized otherwise.
- iii. The City acknowledges and agrees that except as indicated in paragraph 8(c)(ii), the County shall have no liability for, and that the City shall release and have no recourse against the County for, any defect or deficiency of any kind whatsoever in the Drainage Facilities and Drainage Facility Property Interests without regard to whether such defect or deficiency was known or discoverable by the City or the County.

c. Environmental Liability related to the Park and Drainage Facilities and Drainage Facility Property Interests

- i. "Hazardous Materials" as used herein shall mean any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended.
- ii. Nothing in this agreement shall be deemed to waive any statutory claim for contribution that the City might have against the County under federal or state environmental statutes that arises from hazardous materials deposited or released on the Drainage Facilities or Drainage Facility

Property Interests by the County during the County's period of ownership. The City may not, however, assert such a claim to the extent that the City creates the need for or exacerbates the cost of remediation upon which a statutory claim for contribution is based as a result of the City performing construction activities on, changing the configuration of, or changing the use of the Drainage Facilities or Drainage Facility Property Interests.

- iii. If the City discovers the presence of hazardous materials at levels that could give rise to a statutory claim for contribution against the County it shall immediately notify the County in writing. The parties shall make their best efforts to reach agreement as to which party is responsible for remediation under the terms of this Agreement prior to undertaking any remediation.
- iv. In no event shall the County be responsible for any costs of remediation that exceed the minimum necessary to satisfy the state or federal agency with jurisdiction over the remediation.

d. Indemnification related to Drainage Facilities and Drainage Facility Property Interests.

- i. King County shall indemnify and hold harmless the City and its elected officials, officers, agents or employees, or any of them, from and against any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, arising from those occurrences related to the Drainage Facilities and Drainage Facility Property Interests that occurred prior to the effective date of annexation, except to the extent that indemnifying or holding the City harmless would be limited by Section 8(c) of this Agreement. In the event that any suit based upon such a claim, action, loss or damage is brought against the City or the City and King County, King County shall defend the same at its sole cost and expense and, if final judgment be rendered against the City and its elected officials, officers, agents and employees or jointly against the City and King County and their respective elected officials, officers, agents and employees, King County shall satisfy the same.
- ii. The City shall indemnify and hold harmless King County and its elected officials, officers, agents and employees, or any of them, from and against any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, arising from those occurrences related to the Drainage Facilities and Drainage Facility Property Interests that occur on or after the effective date of annexation, except to the extent that indemnifying or holding the County harmless would be limited by Section 8(c) of this Agreement. In the event that any suit based upon such a claim, action, loss or damage is brought against King County or King County and the City, the City shall defend the same at its sole cost and expense and, if

final judgment be rendered against King County and its officers, agents and employees or jointly against King County and the City and their respective officers, agents and employees, the City shall satisfy the same.

- iii. Each Party to this Agreement for a period of three years following transfer shall immediately notify the other of any and all claims, actions, losses or damages that arise or are brought against that Party relating to or pertaining to the Drainage Facilities and Drainage Facility Property Interests.
- iv. Each Party agrees that its obligations under this paragraph extend to any claim, demand, and/or cause of action brought by or on behalf of any employees, or agents. For this purpose, each Party, by mutual negotiation, hereby waives, with respect to the other party only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW, but only to the extent necessary to indemnify the other party.
- v. The provisions of this Section 8 shall survive the expiration or termination of this Agreement.

9. JAIL SERVICES. On or after the date of annexation, the annexed areas are subject to the existing Interlocal Agreement between King County and the City of Issaquah for Jail Services.

10. POLICE SERVICES. On the effective date of the annexation, police service responsibility within the annexation areas transferred to the City. Criminal cases and investigations pending in the County prior to the effective date of the annexation remain the responsibility of the County. The parties shall implement the police transition plan attached hereto at Exhibit F. In addition to the provisions of that transition plan, the parties further agree as follows:

a. Sharing of community information: The County agrees to provide lists that the County may have regarding the annexation areas to the City upon request. These lists may include, but are not limited to: members of block watch programs, community groups, and/or homeowner's associations.

b. Annexation of Emergency Response (911) Services: The City and County agree to coordinate emergency response services to preserve the safety of those in the annexation areas.

11. STATUS OF COUNTY EMPLOYEES. The City agrees to consider the hiring of non-sheriff employees whose employment status is affected by the change in governance of the Annexation Areas. The hiring of affected sheriff employees shall be governed by

the provisions set forth in RCW 35.13.360 et seq. The County shall in a timely manner provide the City with a list of those affected employees.

12. KLAHANIE POTENTIAL ANNEXATION AREA RE-DESIGNATION. If the Klahanie election fails to pass on November 8, 2005, representatives from the City, County and the City of Sammamish, shall convene within 3 months of the date of election to discuss the future of Klahanie for the purpose of reaching agreement on the best course of action to move the community to incorporated status.

13. COST OF ELECTIONS. The County shall pay for the cost of holding an election for both the Klahanie annexation and the Greenwood Point / South Cove annexation.

14. KING COUNTY ROAD SHOP PROPERTY. King County Department of Transportation, Roads Division, owns real property located near, but not within the Klahanie annexation area. The property is effectively a small island of urban unincorporated property surrounded by the City. The County agrees to discuss and negotiate with the City the future annexation of this site by separate agreement. This agreement to discuss future annexation of this area in no way obligates the County to provide, transfer or sell the property to the City. However, the County shall notify the City should it decide to surplus the shop site.

15. ADMINISTRATION AND CONTACT PERSONS. The Parties stipulate that the following persons shall be the administrators of this Agreement and shall be the contact person for their respective jurisdiction.

City of Issaquah:

King County:

City Administrator
City of Issaquah
130 Sunset Way
P.O. Box 1307
Issaquah, WA 98027-1307

Director, Office of Management and Budget
King County
701 5th Avenue
Suite 3200
Seattle, WA 98104

16. COMPLIANCE WITH LAWS. Each Party accepts responsibility for compliance with federal, state, or local laws and regulations. Specifically, in meeting the commitments encompassed in this Agreement, all parties will comply with the requirements of the Open Meetings Act, Public Records Act, Growth Management Act, State Environmental Policy Act, and Annexation Statutes. The Parties retain the ultimate authority for land use and development decisions within their respective jurisdictions as provided herein. By executing this Agreement, the Parties do not purport to abrogate the decision-making responsibility vested in them by law.

17. INDEMNIFICATION.

The following indemnification provisions shall apply to the entirety of this Agreement except for Section 8 concerning Drainage Facilities and Drainage Facility

Property Interests, which Section shall be controlled exclusively by the provisions therein.

- a. The County shall indemnify and hold harmless the City and its officers, agents and employees, or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by reason or arising out of any negligent action or omission of the County, its officers, agents, and employees, or any of them, in performing obligations pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damage is brought against the City, the County shall defend the same at its sole cost and expense, provided that the City retains the right to participate in said suit if any principal or governmental or public law is involved, and if final judgment be rendered against the City and its officers, agents, and employees, or any of them, or jointly against the City and County and their respective officers, agents, and employees, or any of them, the County shall satisfy the same.
- b. The City shall indemnify and hold harmless the County and its officers, agents and employees or any of them from any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, by reason or arising out of any negligent action or omission of the City, its officers, agents, and employees, or any of them, in performing obligations pursuant to this Agreement. In the event that any suit based upon such a claim, action, loss, or damage is brought against the county, the City shall defend the same at its sole cost and expense, provided that the County retains the right to participate in said suit if any principal of governmental or public law is involved; and if final judgment be rendered against the County and its officers, agents, employees, or any of them, or jointly against the City and County and their respective officers, agents, and employees or any of them, the City shall satisfy the same.
- c. The City and the County acknowledge and agree that if such claims, actions, suits, liability, loss, costs, expenses and damages are caused by or result from the concurrent negligence of the City, its agents, employees, and/or officers and the County, its agents, employees, and/or officers, this section shall be valid and enforceable only to the extent of the negligence of each party, its agents, employees and/or officers.
- d. The provisions of this Indemnification Section shall survive the expiration or termination of this Agreement with respect to any event occurring prior to such expiration or termination.

18. GENERAL PROVISIONS.

- a. Entire Agreement. This Agreement contains all of the agreements of the Parties with respect to any matter covered or mentioned in this Agreement and no prior agreements shall be effective for any purpose.

- b. Filing. A copy of this Agreement shall be filed with the Issaquah City Clerk and recorded with the King County Auditor.
- c. Records. Until December 31, 2011, any of either party's records related to any matters covered by this Intergovernmental Agreement not otherwise privileged shall be subject to inspection, review, and/or audit by either party at the requesting party's sole expense. Such records shall be made available for inspection during regular business hours within a reasonable time of the request.
- d. Amendments. No provision of this Agreement may be amended or modified except by written agreement signed by the Parties.
- e. Severability. If one or more of the clauses of this Agreement is found to be unenforceable, illegal, or contrary to public policy, the Agreement will remain in full force and effect except for the clauses that are unenforceable, illegal, or contrary to public policy.
- f. Assignment. Neither the City nor the County shall have the right to transfer or assign, in whole or in part, any or all of its obligations and rights hereunder without the prior written consent of the other Party.
- g. Successors in Interest. Subject to the foregoing Subsection, the rights and obligations of the Parties shall inure to the benefit of and be binding upon their respective successors in interest, heirs, and assigns.
- h. Dispute Resolution. The Parties should attempt if appropriate to use a formal dispute resolution process such as mediation, through an agreed upon mediator and process, if agreement cannot be reached regarding interpretation or implementation of any provision of this Agreement. All costs for mediation services would be divided equally between the Parties. Each jurisdiction would be responsible for the costs of their own legal representation.
- i. Attorneys' fees. In the event either of the Parties defaults on the performance of any terms of this Agreement or either Party places the enforcement of this Agreement in the hands of an attorney, or files a lawsuit, each Party shall pay all its own attorneys' fees, costs and expenses.
- j. No waiver. Failure of either the County or the City to declare any breach or default immediately upon the occurrence thereof, or delay in taking any action in connection with, shall not waive such breach or default.
- k. Applicable Law. Washington law shall govern the interpretation of this Agreement. King County shall be the venue of any arbitration or lawsuit arising out of this Agreement.

- l. Authority. Each individual executing this Agreement on behalf of the City and the County represents and warrants that such individuals are duly authorized to execute and deliver the Agreement on behalf of the City or the County.
- m. Notices. Any notices required to be given by the Parties shall be delivered at the addresses set forth above in Section 9. Any notices may be delivered personally to the addressee of the notice or may be deposited in the United States mail, postage prepaid, to the addresses set forth above in Section 11. Any notice so posted in the United States mail shall be deemed received three (3) days after the date of mailing.
- n. Performance. Time is of the essence of this Agreement and each and all of its provisions in which performance is a factor.
- o. Equal Opportunity to Draft. The Parties have participated and had an equal opportunity to participate in the drafting of this Agreement. No ambiguity shall be construed against any party upon a claim that that party drafted the ambiguous language.
- p. Third Party Beneficiaries. This agreement is made and entered into for the sole protection and benefit of the parties hereto. No other person or entity shall have any right of action or interest in this Agreement based on any provision set forth herein.

IN WITNESS THEREOF, the Parties have executed this Agreement.

CITY:

COUNTY:

Ava Frisinger, Mayor

Ron Sims, Executive

Date: _____

Date: _____

ATTEST:

ATTEST:

City Clerk

DATED: _____

DATED: _____

Approved as to Form:

Approved as to Form:

City Attorney

Sr. Deputy Prosecuting Attorney

DRAFT 6/1/2005

EXHIBIT A**King County Parks Transferring to the City of Issaquah**

<u>Name of park</u>	<u>Amenities/facilities</u>
Sammamish Cove Park	Undeveloped Property
Klahanie Park	Developed: baseball fields, soccer fields, parking lot, trail, restroom facility
Meerwood Park	Play equipment, court and play area
Timberlake Park	Parking, picnic tables, non-motorized boat launch on Lake Sammamish
Lewis Creek	Open space tract

EXHIBIT B

**FORM OF INTERGOVERNMENTAL TRANSFER AGREEMENT FOR LOCAL
PARKS AND OPEN SPACE PROPERTIES**

Intergovernmental Land Transfer Agreement Between
King County and the City of Issaquah

Relating to the Ownership, Operation and Maintenance of Parks,
Open Space, Recreation Facilities and Programs

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

WHEREAS the City desires to own, operate, and maintain parks, open space, recreation facilities and programs and other municipal programs, facilities and property inside its boundaries; and

WHEREAS the County, under the authority of RCW 36.89.050, King County Resolution 34571 and other federal, state and county laws, has acquired and developed a substantial park, recreation and open space system that depends on the continued operation of its many individual properties and facilities in order to fully serve the needs of the residents of King County and the cities within it; and

WHEREAS the County desires to divest itself of ownership, management, and financial responsibility for parks, open space, recreational facilities and programs inside and near the City boundaries; and

WHEREAS the County does not have a sufficient, stable source of revenue to continue to manage and maintain its parks, open space, recreational facilities and programs at current levels; and

WHEREAS the County is legally restricted from converting many of these parks, open space, and recreational facilities from their current uses without expending funds to replace the converted facilities; and

WHEREAS, given the legal restriction regarding conversion of the properties, the marketability of the properties is limited and, as a result, the cost of operating the facility is approximately equal to the value of the property to the County; and

WHEREAS it is in the best interest of the public that the City and the County take those actions necessary to meet those desires and to cooperate in any transition to insure a smooth transition and avoid service disruption;

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the City and the County agree as follows:

1. Conveyance of Title

- 1.1. Within thirty (30) days of execution of this Agreement, King County shall convey to the City by deed all its ownership interest, and/or, when possible, by assignment, any leasehold interest or shared use responsibility, in the following listed park/recreation site(s), which are described more fully in Exhibits A and B (the "Property"):

Sammamish Cove Park

- 1.2 All deeds shall also contain the following specific covenants pertaining to use, which covenants shall run with the land for the benefit of the County and the County land that makes up its public park, recreation and open space system. The County and the City agree that the County shall have standing to enforce these covenants, which shall be set forth as follows:

"The City, as required by RCW 36.89.050, covenants that the Property shall be continued to be used for open space, park, or recreation facility purposes or that other equivalent facilities within the County shall be conveyed to the County in exchange therefore."

"The City acknowledges that the Property was purchased for open space purposes with funds from Open Space Bonds authorized in 1989 by King County Ordinance 9071 and covenants that it shall abide by and enforce all terms, conditions and restrictions in Ordinance 9071, including that the City covenants that the Property will continue to be used for the purposes contemplated by Ordinance 9071, which prohibits both active recreation and motorized recreation such as off-road recreational vehicles but allows passive recreation, that the Property shall not be transferred or conveyed except by agreement providing that the Property shall continue to be used for the purposes contemplated by Ordinance 9071, and that the Property shall not be converted to a different use unless other equivalent lands and facilities within the County or the City shall be received in exchange therefore."

"The City covenants that so long as there are outstanding County bonds related to the Property, it shall not use the Property in a manner that would cause the interest on such bonds to no longer be exempt from federal income taxation."

"The City further covenants that it will not limit or restrict access to and use of the Property by non-city residents in any way that does not also apply to city residents. The City covenants that any and all user fees charged for the Property, including charges imposed by any lessees, concessionaires, service providers,

and/or other assignees shall be at the same rate for non-City residents as for the residents of the City."

"The City covenants that it shall place the preceding covenants in any deed transferring the Property or a portion of the Property for public park, recreation or open space uses."

- 1.2 In Conveying the Property by deed, the County shall reserve a utility easement in substantially the same form as attached hereto as Exhibit C.

2. Existing Restrictions, Agreements, Contracts or Permits

- 2.1 The City shall abide by and enforce all terms, conditions, reservations, restrictions and covenants of title set forth in the legal description attached to this Agreement, set forth as an exception in the First American Title Insurance Company Commitment for Title Insurance No. 899825 dated August 16, 2002 and any amendments thereto issued prior to the conveyance of the Property, and/or set forth in the deed of conveyance.

3. Condition of Premises and Responsibility for Operations, Maintenance, Repairs, Improvements, and Recreation Services

- 3.1 The City has inspected and knows the condition of the Property and agrees to accept the Property in AS IS condition, and to assume full and complete responsibility for all operations, maintenance, repairs, improvements of, and provision of recreational services at, the Property.
- 3.2 King County does not make and specifically disclaims any warranties, express or implied, including any warranty of merchantability or fitness for a particular purpose, with respect to the Property, and no official, employee, representative or agent of King County is authorized otherwise.
- 3.3 The City acknowledges and agrees that except as indicated in paragraph 4.2, the County shall have no liability for, and that the City shall release and have no recourse against the County for, any defect or deficiency of any kind whatsoever in the Property without regard to whether such defect or deficiency was known or discoverable by the City or the County.

4. Environmental Liability

- 4.1 "Hazardous Materials" as used herein shall mean any hazardous, dangerous or toxic wastes, materials, or substances as defined in state or federal statutes or regulations as currently adopted or hereafter amended.
- 4.2 Nothing in this agreement shall be deemed to waive any statutory claim for contribution that the City might have against the County under federal or state

environmental statutes that arises from hazardous materials deposited or released on the Property by the County during the County's period of ownership. The City may not, however, assert such a claim to the extent that the City creates the need for or exacerbates the cost of remediation upon which a statutory claim for contribution is based as a result of the City performing construction activities on the Property, changing the configuration of the Property, or changing the use of the Property.

- 4.3 If the City discovers the presence of hazardous materials at levels that could give rise to a statutory claim for contribution against the County it shall reasonably promptly notify the County in writing. The parties shall make their best efforts to reach agreement as to which party is responsible for remediation under the terms of this Agreement prior to any undertaking of remediation. Failure to meet the notice requirements of this section does not preclude the City from filing a claim against the County for contribution under federal or state law.
- 4.4 In no event shall the County be responsible for any costs of remediation that exceed the minimum necessary to satisfy the state or federal agency with jurisdiction over the remediation.

5. Indemnification and Hold Harmless

- 5.1 King County shall indemnify and hold harmless the City and its elected officials, officers, agents or employees, or any of them, from and against any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, (i) which are caused by or result from a negligent action or omission of King County, its officers, agents and employees in performing its obligations pursuant to this Agreement, and/or (ii) arising from those occurrences related to the Property that occurred prior to the effective date of conveyance of the Property to the City, except to the extent that indemnifying or holding the City harmless would be limited by Section 4 of this Agreement. In the event that any suit based upon such a claim, action, loss or damage is brought against the City or the City and King County, King County shall defend the same at its sole cost and expense and, if final judgment be rendered against the City and its elected officials, officers, agents and employees or jointly against the City and King County and their respective elected officials, officers, agents and employees, King County shall satisfy the same.
- 5.2 In executing this Agreement, the County does not assume liability or responsibility for or in any way release the City from any liability or responsibility which arises in whole or in part from the existence or effect of City ordinances, rules or regulations. If any cause, claim, suit, action or administrative proceeding is commenced in which the enforceability and/or validity of any such City ordinance, rule or regulation is at issue, the City shall defend the same at its sole expense and if judgment is entered or damages are awarded against the City, the County or both, the City shall satisfy the same, including all chargeable costs

and attorney's fees.

- 5.3 The City shall indemnify and hold harmless King County and its elected officials, officers, agents and employees, or any of them, from and against any and all claims, actions, suits, liability, loss, costs, expenses and damages of any nature whatsoever, (i) which are caused by or result from a negligent act or omission of the City, its officers, agents and employees in performing obligations pursuant to this Agreement, and/or (ii) arising from those occurrences related to the Property that occurred on or after the effective date of conveyance of the Property to the City, except to the extent that indemnifying or holding the County harmless would be limited by Section 4 of this Agreement, and except to the extent that the occurrence is caused by or results from a negligent act or omission of King County, its officers, agents and employees occurring on or after the effective date of conveyance of the Property to the City. In the event that any suit based upon such a claim, action, loss or damage is brought against King County or King County and the City, the City shall defend the same at its sole cost and expense and, if final judgment be rendered against King County and its officers, agents and employees or jointly against King County and the City and their respective officers, agents and employees, the City shall satisfy the same.
- 5.4 Each Party to this Agreement shall reasonably promptly notify the other of any and all claims, actions, losses or damages that arise or are brought against that Party relating to or pertaining to the Property.
- 5.5 Each party agrees that its obligations under this paragraph extend to any claim, demand, and/or cause of action brought by or on behalf of any employees, or agents. For this purpose, each party, by mutual negotiation, hereby waives, with respect to the other party only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW, but only to the extent necessary to indemnify the other party.

6. Audits and Inspections

- 6.1 Until December 31, 2008, any of either party's records related to any matters covered by this Intergovernmental Agreement not otherwise privileged shall be subject to inspection, review, and/or audit by either party at the requesting party's sole expense. Such records shall be made available for inspection during regular business hours within a reasonable time of the request.

7. Waiver and Amendments

- 7.1 Waiver of any breach of any term or condition of this Agreement shall not be deemed a waiver of any prior or subsequent breach. No term or condition shall be waived, modified or deleted except by an instrument, in writing, signed by the

parties hereto.

8. Entire Agreement and Modifications

8.1 This Intergovernmental Agreement and its Exhibits sets forth the entire agreement between the parties with respect to the subject matter hereof. It may be supplemented by addenda or amendments, which have been agreed upon by both parties in writing. Copies of such addenda and amendments shall be attached hereto and by this reference made part of this contract as though fully set forth herein.

9. Duration and Authority

9.1 This agreement shall be effective upon signature and authorization by both parties. The terms, covenants, representations and warranties contained herein shall not merge in the deed of conveyance, but shall survive the conveyance and shall continue in force unless both parties mutually consent in writing to termination.

10. Notice

10.1 Any notice provided for herein shall be sent to the respective parties at:

King County
Ron Sims
King County Executive
516 Third Avenue, Suite 400
Seattle, WA 98104

City
Leon Kos, City Administrator
City of Issaquah
P.O. Box 1301
Issaquah, WA 98027

IN WITNESS WHEREOF, the parties have executed this Agreement.

King County

City of Issaquah

King County Executive

Mayor

Date

Date

Approved as to Form:

Approved as to Form:

DRAFT 6/1/2005

Notary Public in and for the
State of Washington, residing

at _____
City and State

My appointment expires _____

“Exhibit A”
Property Description
[insert property description of park to be transferred]

**“Exhibit B”
Legal Descriptions**

SAMMAMISH COVE PARK

That portion of Government Lots 3, 4, 5 and 6, Section 20, Township 24 North, Range 6 East, Willamette Meridian, in King County, Washington, lying Northeasterly of Primary State Highway No. 2 as conveyed to the State of Washington by deeds recorded under Recording Nos. 3066534 and 4722298; TOGETHER WITH shorelands of the second class adjoining thereto as conveyed by the State of Washington by deed recorded under Recording No. 619364;

EXCEPT that portion thereof lying within the right of way for drainage ditch condemned by Drainage District No. 4 of King County, in King County Superior Court Cause No. 115812;

ALSO EXCEPT that portion thereof lying Southwesterly and Westerly of the Easterly line of that certain tract conveyed to Joe A. Chandler and Marie B. Chandler by deed recorded under Recording No. 5214298 and established by that deed and Boundary Line Agreement recorded under recording No. 8705271211, described as follows: Commencing at a point where the West line of the East 632.00 feet of Government Lot 4 intersects the Northeasterly margin of N.W. Sammamish Rd., which point is marked by a concrete monument stamped Park Boundary-Jones-C96 1974 as established by the Jones Associates in survey recorded in Book 3 of Surveys, Page 272; thence along the Northeasterly Margin of said N.W. Sammamish Rd., as follows: North 59-16-08 West a distance of 820.47 feet; thence North 30-43-52 East a distance of 25.00 feet; thence continuing North 59-16-08 West a distance of 259.47 feet to a PK nail with aluminum washer, L.S. No. 11691 set in a concrete filled 1-1/2” galvanized pipe, the true point of beginning of the line herein described; thence North 13-07-06 West along and about 10 feet Northeasterly of the centerline of a small creek, a distance of 432.26 feet to a PK nail with aluminum washer, L.S. No. 11691 set in a concrete filled 1-1/2” galvanized pipe which is 0.1 feet Easterly of a 1.8 foot diameter metal planter and about 6 feet Southerly of the shore of Lake Sammamish, the terminus of the line herein described. (Said line to be extended or shortened so as to terminate at the line of ordinary high water of said lake). The bearings, distances, points called for etc. are as shown on the “Boundary Line Agreement Map” attached to deed and Boundary Line Agreement recorded under Recording No. 8705271211 and identified as “Exhibit A” which by this reference is made a part hereof; ALSO EXCEPT the East 632 feet of Government Lots 3 and 4 of said Section 20 and the shorelands adjoining thereto condemned by the State of Washington in King County Superior Court Cause No. 684942; ALSO EXCEPT that portion, if any, lying within the West 578 feet of the East 1210 feet of said Government Lot 3 and the shorelands adjoining Government Lots 3 and 4 as condemned by the State of Washington in King County Superior Court Cause No. 687735.

SUBJECT TO: 1) Easement and conditions contained therein, as disclosed by instrument recorded on February 2, 1959, Recording No. 4992472; 2) The question of location of lateral boundaries of said second class tidelands or shorelands; 3) Any prohibition or limitation of use, occupancy or improvement of the real property resulting from the rights

of the public or riparian owners to use any portion which is now or has been formerly covered by water; 4) Paramount rights and easements in favor of the United States for commerce, navigation, fisheries and the production of power; 5) Agreement and the terms and conditions thereof between Municipality of Metropolitan Seattle, a Municipal Corporation, and Eastgate Sewer District, a Municipal Corporation, which agreement was recorded on April 21, 1967, under King County Recording No. 6465047; 6) Agreement and the terms and conditions thereof between City of Issaquah, a Municipal Corporation, and E.M. Greenwood, which agreement was recorded on November 21, 1977, under King County Recording No. 7711210304; 7) The right to make necessary slopes for cuts or fills upon the real property herein described as granted in deed to grantee, King County, which Deed was recorded on April 7, 1932, under King County Recording No. 2716847; 8) Conservation Easement in favor of the State of Washington, as recorded under Recording No. 9308301941.

RESERVED UNTO KING COUNTY, WASHINGTON, a permanent Utility Easement as described in the attached Reservation of Utility Easement.

“Exhibit C”
Reserved Utility Easement

Recording Requested By And
When Recorded Mail To:

King County
Department of Natural Resources
Wastewater Treatment Division
MS KSC-NR-600
201 South Jackson Street
Seattle, WA 98104-3855

Grantor: City of Issaquah, a municipal corporation
Grantee: King County, a political subdivision of the State of Washington
Abbreviated Legal Description: GOV. LOT 3-6, SECTION 20 TOWNSHIP 24N
RANGE 06E
Assessor’s Tax Parcel Nos.: 202406-9070-08
Project: Sammamish Cove Transfer
Parcel No.:

RESERVATION OF UTILITY EASEMENT

THIS RESERVATION OF UTILITY EASEMENT is made and effective as of _____, 2002, between King County, a political subdivision of the State of Washington, its successors and assigns (hereinafter together referred to as “County”) and City of Issaquah, a municipal corporation in the State of Washington, its successors and assigns (hereinafter together referred to as "City").

RECITALS

- A. City has agreed to acquire from the County and the County has agreed to convey to the City, for and in consideration of the terms and conditions of that certain inter-local transfer agreement, dated _____, by and between City and County, and other valuable considerations, the receipt of which is hereby acknowledged, and hereby agree to the reservation for the benefit of County, of a permanent easement over, across, along, in, upon and under, the legally described property on Exhibit A attached hereto (“Property”).
- B. The County owns Utility facilities located on and under the Property. An easement for these Utility facilities had been granted to Municipality of Metropolitan Seattle (hereinafter Metro) by documents dated April 20, 1967, recorded under King County Recorder’s number 6171993, and document dated July 7, 1967, recorded under King County Recorder’s number 6207199 (“Metro Easements”). Since the granting of the Metro Easements, the County and Metro merged, thereby causing a merger of title between the Property and the Metro Easements. This Reservation of Easement shall supercede and replace the language of the Metro Easements.

- c. The County's agreement to convey the Property to the City is conditioned upon the County's reservation of permanent utility easements.

The City and County, by accepting and recording this Reservation of Utility Easement, hereby mutually covenant and agree as follows:

1. The County hereby reserves, for the purposes stated below, permanent utility easements over, across, along, in, upon and under the property more particularly described in Exhibit B, attached hereto and incorporated herein by reference ("Utility Easement" Area):
2. The Utility Easement being granted herein is for the purpose of installing, constructing, operating, maintaining, removing, re-constructing, repairing, replacing and using sewer pipeline or pipelines with all connections, manholes and appurtenances thereto, including fibre optic or communications lines used in conjunction with a sewer pipeline (hereinafter collectively referred to as "facilities"), within the Utility Easement Area, together with the right of ingress to and egress from said described property for the foregoing purposes.
3. The term of the utility easement shall be perpetual, and shall be appurtenant to, be binding upon, and run with the Property.
4. County shall, if the above described Property is disturbed by the maintenance, removal, repair or replacement of the facilities specified herein, restore the surface of the above described Property as nearly as possible to the condition in which it existed at the commencement of said maintenance, removal, repair or replacement.
5. County shall indemnify, defend and hold harmless City, its elected officials, staff, officers, agents and employees, from and against any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, including costs and attorneys fees in defense and costs on appeal thereof, for injuries, sickness or death of persons or damage to property, which is caused by or arises out of said County, its officers, agents, or employees' errors or omissions in the performance of activities related to this easement, provided, however, that County's obligation to indemnify, defend and hold harmless shall not extend to injuries, sickness, death or damage caused by or resulting from the sole negligence of City, its elected officials, officers, agents or employees. County agrees that its obligations under this paragraph extend to any claim, demand, and/or cause of action brought by or on behalf of any of its employees, or agents. For this purpose, County by mutual negotiation, hereby waives as respects the City only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW.
6. City shall indemnify, defend and hold harmless County, its elected officials, staff, officers, agents and employees, from and against any and all claims, actions, suits, liability, loss, costs, expenses, and damages of any nature whatsoever, including costs and attorneys fees in defense and costs on appeal thereof, for injuries, sickness or death of persons or damage to property, which is caused by or arises out of said City, its officers, agents, or employees' acts, errors or omissions on the Property, both inside and outside the Utility Easement Area, provided, however, that City's obligation to indemnify, defend and hold harmless shall not extend to injuries sickness, death or damage caused by or resulting from the sole

negligence of County, its elected officials, officers, agents or employees. City agrees that it's obligations under this paragraph extend to any claim, demand, and/or cause of action brought by or on behalf of any of it's employees, or its agents. For this purpose, City, by mutual negotiation, hereby waives, as respects the County only, any immunity that would otherwise be available against such claims under the Industrial Insurance provisions of Title 51 RCW.

- 7. All right, title, and interest that may be used and enjoyed without interfering with the Reservation of Utility Easement rights are reserved to the City. Except as otherwise provided herein, and after the date of this agreement, the construction, installation, or maintenance of any structures, whether temporary or permanent, shall be absolutely prohibited within the above described permanent easement area and shall be deemed an unreasonable interference with County's easement rights unless specifically approved in writing by the County. Moreover, as to such non-approved structures, the provisions of paragraph 4 and 5 above, shall not apply.

WITNESSETH, the City has hereunto signed the day and year first above written.

GRANTOR:

By: _____

Its _____

STATE OF WASHINGTON)
)SS
 COUNTY OF KING)

On this _____ day of _____, 2002, before me the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared _____, to me known to be the _____ of the City of _____, a Washington political subdivision of the State of Washington, that executed the foregoing instrument and acknowledged the said instrument to be the free and voluntary act and deed of said _____ for the uses and purposes therein mentioned and on oath stated that s/he was authorized to execute the said instrument.

WITNESS my hand and official seal hereto affixed the day and year in this certificate above written.

Dated: _____

_____ Notary Public in and for the State of Washington,
 residing at _____ My appointment expires _____

Exhibit "A "

[LEGAL DESCRIPTION FOR PARK AS SET FORTH IN EXHIBIT B TO TRANSFER
AGREEMENT]

Exhibit "B"

Servient Property:

Government Lot 4, EXCEPT Primary State Highway No. 2 as now located and established, EXCEPT right of way for King County Drainage District No. 4, condemned in King County Superior Court Cause No. 115812 and EXCEPT any portion lying south and west of a line established in boundary agreement recorded under Auditor's File No. 5228379, records of King County, TOGETHER WITH the second class shorelands adjoining;

ALSO, that portion of Government Lot 5 and of Government Lot 6 lying northeasterly of Primary State Highway No. 2 as now located and established, EXCEPT that portion thereof lying westerly of the easterly line of a tract of land conveyed to Joe A. Chandler and Marie B. Chandler, his wife, by deed dated October 18, 1960, and recorded as Auditor's File No. 5214298, records of King County, TOGETHER WITH the second class shorelands adjoining;

ALSO, that portion of the Northeast Quarter of the South-West Quarter lying northeasterly of Primary State Highway No. 2 as now established and located;

ALL in Section 20, Township 24 North, Range 6 East, W.M.;

Easement:

A permanent easement over, across, along, in, upon and under that portion of the above-described property, included within a strip of land 30 feet in width lying 15 feet on each side of the following described center line:

Beginning at a point on the south line of Section 18, Township 24 North, Range 6 East, W.M., said point being South 88°18'42" East 2469.448 feet along the south line of said Section 18 from the south quarter corner thereof; said point of beginning being designated as North 206,478.459 East 1692,618.946 Washington Coordinate System, North Zone; thence South 5°26'46" West 92.372 feet; thence South 10°03'25" East 102.362 feet; thence South 40°43'24" East 424.500 feet; thence South 33°08'00" East 144.500 feet; thence South 15°03'00" East 144.500 feet; thence South 37°43'00" East 130.774 feet; thence South 10°52'00" West 74.500 feet; thence South 4°51'00" East 118.765 feet; thence South 25°14'00" East 144.500 feet; thence South 61°28'09" East 269.553 feet; thence North 86°24'00" East 214.500 feet; thence South 79°16'00" East 354.500 feet to point of terminus; said point of terminus being North 47°36'12" West 1908.533 feet from the center of Section 20, Township 24 North, Range 6 East, W.M., (said center point of Section 20 being North 89°42'01" East 2669.30 feet from the west quarter corner of said Section 20 as measured along the east-west center line thereof) and said point of terminus being designated as North 205,096.49 East 1693,958.30 Washington Coordinate System;

ALSO, a permanent easement over, across, along, in, upon and under a strip of land 10 feet in width lying 5 feet on each side of a 21-inch water intake line as constructed from a point on the sewer trunk line as described above and extending lakeward to the outer limits of the second class shorelands.

ALSO, a permanent easement over, across, along, in, upon and under a strip of land 15 feet in width lying 7-1/2 feet on each side of the following described center line:

Beginning at a point in Section 20, Township 24 North, Range 6 East, W.M., said point being North 47°36'12" West 1908.533 feet from the center of said Section 20 (said center point of Section 20 being North 89°42'01" East 2669.30 feet along the east-west center line of said Section 20 from the west quarter corner thereof) and said point of beginning being designated as North 205.096 49 East 1693,958.30 Washington Coordinate System, North Zone; thence South 87°46'36" East 347.47 feet, thence South 54°23'42" East 1332.14 feet; thence South 1°19'59" West 458.19 feet, more or less, to intersection with the north line of said Primary State Highway No. 2, said point of intersection being 10 feet easterly from the north-south center line of said Section 20 as measured at right angles thereto;

ALSO, County has constructed on the shorelands adjoining the property described in Exhibit A, a pile supported dock. Said dock extends over a manhole located in County's trunk sewer line in Lake Sammamish and said dock has a bolted access cover over the top of the manhole. The dock shall be transferred as part of the Property, but County shall have the right of ingress to and egress from said access cover for the purpose of routine inspection and maintenance only and said dock shall remain where installed as long as County has the above-described sewer line in operation.

EXHIBIT C

**Local Drainage Facilities to be Transferred to City or
Subject to Inspection by the City after Annexation of Klahanie and South
Cove/Greenwood Point PAA**

Table A: Stormwater System Facilities to be transferred to City

DR#	Facility	Address	Type
DR0609	Queens Bog Dam	24126 SE 32 nd St	DOE Dam/FC Pond
DR0614	Klahanie North Dam	3800 254 th Ave SE	DOE Dam/FC Pond
DR0613	Yellow Lake Dam	24664 SE 44 th St	DOE Dam/FC Pond
DR0612	Klahanie No. 1 Dam	23800 SE 42 nd St	DOE Dam/FC Pond
DR0615	Klahanie 14/17/18 Dam	25334 Iss-Fall City Rd SE	DOE Dam/FC Pond

Table B: Commercial Stormwater Facilities to remain in private ownership

Facility Name	Facility Address
QFC Klahanie, vault "A"	4570 Klahanie Dr SE
QFC Klahanie, vault "B"	4570 Klahanie Dr SE
Kenloch at Klahanie (formerly D97164)	4134 244 th Ln SE
Challenger Elementary School (formerly D98180)	25200 SE Klahanie Blvd.
Avalon Condos	4403 249 th Tr SE
Klahanie Townhomes	4455 Klahanie Dr SE
Skye Landing at Klahanie	4105 249 th Ave SE
St Andrews Klahanie	4575 Klahanie Dr SE
Barclay Square Condos at Klahanie	3524 255 th Ln SE
Klahanie Texaco	4598 Klahanie Dr SE
Klahanie Texaco	4598 Klahanie Dr SE
Pine Ranch Montessori School	3522 Issq-Pine Lk Rd
Faith United Methodist Church	3924 Issaquah-Pine Lk Rd
Shepherd of the Hills Lutheran Church	24850 SE Issaquah Fall City Rd
Lakeside Montessori School	3522 Issaquah-Pine Lake Rd SE

Table C: Residential Stormwater Facilities to be Transferred to City

FACILITY NAME	FACILITY ADDRESS
Brookshire Estates	4609 242 nd AVE SE
Autumn Glen I	4672 244 th PI SE (APPROX)
Brookshire Crest	24295 SE 47 th St

Brookshire East	4607 – 242 nd AVE SE
Klahanie Div 2 & 3	24661 SE 44 th St
KCSP S89S0278 (Reuben SP)	4800 240 th Ave SE
Klahanie Div 1 (PA)	4300 Issaq-Pine Lk Rd
Klahanie Div 1 (PB)	24131 SE 44 th Ct
Klahanie Div 4	3831 242 nd Ave SE
Glenwood (SLT)	3611 241 st Ave SE
Glenwood (NLT)	3200 241 st Ave SE
Klahanie Div 6 & 7	3300 241 st PI SE
Hunter's Ridge	24800 SE 45 th Wy
Klahanie North	256 th Ave SE & Klahanie Blvd
Klahanie Div 10 12 & 16	25650 SE 37 th Wy
Klahanie Div 14 17 & 18	25700 Issaquah-Fall City Rd
Klahanie Div 19	4220 Klahanie Dr SE
Klahanie East (Klahanie #20)	4020 262 nd PI SE
Klahanie Div 21	4295 Klahanie Dr SE
Traditions at Klahanie (Tr B)	249 th Ave SE & Klahanie Dr SE
Pinelake Meadows PA	23809 SE 35 th St
Pinelake Meadows (PB)	3526 239 th Ave SE
Summer Meadows Div 1	3900 Issaquah-Pine Lake Rd S
Summer Meadows Div 2	4100 Issaquah-Pine Lake Rd SE
Glenwood (P)	3700 Issaquah-Pine Lake Rd
Summer Pond #2	3904 240 th PI SE
AAA 2YR BOND Hunter Lane, Tr B	24498 SE 46 th PI
AAA 2YR BOND Hunter Lane	244XX SE 46 th PI

TABLE D: South Cove Surface Water Management Facilities

Storm Water System Facilities to be Transferred:

DR#	Facility	Address	Type
DR0902	Meerwood Drainage	4704 192nd PI SE	Channel

Commercial Stormwater Facilities to remain in private ownership: Four facilities at Sammamish Bluffs Condominiums, located at 4701 W. Lake Sammamish Pkwy. S.E. and 4737 W. Lake Sammamish Prkwy. S.E.

Residential Stormwater Facilities to be Transferred:

Facility Name	Address
Timber Lake Lane (P)	18150 SE 42 nd PI
Timber Lake Lane (LT)	18233 SE 43 rd PI
Weatherwood #1	4501 186th Ave SE
Weatherwood East	18701 SE 45 th St

DRAFT 6/1/2005

EXHIBIT F**Issaquah Police Services Transition Plan**

The City of Issaquah will annex the Klahanie area effective on or before June 1, 2006. Police-related transition considerations are described in this document.

Official Effective Date: Effective date of annexation**Desired outcomes**

1. The King County Sheriff's Office and City of Issaquah share a goal to work together to ensure that the transition is conducted in a professional manner, and that there are no breaks in service for the residents of the annexation areas.

Roles and responsibilities

1. The KCSO Contracts Unit is responsible for:
 - a. Facilitating the transition process.
 - b. Ensuring that all transition elements are addressed and completed.
 - c. Working with Precinct Three to address operational components of change.
 - d. Working with non-precinct KCSO units to ensure smooth transition.
 - e. Serving as primary contact for city of Issaquah.
2. The KCSO Precinct Three is responsible for:
 - a. Ensuring the operations are smoothly transitioned, including crime information as requested by Issaquah.
3. The City of Issaquah, including its police department, is responsible for:
 - a. Ensuring that the police department is able to provide service in to the annexation area
 - b. Determining the information needed from the KCSO regarding crime, detective cases, or other law enforcement activities.
 - c. Requesting the information identified above in a timely manner.

Workload

1. Records
 - a. The KCSO will retain all original records for events happening before effective annexation date. We will provide copies of the records upon written request from the Issaquah Police Department, following KCSO protocols.
2. Fingerprinting and Concealed Weapons Permits
 - a. Issaquah residents can continue to receive these services at KCSO locations, or may go to the Issaquah Police for these services.
3. Sex offender tracking, contacts, and notifications
 - a. Issaquah will become responsible for holding community meetings for any sex offenders living in the annexation areas, with the exception of already-scheduled meetings. Further, they will be responsible for all legally mandated contacts. The KCSO retains responsibility for sex offender registration.
4. Investigations
 - a. KCSO detectives will continue to handle all investigations that are active at the date of annexation, unless otherwise negotiated with the city. At Issaquah's request, we will arrange for an information exchange with city detectives in order to pass on information regarding any cases that they will investigate.

Emergency 9-1-1 Services (Communication & Dispatch)

1. Issaquah Police will be responsible for ensuring that their communications and dispatch services are prepared to take annexation area calls beginning at 12:01 a.m. on the effective date of annexation. This includes arranging for such 9-1-1 calls to be directed to the proper communications center.
2. The KCSO will be responsible for discontinuing communication and dispatch service to the annexation areas at midnight on effective date of annexation. They will assist Issaquah's communications service in making the switch, with Issaquah having primary responsibility.

Notification to affected units

1. The KCSO Contracts Unit will notify all KCSO units of the annexations, and will work with them to resolve any concerns.



King County

Ron Sims

King County Executive

701 Fifth Avenue, Suite 3210
Seattle, WA 98104

206-296-4040 Fax 206-296-0194

TTY Relay: 711

www.metrokc.gov

RECEIVED

2005 JUN -2 AM 10:16

CLERK
KING COUNTY COUNCIL

2005-269

June 1, 2005

The Honorable Larry Phillips
Chair, King County Council
Room 1200
COURTHOUSE

Dear Councilmember Phillips:

I am pleased to transmit to Council legislation authorizing the execution of an interlocal agreement between King County and the City of Issaquah regarding the annexation of the communities of Klahanie and Greenwood Point / South Cove. The residents of these communities will have the opportunity in November of this year to vote for annexation to the City. Should the voters favor joining the City, this agreement will serve to facilitate the smooth transition of local service responsibility for over 14,000 residents.

This agreement is tangible evidence that the County is diligently working toward implementing the recommendations of several budget task forces, namely the King County Budget Advisory Task Force (KCBATF) and the King County Commission on Governance, to take certain and necessary steps toward addressing the County's general fund (CX) structural deficit. While there are a number of contributing factors which cause the deficit, the KCBATF found that "the longer the county remains in the urban service business, the longer the budget crisis will continue." Consequently, the annexation of the remaining 218,000 residents of urban unincorporated to cities, "may be the single most important step the county can take to address its fiscal challenges."

In light of the task forces findings and recommendations, the County with the passage of the 2004 budget created the Annexation Initiative, a multi-year effort to hasten the pace of annexation so that: 1) the County is able to preserve the quality of local services to urban communities by transferring responsibility to cities which have a greater ability to fund local services; and 2) the regionally adopted land use vision set forth in the Countywide Planning Policies which calls for County government to be the provider of regional and local rural services, and cities to be the provider of urban services can be achieved. If this land use and service vision is accomplished, all land within the County's urban growth boundary would be served by cities.

Though Klahanie and Greenwood/South Cove is the first major annexation agreement brought forth to Council under the Annexation Initiative, the County is currently working with a number of community groups and cities to support efforts associated with governance transition. For example, the County is: 1) providing funding and staffing for the West Hill Governance Taskforce which is engaged in a community process to be concluded in July to determine which governance option is best for its community; 2) providing funding and staffing to the Fairwood Incorporation Taskforce that is seeking to place the question of incorporation on the November ballot; 3) providing staff to work with a group of East Renton Plateau residents interested in annexation to the city of Renton; 4) providing funding for the city of Kirkland to assess the fiscal impacts of annexation on it and the affected special districts; and, 5) working with a number of North Highline community groups as well as the North Highline Unincorporated Area Council to assess both the possibility of annexation and incorporation. I expect that through these and other annexation related activities, that there will be significant annexations over the next several years. It will be at that point in time where the CX fund will realize significant savings from annexations.

Klahanie is one of the ten large remaining urban unincorporated areas (potential annexation areas) identified in Council Motion 12018 (see attachment A to the Motion) as a priority area for annexation. Therefore, pursuant to the Motion, I am recommending the use of Annexation Incentive Fund dollars to help the City defray the cost of ramping-up services to the annexation area. The basis for the offer is described in full in attachment A to this letter. Attachment A, as stipulated primarily by sections D and E of the Motion, sets forth the rationale and methodology for the incentive fund offer, the impact to the general fund, the impact to non-CX funds, how the savings from this annexation will be realized over time, and the amount of "bonus" included in the offer amount since the annexation falls within the 2005-2006 time frame.

Budget staff are also exploring the legal and financial issues around some innovative ideas on the implementation date of the annexation that may create a financial "win-win" that will benefit both the City of Issaquah and the County Roads fund. That analysis was not concluded in time for this transmittal, but we will be forwarding the results of that analysis to the Council before the Council takes up final action on this ordinance.

In addition to providing quantitative information regarding the incentive fund offer, the Motion also stipulates that if funds are to be used, then the County must craft an agreement that transfers local park and surface water facilities and properties at the time of annexation, provides for the consideration of affected county employees, and addresses the transition of services such as permitting and police. And it must, whenever possible, explore the possibility of contracting of County services.

In accordance with the provisions and policy intent set forth in the Motion, the agreement as set forth below prescribes the following at time of annexation:

- a payment upon the effective date of annexation of Klahanie of \$850,000 in annexation incentive funds (see attachment A);

The Honorable Larry Phillips

June 1, 2005

Page 3

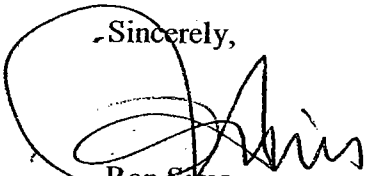
- transfer of all local surface water management facilities, easements and properties;
- transfer of all local park and open space properties;
- transfer of \$1.1m in capital funds for design of the Issaquah-Fall City road project subject to the City assuming lead responsibility; and
- the orderly transition of police, jail, development permitting, and county records.

Road right-of-way and associated facilities under state law automatically transfer upon annexation. The City currently contracts with the County for jail and permitting services and may elect to contract via separate agreement for surface water management services in the annexation areas for 2006.

There are two other notable provisions of the agreement: 1, the City and County will undertake in 2006 a joint effort to study the City's last remaining unincorporated area of size; and 2, should the residents of Klahanie reject the annexation vote, the City agrees to meet with the County and the City of Sammamish to come to an agreement over the future of this area.

The annexation of Klahanie and Greenwood Point/South Cove represents a major step forward for the County's Annexation Initiative. If approved by the voters, the County would forever relinquish its local service provider responsibility to the City. I look forward to favorable action by the County Council.

Sincerely,

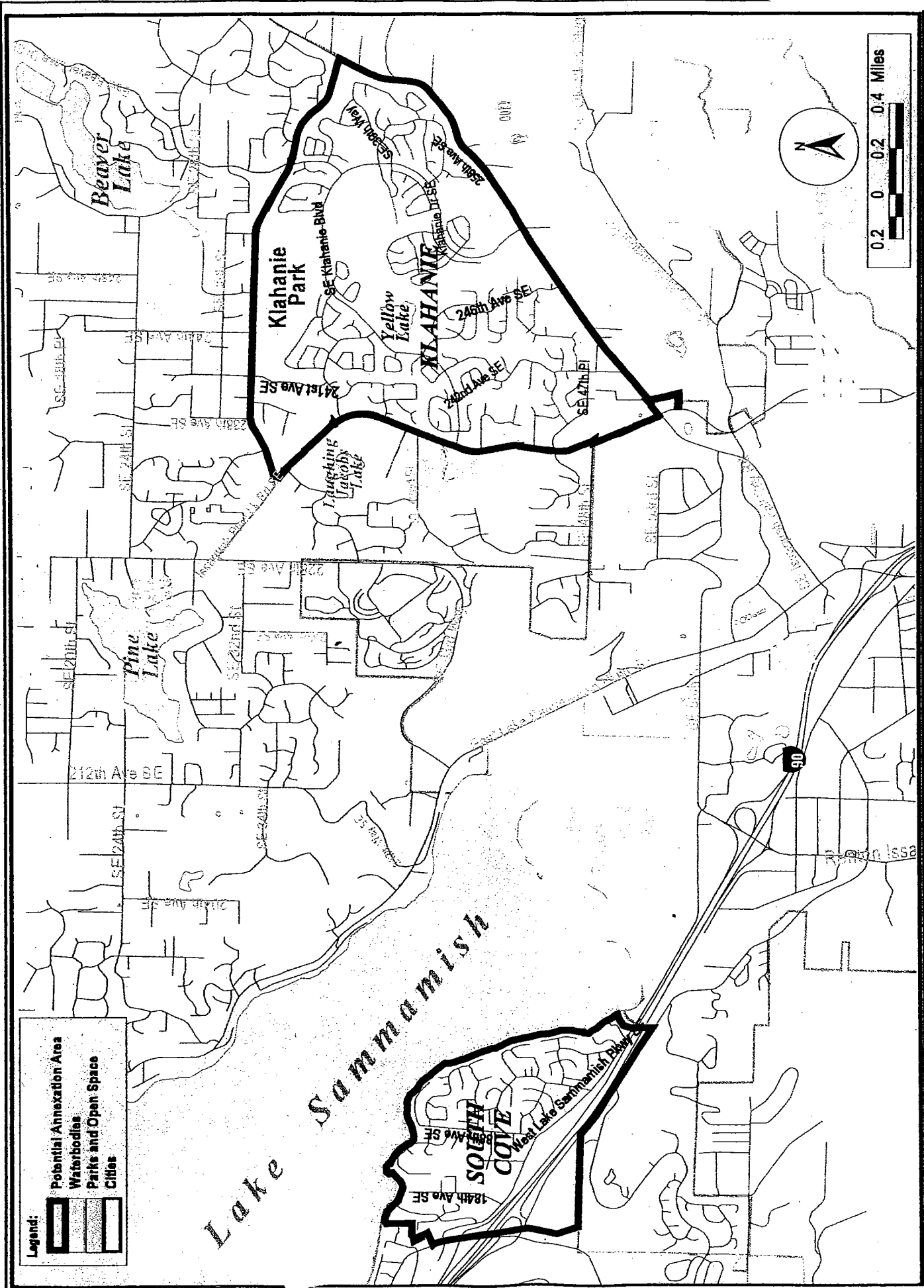


Ron Sims

King County Executive

Enclosures

cc: King County Councilmembers
 ATTN: Scott White, Chief of Staff
 Shelley Sutton, Policy Staff Director
 Anne Noris, Clerk of the Council
 Bob Cowan, Director, Office of Management and Budget (OMB)
 Elissa Benson, Annexation Initiative Supervisor, OMB
 Mike Thomas, Sr. Policy Analyst, OMB
 King County Intergovernmental Annexation Team



ISSAQUAH Potential Annexation Areas

