

**INTERLOCAL AGREEMENT
BETWEEN THE CITY OF MONROE AND SNOHOMISH COUNTY
CONCERNING THE MONROE 30 ANNEXATION PURSUANT TO
RCW 35A.14.120**

1. PARTIES

This Interlocal Agreement (“Agreement” or “ILA”) is made by and between the City of Monroe (“City”), a Washington municipal corporation, and Snohomish County (“County”), a political subdivision of the State of Washington, each a “Party” and collectively referred to as the “Parties,” pursuant to Chapter 35A.14 RCW (Annexation by Code Cities), Chapter 36.70A RCW (Growth Management Act), Chapter 36.115 RCW (Governmental Services Act), Chapter 43.21C RCW (State Environmental Policy Act), Chapter 36.70B RCW (Local Project Review), Chapter 58.17 RCW (Subdivisions), Chapter 82.02 RCW (Excise Taxes), and Chapter 39.34 RCW (Interlocal Cooperation Act).

2. PURPOSE

2.1 Purpose. The purpose of this Agreement is to set forth terms of the Parties’ agreement regarding the proposed annexation (“Annexation”) to the City of territory located within the Monroe 30 Annexation Area, which is referred to herein as the “Annexation Area,” pursuant to RCW 35A.14.120, and to facilitate an orderly transition of services from the County to the City at the time of the Annexation. The Annexation Area is depicted on Exhibit A to this Agreement, incorporated herein by this reference. As required under RCW 35A.14.005, the Parties mutually acknowledge and agree that the Annexation Area is completely within the Monroe Urban Growth Area.

2.2 Master annexation interlocal agreement. The Parties recognize that there is currently no master annexation interlocal agreement in effect between the City and the County. The Parties agree that no such master annexation interlocal agreement is necessary in order to proceed with the Annexation. Instead, the Annexation shall be governed by the terms of this Agreement and applicable state law.

3. GENERAL AGREEMENT REGARDING ANNEXATION

3.1 Annexation approval. The City and County agree that following execution of this Agreement, the City may in its sole discretion approve the Annexation of the Annexation Area, or any portion thereof, by adoption of an ordinance pursuant to RCW 35A.14.140. If the Snohomish County Council finds that the proposed Annexation is consistent with this Agreement and promotes the factors and objectives established in RCW 36.93.170 and 36.93.180, that the health, safety, and general welfare of Snohomish County citizens is not adversely affected by the Annexation, and that an addendum pursuant to Section 13 of this Agreement

is completed or is not necessary, the County shall not oppose the proposed Annexation and shall send a letter to the Boundary Review Board in support of the proposed Annexation.

- 3.2 Snohomish County Tomorrow Annexation Principles. The Parties intend that this Agreement be reasonably interpreted in a manner that furthers the objectives articulated in the Snohomish County Tomorrow Annexation Principles; however, in the event of a conflict between such Principles and this Agreement, this Agreement shall prevail. For the purpose of this Agreement, the Snohomish County Tomorrow Annexation Principles means that document adopted by the Snohomish County Tomorrow Steering Committee on February 28, 2007, and supported by the Snohomish County Council in Joint Resolution No. 07-026 passed on September 5, 2007. The Snohomish County Tomorrow Annexation Principles are attached to this Agreement as Exhibit B and incorporated herein by this reference.

4. GROWTH MANAGEMENT ACT (“GMA”) AND LAND USE

- 4.1 Airport compatibility regulations. The City agrees to ensure after annexation that the City comprehensive plan and development regulations that apply within the Annexation Area, which is within the proximity of the airport, currently known as First Air Field, will provide substantially equal or greater discouragement of incompatible uses adjacent to the airport as is provided under Chapter 30.32E (Airport Compatibility) and Chapter 30.28A (Personal Wireless Telecommunications Services Facilities) of the Snohomish County Code. Provided, that the County acknowledges and agrees that the City comprehensive plans and development regulations in effect as of the effective date of this Agreement fully satisfy the requirements of this section. Provided further, that the requirements of this section only apply for as long as the First Air Field facility is operational as an airport, as included in the Washington State Department of Transportation Aviation System Plan.
- 4.2 Urban density requirements. The Parties mutually acknowledge and agree that the City’s land use designation(s) and zone(s) for the Annexation Area in effect as of the effective date of this Agreement adequately ensure that new residential subdivisions and development will achieve a minimum net density, consistent with the County’s GMA Comprehensive Plan, that will accommodate within the City’s jurisdiction the population, housing, and employment allocation assigned by the County under the GMA for the City and the Monroe UGA as established in Appendix B of the Countywide Planning Policies for Snohomish County. Nothing in this Subsection 4.2 shall be deemed as a waiver of the City’s right to appeal the assignment of such population and employment allocation under the GMA. After the effective date of the Annexation, the zoning adopted by the City for the Annexation Area shall apply to new permit applications submitted to the City relating to real property within the Annexation Area to the extent provided by state law and the City’s code.

5. PROCESSING OF PERMITS IN THE ANNEXATION AREA

5.1 Definitions. For the purposes of this Agreement, the following definitions apply:

“Building permit application” shall mean an application for permission issued by the authorizing jurisdiction that allows for the construction of a structure, and includes repair, alteration, or addition of or to a structure.

“Associated permit application” shall mean an application for mechanical, electrical, plumbing and/or sign permit for a structure authorized pursuant to a building permit.

“Land use permit application” shall mean an application for any land use or development permit or approval and shall include, by way of example and not by way of limitation, any of the following: subdivisions, planned residential developments, short subdivisions, binding site plans, single family detached unit developments, conditional uses, special uses, rezones, shoreline substantial development permits, urban center developments, grading or land disturbing activity permits, and variances. A “land use permit application” shall not include a “building permit application” except for building permits for non-single family structures greater than 4,000 square feet in size.

“Pending permit applications” shall mean all building permit applications, associated permit applications, and land use permit applications relating to real property located in the Annexation Area that are either (i) still under review by the County on the effective date of the Annexation, or (ii) for which a decision has been issued but an administrative appeal is pending on the effective date of the Annexation.

“Permit review phase” shall mean a discrete stage of or discrete activity performed during a Party’s review of a pending permit application that has logical starting and stopping points. By way of example, and not by way of limitation, applications for subdivisions and short subdivisions are deemed to have the following permit review phases except as provided by the Parties’ respective regulations, as applicable: (i) preliminary plat approval; (ii) plat construction plan approval; (iii) revision, alteration or modification of a preliminary plat approval; (iv) construction inspection; (v) final plat processing; and (vi) final plat approval and acceptance. When it is not clear which activities related to the review of a particular pending permit application constitute a distinct permit review phase, the Parties shall determine same by mutual agreement, taking into account considerations of convenience and efficiency.

5.2 City consultation on County land use permit applications. After the effective date of this Agreement, the County agrees to give the City timely written notice and opportunity to view all land use permit applications inside the Annexation Area, as defined in Subsection 5.1 of this Agreement. When required and provided for in Title 30 of Snohomish County Code, the County will invite City staff to attend meetings between County staff and the applicant relating to such permit applications.

- 5.3 Review of County land use permit applications. The County will review all land use permit applications under County jurisdiction in the Annexation Area consistent with all applicable laws, regulations, rules, policies, and agreements including, but not limited to, the applicable provisions of this Agreement, the State Environmental Policy Act (Chapter 43.21C RCW) and the Snohomish County Code.
- 5.4 Permits issued by County prior to effective date of the Annexation. Except as provided by applicable state law, all building permits, associated permits, and land use permits and approvals relating to real property located in the Annexation Area that were issued or approved by the County prior to the effective date of the Annexation shall be given full effect by the City after the Annexation becomes effective. Any administrative appeals of such decisions that are filed after the effective date of the Annexation shall be processed by the City pursuant to the City's procedural regulations, as applicable. The County agrees that it shall reasonably make its employees available as witnesses at no cost to the City if necessary to provide assistance on appeals of decisions made by the County prior to the effective date of the Annexation.
- 5.5 Enforcement of County conditions. Any conditions imposed by the County relating to the issuance or approval of any of the permits described in Subsection 5.4 shall be enforceable by the City after the effective date of the Annexation to the same extent, and in the same manner, that the City enforces its own permit conditions. The County agrees that it shall reasonably make its employees available, at no cost to the City, to provide assistance in enforcement of conditions on permits originally processed and issued by the County.
- 5.6 Pending permit applications.
- 5.6.1 Vesting. The Parties agree that fully complete applications for building permits and those for preliminary plats/preliminary shorts plats relating to real property located in the Annexation Area that are submitted to the County prior to the effective date of the Annexation and that have vested under Washington statutory, common law, or the Snohomish County Code shall remain subject to the subdivision or short subdivision ordinance, and zoning or other land use control ordinances, as applicable, of the County that were in effect at the time the permit application was deemed complete by the County, notwithstanding the subsequent Annexation. Without limitation of the foregoing, the Parties mutually acknowledge and agree that vesting under this section does not apply to regulations for which vesting is inapplicable under state law, including without limitation storm water regulations.
- 5.6.2 Automatic transfer of authority regarding permits. The Parties understand and agree that the police power relating to real property located in the Annexation Area automatically transfers from the County to the City on the effective date of the Annexation. The Parties understand and agree that it is the police power that

provides local jurisdictions with the authority to impose and implement building and land use regulations. Accordingly, the Parties understand and agree that, as a matter of law, all responsibility for and authority over pending permit applications automatically transfers from the County to the City on the effective date of the Annexation.

5.6.3 Completing the active phase of review. The Parties agree that to facilitate an orderly transfer of pending permit applications to the City after the effective date of the Annexation, it is desirable for the County to continue processing all pending permit applications through the completion of the permit review phase that was in progress on the effective date of the Annexation. Accordingly, beginning on the effective date of the Annexation, the County shall act as the City's agent for the limited purpose of reviewing and processing all pending permit applications until such time as County personnel have completed the permit review phase that was in progress on the effective date of the Annexation. Upon completion of such permit review phase relating to any particular pending permit application, the County shall transfer all materials relating to the pending permit application to the City. After such transfer, the City shall perform all remaining permit review, approval or denial, and issuance functions for such applications.

5.6.4 Administrative appeals. Notwithstanding anything to the contrary contained in Subsection 5.6.3, the Parties agree that it is not desirable for the County's quasi-judicial hearing officers or bodies to act as agents for the City for the purposes of hearing and deciding administrative appeals of permit decisions on behalf of the City, but it is also not desirable to disrupt an administrative appeal that is already in progress on the effective date of the Annexation. Accordingly, if the permit review phase that was in progress on the effective date of the Annexation was an administrative appeal of a decision made by the County, then that administrative appeal shall be processed as follows:

- (i) If the appeal hearing has not yet commenced as of the effective date of the Annexation, then all materials related to the appeal shall be transferred to the City as soon as reasonably possible after the effective date of the Annexation and the appeal shall be handled by the City pursuant to the procedures specified in the City's municipal code. The County agrees that it shall reasonably make its employees available as witnesses at no cost to the City if necessary to provide assistance to the City on appeals for decisions that were made by the County prior to the effective date of the Annexation;
- (ii) If the appeal hearing has already been completed as of the effective date of the Annexation, but no decision has yet been issued by the County's quasi-judicial hearing officer or body, then the County's quasi-judicial hearing officer or body shall act as an agent for the City and issue a timely decision regarding the administrative appeal on behalf of the City; and

- (iii) If a decision regarding the administrative appeal was issued by the County's quasi-judicial hearing officer or body prior to the effective date of the Annexation, but a timely request for reconsideration was properly filed with the County prior to the effective date of the Annexation, then the County's quasi-judicial hearing officer or body shall act as an agent for the City and issue a timely decision on reconsideration on behalf of the City.

5.6.5 Effect of decisions by the County regarding permit review phases. The City shall respect and give effect to all decisions made in the ordinary course by the County regarding those permit review phases, as defined in Subsection 5.1, for a pending permit application within the Annexation Area that are completed by the County prior to the effective date of the Annexation, or on behalf of the City after the effective date of the Annexation. Provided, nothing herein shall deny the City its right to appeal, or continue an existing appeal, of any appealable decision made by the County.

5.6.6 Proportionate sharing of permit application fees. The Parties agree to proportionately share the Title 30 Snohomish County Code (SCC) permit application fees for pending permit applications. Proportionate shares will be calculated based on the County's permitting fee schedule. Relating to each pending permit application, the County shall retain that portion of the permit application fees that may be allocated to the phases of review completed by the County prior to the effective date of the Annexation. In compensation for the County's work in reviewing pending permit applications on behalf of the City, the County shall also retain that portion of the Title 30 SCC permit application fees that may be allocated to the phase(s) of review completed by the County while acting as an agent of the City. Within a reasonable time after the completion of a permit review phase, the County shall transfer to the City any remaining portion of the Title 30 SCC permit application fees collected, which shall be commensurate with the amount of work left to be completed relating to the pending permit application at the time the pending permit application is transferred to the City.

5.6.7 Deferred impact fees. Impact fees that were deferred under the provisions of Chapter 30.66A, 30.66B, or 30.66C SCC for building permits issued by the County on properties within the Annexation Area prior to the effective date of the Annexation shall be owed to the County per the requirements of the applicable liens recorded against those properties. For permit applications submitted to the County but not yet issued prior to the effective date of the Annexation, the City agrees to accept responsibility for reviewing any requests for impact fee deferral that were submitted to the County.

5.6.8 Dedications or conveyances of real property. The Parties acknowledge and agree that after the effective date of the Annexation, the County will have no authority to accept dedications or other conveyances of real property to the

public relating to real property located in the Annexation Area; provided, however, that the County may accept dedication or other conveyances of real property when granted, dedicated, or otherwise conveyed specifically to Snohomish County, for such purposes, that include but are not limited to, expanding County owned and operated facilities that were retained by the County within the Annexation Area. Accordingly, notwithstanding anything to the contrary contained elsewhere in this Section 5, after the effective date of the Annexation, the approval and acceptance of final plats, final short plats, or other instruments or documents dedicating or conveying to the public an interest in real property located in the Annexation Area will be transmitted to the City, which may accept or decline the same in the City's reasonable discretion.

- 5.7 Judicial appeals of permit decisions. The County shall protect, save harmless, indemnify and defend, at its own expense, the City, its elected and appointed officials, officers, employees, volunteers and agents, from any loss or claim for damages of any nature whatsoever arising out of land use decisions regarding building permit applications, associated permit applications, and/or land use permit applications relating to real property located in the Annexation Area that were issued by the County prior to the effective date of the Annexation. The City shall protect, save harmless, indemnify and defend, at its own expense, the County, its elected and appointed officials, officers, employees, volunteers and agents, from any loss or claim for damages of any nature whatsoever arising out of land use decisions regarding building permit applications, associated permit applications, and/or land use permit applications relating to real property located in the Annexation Area that are issued by the City after the effective date of the Annexation. Provided, that the afore-referenced obligations of each Party under this Subsection 5.7 shall not apply to the extent that any such loss or claim is proximately caused by the negligence or wrongdoing of the other Party. The term "land use decision" as used in this Subsection 5.7 is the same as the definition of "land use decision" as defined in RCW 36.70C.020(2). The County agrees that it shall reasonably make its employees available as witnesses at no cost to the City if necessary to provide assistance to the City on appeals of decisions issued by the County prior to the effective date of the Annexation or in its capacity as an agent of the City.
- 5.8 Permit renewal or extension. After the effective date of the Annexation, any request or application to renew or extend a building permit, an associated permit or a land use permit relating to real property located in the Annexation Area shall be submitted to and processed by the City, regardless of whether such permit was originally issued by the County or the City.
- 5.9 Administration of bonds. The County's interest in any outstanding performance security, maintenance security or other bond or security device issued or provided to the County to guarantee the performance, maintenance or completion by a permittee of work authorized by or associated with a permit relating to real property located in the Annexation Area will be assigned or

otherwise transferred to the City upon the effective date of the Annexation if such assignment or transfer is reasonably feasible. If it is not reasonably feasible for the County to transfer any outstanding bond or security device to the City, whether due to the terms of the bond or security device at issue or for some other reason, then the County shall continue to administer the bond or security device until the earlier to occur of the following: (i) the work guaranteed by the bond or security device has been properly completed; (ii) the City has been provided with an acceptable substitute bond or security device; or (iii) the bond or security device has been foreclosed. For bonds and security devices that the County continues to administer after the effective date of the Annexation, the City shall notify the County when either the work guaranteed by the bond or security device is completed, or when the City is provided with an acceptable substitute bond or security device, at which time the County shall release the original bond or security device. Should it become necessary to foreclose any bond or security device the County continues to administer after the effective date of the Annexation, the Parties shall cooperate to perform such foreclosure.

- 5.10 Building and land use code enforcement cases. Any pending building or land use code enforcement cases relating to real property located in the Annexation Area will be transferred to the City on the effective date of the Annexation. Any further action in those cases will be the responsibility of the City at the City's discretion. The County agrees that it shall reasonably make its employees available as witnesses at no cost to the City if necessary to prosecute transferred code enforcement cases. Upon request, the County agrees to provide the City with copies of any files and records related to any transferred case.

6. RECORDS TRANSFER AND ACCESS TO PUBLIC RECORDS FOLLOWING ANNEXATION

- 6.1 Records to be transferred. Prior to and following the Annexation, and upon the City's request in writing, copies of County records relevant to jurisdiction, the provision of government services, and permitting within the Annexation Area may be copied and transferred to the City in accordance with the procedure identified in Subsection 6.2 of this Agreement. Said records shall include, but are not limited to, the following records from the Snohomish County Department of Public Works, the Snohomish County Department of Planning and Development Services, and the Business Licensing Department of the Snohomish County Auditor's office: all permit records and files, inspection reports and approved plans, GIS data and maps in both printed and electronic versions, approved zoning files, code enforcement files, fire inspection records, easements, plats, databases for land use, drainage, street lights, streets, regulatory and animal license records, records relating to data on the location, size and condition of utilities, and any other records pertinent to the transfer of services, permitting and jurisdiction from the County to the City. The County reserves the right to withhold confidential or privileged records. In such cases where the County opts to

withhold such records, it shall provide the City with a list identifying the records withheld and the basis for withholding each record.

- 6.2 Procedure for copying. The City records staff shall discuss with the County records staff the types of records identified in Subsection 6.1 of this Agreement that are available for the Annexation Area, the format of the records, the number of records, and any additional information pertinent to a request of records. Following this discussion, the County shall provide the City with a list of the available files or records in its custody. The City shall select records from this list and request in writing their transfer from the County to the City. The County shall have a reasonable time to collect, copy, and prepare for transfer the requested records. All copying costs associated with this process shall be borne by the City. When the copied records are available for transfer to the City, the County shall notify the City and the City shall arrange for their delivery.
- 6.3 Electronic data. In the event that electronic data or files are requested by the City, the City shall be responsible for acquiring any software licenses that are necessary to use the transferred information.
- 6.4 Custody of records. The County shall retain permanent custody of all original records. No original records shall be transferred from the County to the City. As the designated custodian of original records, the County shall be responsible for compliance with all legal requirements relating to their retention and destruction as set forth in Subsection 6.5 of this Agreement.
- 6.5 Records retention and destruction. The County agrees to retain and destroy all public records pursuant to this Agreement consistent with the applicable provisions of Chapter 40.14 RCW and the applicable rules and regulations of the Secretary of State, Division of Archives and Records Management.
- 6.6 Public records requests. Any requests for copying and inspection of public records shall be the responsibility of the party receiving the request. Such requests shall be processed in accordance with Chapter 42.56 RCW and other applicable law. If the County considers any portion of a record provided to the City to be confidential, the County shall clearly identify the portion of the record it claims to be confidential. If the City receives a request for any portion of a record the County has identified as confidential, the City agrees to withhold from disclosure documents which the County has requested remain confidential and not be disclosed where disclosure is not, in the City's sole determination, mandated by law. Provided, in the event the City determines the release of such records is required, the City shall notify the County (i) of the request and (ii) of the date the record will be released unless the County obtains a court order to enjoin the disclosure pursuant to RCW 42.56.540. If the County fails to timely obtain a court order enjoining disclosure, the City will release the record on the date specified.

7. SURFACE WATER MANAGEMENT

- 7.1 Legal control and maintenance responsibilities. The Parties acknowledge and agree that there are no known surface water management improvements or facilities within the Annexation Area. If it is later determined that the Annexation Area includes any unknown surface water management improvements or facilities (i) in which the County has an ownership interest, (ii) over or to which the County has one or more easements for access, inspection and/or maintenance purposes, and/or (iii) relating to which the County has maintenance, monitoring, or other responsibilities, all such ownership interests, rights and responsibilities shall be transferred to the City, effective by the date of the Annexation.
- 7.2 Taxes, fees, rates, charges and other monetary adjustments. The City recognizes that service charges are collected by the County for unincorporated areas within the County's Surface Water Management Utility District. Surface water management service charges are collected at the beginning of each calendar year through real property tax statements. Upon the effective date of the Annexation, the City hereby agrees that the County may continue to collect and, pursuant to Title 25 SCC and to the extent permitted by law, to apply the service charges collected during the calendar year in which the Annexation occurs to the provision of surface water services designated in that year's budget. These services, which do not include servicing of drainage systems in road right-of-way, will be provided through the calendar year in which the Annexation becomes effective and will be of the same general level and quality as those provided to other property owners subject to service charges in the County. If the City intends for the County to continue providing surface water services beyond the calendar year after the Annexation, a separate interlocal agreement for this purpose must be negotiated between the Parties.
- 7.3 Compliance with National Pollutant Discharge Elimination System (NPDES) Municipal Stormwater Permit. The Parties acknowledge that upon the effective date of the Annexation, the Annexation Area will become subject to the requirements of the City's Phase II NPDES Municipal Stormwater Permit and will no longer be subject to the requirements of the County's Phase I NPDES Municipal Stormwater Permit. Notwithstanding the County's continued provision of stormwater management services in the Annexation Area pursuant to Subsection 7.2, the City expressly acknowledges, understands and agrees that from and after the effective date of the Annexation (i) the City shall be solely responsible for ensuring the requirements of the City's NPDES Permit are met relating to the Annexation Area, and (ii) any stormwater management services the County continues to provide in the Annexation Area pursuant to Subsection 7.2 will not be designed or intended to ensure or guarantee compliance with the requirements of the City's Phase II NPDES Permit.

- 7.4 Access during remainder of calendar year in which the Annexation occurs. To ensure the County is able to promptly and efficiently perform surface water management services in the Annexation Area after the effective date of the Annexation, as described in Subsection 7.2, the City shall provide the County with reasonable access to all portions of the Annexation Area in which such services are to be performed, to the extent that such access is within the City's legal ownership or control. Reasonable access shall include, by way of example and not by way of limitation, the temporary closing to traffic of streets, or portions thereof, if such closure is reasonably necessary to perform the service at issue.
- 7.5 Surface Water Management cases referred to Planning and Development Services (PDS) code enforcement for county code violations. Any pending Surface Water Management cases referred to PDS code enforcement for County code violations relating to real property located in the Annexation Area will be transferred to the City on the effective date of the Annexation. Any further action in those cases will be the responsibility of the City at the City's discretion. The County agrees to make its employees available as witnesses at no cost to the City if necessary to assist with transferred code enforcement cases. Upon request, the County agrees to provide the City with copies of any files and records related to any transferred case.

8. ROADS AND TRANSPORTATION

- 8.1 Annexation of County right-of-way. The Parties agree that it is generally desirable for a city to annex County right-of-way adjacent to an annexation area and short segments of County right-of-way that have been cut-off from the County roadway system. The Parties acknowledge and agree that the Annexation Area is neither adjacent to nor contains any County right-of-way. However, immediately southwest of the Annexation Area is 127th St. SE, a cul-de-sac, which is an isolated segment of County road that connects to 175th Ave. SE, a City road. That portion of 127th St. SE provides access to residences that are located outside of the Annexation Area. Here, the City has determined that it is not practicable for it to annex that portion of 127th St. SE. Nonetheless, an annexing city is often better able to provide more efficient and economical maintenance services for County road segments that become isolated due to annexations. The Parties agree that the City is best positioned to maintain 127th St. SE from 175th Ave. SE to the end of the cul-de-sac. The Parties also agree to enter into a governmental services agreement whereby the City will maintain that segment of 127th St. SE which connects to 175th Ave. SE until such time as it is annexed into the City. Such intergovernmental services agreement for the maintenance of 127th St. SE shall be negotiated and executed contemporaneously with this Annexation or as soon as is practicable after approval of the Annexation.
- 8.2 Traffic Mitigation and Capital Facilities

- 8.2.1 Transfer of road impact fees. The County collects road impact fees pursuant to Chapter 30.66B of the Snohomish County Code for system improvements identified in the Transportation Element (TE) of the County's Comprehensive Plan and the road system impact fee cost basis established in the County's Transportation Needs Report (TNR). Only those fees associated with system improvements located within that portion of the County's Transportation Service Areas (TSAs) in which the Annexation Area is located may be eligible for transfer of fees collected. The Parties acknowledge and agree that no road system impact fee cost basis projects are contained in the Annexation Area, so the Annexation will not require a transfer of road impact fees.
- 8.2.2 Reimbursement for transportation-related capital facilities investment. There will be no reimbursement from the City to the County for existing capital improvements. However, the Parties may in their mutual discretion agree to develop one or more separate agreements for cost sharing for new capital improvement projects.
- 8.3 Maintenance services. The Parties agree to evaluate whether an interlocal agreement addressing maintenance of roads, traffic signals, or other transportation facilities will be appropriate. Any County maintenance within the Annexation Area after the effective date of the Annexation will be by separate service agreement negotiated between the Parties.
- 8.4 Relinquishment of County Franchise. If any County right-of-way or portion thereof is annexed to the City, the right-of-way shall not be subject to the terms of any County franchise.
- 8.5 Transfer of Federal and State Permits. If there are structures or work related to County right-of-way that are authorized under active federal or state permits located in the Annexation Area, as the new owner the City, if allowed by the federal or state permit, agrees to execute documents validating the transfer of the permit(s) and accept the responsibility and liabilities associated with compliance with the permit(s) terms and conditions, unless otherwise mutually agreed to in writing under Subsection 13.3. For purposes of this Subsection 8.5, active federal or state permits are those permits under which there are responsibilities and duties that have not been completed by the permittee according to the permit terms and conditions, including but not limited to, monitoring and maintenance responsibilities and duties.

9. POLICE SERVICES

As provided by law, at the effective date of the Annexation the responsibility for police services will transfer to the City; or, if necessary, the Parties may agree to discuss the need for developing a separate contract for police services in order to accommodate the needed transfer of police services within the Annexation Area and the unincorporated UGA. Upon request of the City, the Snohomish County Sheriff's Office will provide

detailed service and cost information for providing future County police services within the Annexation Area. This request to the Sheriff's Office for detailed service and cost information for police contract services does not preclude the City from seeking additional service and cost information proposals for similar services from other governmental entities. Any such separate contract between the Parties will be made consistent with applicable state law, including without limitation RCW 41.14.250 through 41.14.280 and RCW 35.13.360 through 35.13.400.

10. CRIMINAL JUSTICE SERVICES

All misdemeanor crimes that occur within the Annexation Area prior to the effective date of the Annexation will be considered misdemeanor crimes within the jurisdiction of Snohomish County for the purposes of determining financial responsibility for criminal justice system services, including but not limited to prosecution, court costs, jail fees and services, assigned counsel, jury and witness fees, and interpreter fees. After the effective date of the Annexation, the County shall continue, at its cost and expense, to prosecute such misdemeanor crimes to completion in accordance with the then-existing policies, guidelines, and standards of the Snohomish County Prosecuting Attorney's Office. On and after the effective date of the Annexation, all misdemeanor crimes that occur in the Annexation Area will be considered crimes within the jurisdiction of the City for purposes of determining financial responsibility for such criminal justice system services.

11. FIRE MARSHAL SERVICES

After the effective date of the Annexation, the County shall no longer be responsible for fire inspections, fire code enforcement, fire plan review, or fire investigations within the Annexation Area.

12. STATUS OF COUNTY EMPLOYEES

Subject to City civil service rules and state law, the City agrees to consider the hiring of County employees whose employment status is affected by the change in governance of the Annexation Area where such County employees make application with the City per applicable City hiring processes and standards and where such employees meet the minimum qualifications for employment with the City. The City's consideration of hiring of affected sheriff department employees shall be governed by the provisions set forth in RCW 35.13.360 through 35.13.400. The County shall in a timely manner provide the City with a list of those employees expressing a desire to be considered for employment by the City.

13. ADDENDA AND AMENDMENTS

13.1 Addenda. At the discretion of the Parties, an addendum to this Agreement may be prepared for the Annexation by the City to address any issues specific to the Annexation. If the Parties decide an addendum is necessary, the Parties may in

their mutual discretion negotiate the addendum prior to or after the City's submittal of a Notice of Intention to the Boundary Review Board for the Annexation.

- 13.2 Amendments. The Parties recognize that amendments to this Agreement may be necessary or desirable.
- 13.3 Process to addend or amend this Agreement. An addendum or amendment to this Agreement must be mutually agreed upon by the Parties and executed in writing. Any addendum or amendment to this Agreement shall be executed in the same manner as this Agreement.
- 13.4 Additional agreements. Nothing in this Agreement limits the Parties from entering into interlocal agreements on issues not covered by, or in lieu of, the terms of this Agreement.

14. THIRD PARTY BENEFICIARIES

This Agreement is for the exclusive benefit of the signatory Parties and is enforceable only by such Parties. There are no third party beneficiaries to this Agreement, and this Agreement shall not be interpreted to create any third party beneficiary rights.

15. DISPUTE RESOLUTION

Prior to commencing any civil action relating to any dispute, claim or controversy arising out of or relating to this Agreement, the Parties may in their mutual discretion submit such dispute, claim or controversy to a mutually agreed upon mediator. The Parties agree that they will participate in any such mediation in good faith, and that they will share equally in its costs. Each jurisdiction shall be responsible for the costs of their own legal representation. Either party may seek equitable relief prior to the mediation process, but only to preserve the status quo pending the completion of that process.

16. HONORING EXISTING AGREEMENTS, STANDARDS AND STUDIES

In the event an irreconcilable conflict exists between this Agreement and any agreement between the Parties in existence prior to the effective date of this Agreement, the terms of this Agreement shall govern to the extent of the conflict.

17. RELATIONSHIP TO EXISTING LAWS AND STATUTES; REGULATORY AND LEGISLATIVE AUTHORITY RESERVED.

This Agreement shall be reasonably construed and administered in a manner consistent with applicable state law, including without limitation Chapter 35A.14 RCW. This Agreement in no way modifies or supersedes existing state laws and statutes. In meeting the commitments encompassed in this Agreement, the Parties will comply with all applicable state or local laws. The Parties retain the ultimate authority for land use and

development decisions within their respective jurisdictions. By executing this Agreement, the Parties do not intend to abrogate the decision-making responsibility or police powers vested in them by law, and each Party expressly reserves its regulatory authority and legislative discretion in full. Without limitation of the foregoing, nothing herein shall be construed to waive, or abridge, or otherwise limit the discretion of the City to approve, condition, deny, discontinue, abandon, and/or modify the Annexation proposal.

18. EFFECTIVE DATE, DURATION AND TERMINATION

- 18.1 Effective Date. As provided by RCW 39.34.040, this Agreement shall not take effect unless and until it has: (i) been duly executed by both Parties, and (ii) has either been filed with the County Auditor or posted on the County's Interlocal Agreements website.
- 18.2 Duration. This Agreement shall be in full force and effect through December 31, 2030. If the Parties desire to continue the Agreement for an additional period, the Parties may either negotiate a new agreement or extend this Agreement through the amendment process.
- 18.3 Termination. Either Party may terminate this Agreement upon ninety (90) days advance written notice to the other Party. Notwithstanding termination of this Agreement, the Parties are responsible for fulfilling any outstanding obligations under this Agreement incurred prior to the effective date of the termination.

19. INDEMNIFICATION AND LIABILITY

- 19.1 Indemnification of County. The City shall protect, save harmless, indemnify and defend, at its own expense, the County, its elected and appointed officials, officers, employees, volunteers, and agents, from any loss, suit or claim (collectively "Claims") for damages of any nature whatsoever arising out of the City's performance of this Agreement, including claims by the City's employees or third parties, except for those damages caused solely by the negligence of the County, its elected and appointed officials, officers, employees, volunteers, or agents. The City's obligations under this Subsection 19.1 shall expressly exclude any Claims challenging or otherwise concerning the validity and/or substantive content of any ordinances, regulations, policies or rules (collectively "County Enactments") originally enacted by the County.
- 19.2 Indemnification of City. The County shall protect, save harmless, indemnify, and defend at its own expense, the City, its elected and appointed officials, officers, employees, volunteers, and agents from any loss, suit or claim (collectively "Claims") for damages of any nature whatsoever arising out of the County's performance of this Agreement, including claims by the County's employees or third parties, except for those damages caused solely by the negligence of the City, its elected and appointed officials, officers, employees, volunteers, or agents. The County's obligations under this Subsection 19.2 shall expressly

exclude any Claims challenging or otherwise concerning the validity and/or substantive content of any ordinances, regulations, policies or rules (collectively "City Enactments") originally enacted by the City.

- 19.3 Extent of liability. In the event of liability for damages of any nature whatsoever arising out of the performance of this Agreement by the Parties, including claims by the City's or the County's own officers, officials, employees, agents, volunteers, or third parties, caused by or resulting from the concurrent negligence of the Parties, their officers, officials, employees, and volunteers, each party's liability hereunder shall be only to the extent of that party's negligence.
- 19.4 Industrial Insurance. For purposes of indemnification only, the parties, by mutual negotiation, hereby waive, as respects the other party only, any immunity that would otherwise be available against such claims under the industrial insurance provisions of Title 51 RCW.
- 19.5 Hold harmless. No liability shall be attached to the City or the County by reason of entering into this Agreement except as expressly provided herein. The City shall hold the County harmless and defend at its expense any legal challenges to the City's requested mitigation and/or failure by the City to comply with Chapter 82.02 RCW. The County shall hold the City harmless and defend at its expense any legal challenges to the County's requested mitigation or failure by the County to comply with Chapter 82.02 RCW, and any liability for any loss or claim of damage of any nature whatsoever arising out of the County's processing of building permit applications, associated permit applications and land use permit applications prior to annexation.
- 19.6 Survivability. The provisions of this Section 19 shall survive the expiration or termination of this Agreement with respect to acts and omissions occurring during the effective term hereof.

20. SEVERABILITY

If any provision of this Agreement or its application to any person or circumstance is held invalid, the remainder of the provisions and the application of the provisions to other persons or circumstances shall not be affected.

21. EXERCISE OF RIGHTS OR REMEDIES

Failure of either party to exercise any rights or remedies under this Agreement shall not be a waiver of any obligation by either Party and shall not prevent either Party from pursuing that right at any future time.

22. RECORDS

The Parties shall maintain adequate records to document obligations performed under this Agreement. The Parties shall have the right to review each other's records with regard to the subject matter of this Agreement, except for privileged documents, upon reasonable written notice. Public records will be retained and destroyed according to Subsection 6.5 of this Agreement.

23. ENTIRE AGREEMENT

This Agreement constitutes the entire Agreement between the Parties concerning the Annexation Area, except as set forth in Sections 13 and 16 of this Agreement.

24. GOVERNING LAW AND STIPULATION OF VENUE

This Agreement shall be governed by the laws of the State of Washington. Any action hereunder must be brought in the Superior Court of Washington for Snohomish County.

25. CONTINGENCY

The obligations of the Parties in this Agreement are contingent on the availability of funds through legislative appropriation and allocation in accordance with law. In the event funding is withdrawn, reduced or limited in any way after the effective date of this Agreement, the City or County may terminate the Agreement under Subsection 18.3 of this Agreement, subject to renegotiation under those new funding limitations and conditions.

26. COUNTERPART ORIGINALS

This Agreement may be executed in any number of counterpart originals, each of which shall be deemed to constitute an original agreement, and all of which shall constitute one agreement. The execution of one counterpart by a Party shall have the same force and effect as if that Party had signed all other counterparts.

27. FILING

A copy of this Agreement shall be filed with the Monroe City Clerk and posted on the Snohomish County website pursuant to RCW 39.34.040.

28. ADMINISTRATORS AND CONTACTS FOR AGREEMENT

The Administrators and contact persons for this Agreement are:

Lance Bailey, Director
City of Monroe
Community Development
806 W. Main Street
Monroe, WA 98272
(360) 863-4501


Michael McCrary, Director
Snohomish County
Department of Planning and Development Services
3000 Rockefeller Avenue
Everett, WA 98201
(425) 388-3311

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have signed this Agreement, effective on the later date indicated below or when the provisions of Subsection 18.1 are met, whichever date is later.

THE CITY:

The City of Monroe,

By 
Geoffrey Thomas (Dec 6, 2024 19:11 PST)

Name: Geoffrey Thomas

Title: Mayor

Date: Dec 6, 2024

THE COUNTY:

Snohomish County,

By _____

Name: _____

Title: _____

Date: _____

ATTEST:


Jodi Wycoff (Dec 9, 2024 08:38 PST)

City Clerk

Approved as to Form:


Zach Lell (Dec 6, 2024 15:27 PST)

City Attorney

ATTEST:

Deputy Clerk of the County Council

Approved as to Form:

 11/13/24
Deputy Prosecuting Attorney

Reviewed by Risk Management:

APPROVED () OTHER ()

Explain.

Signed: _____

Date: _____

EXHIBIT A – MONROE 30 ANNEXATION MAP

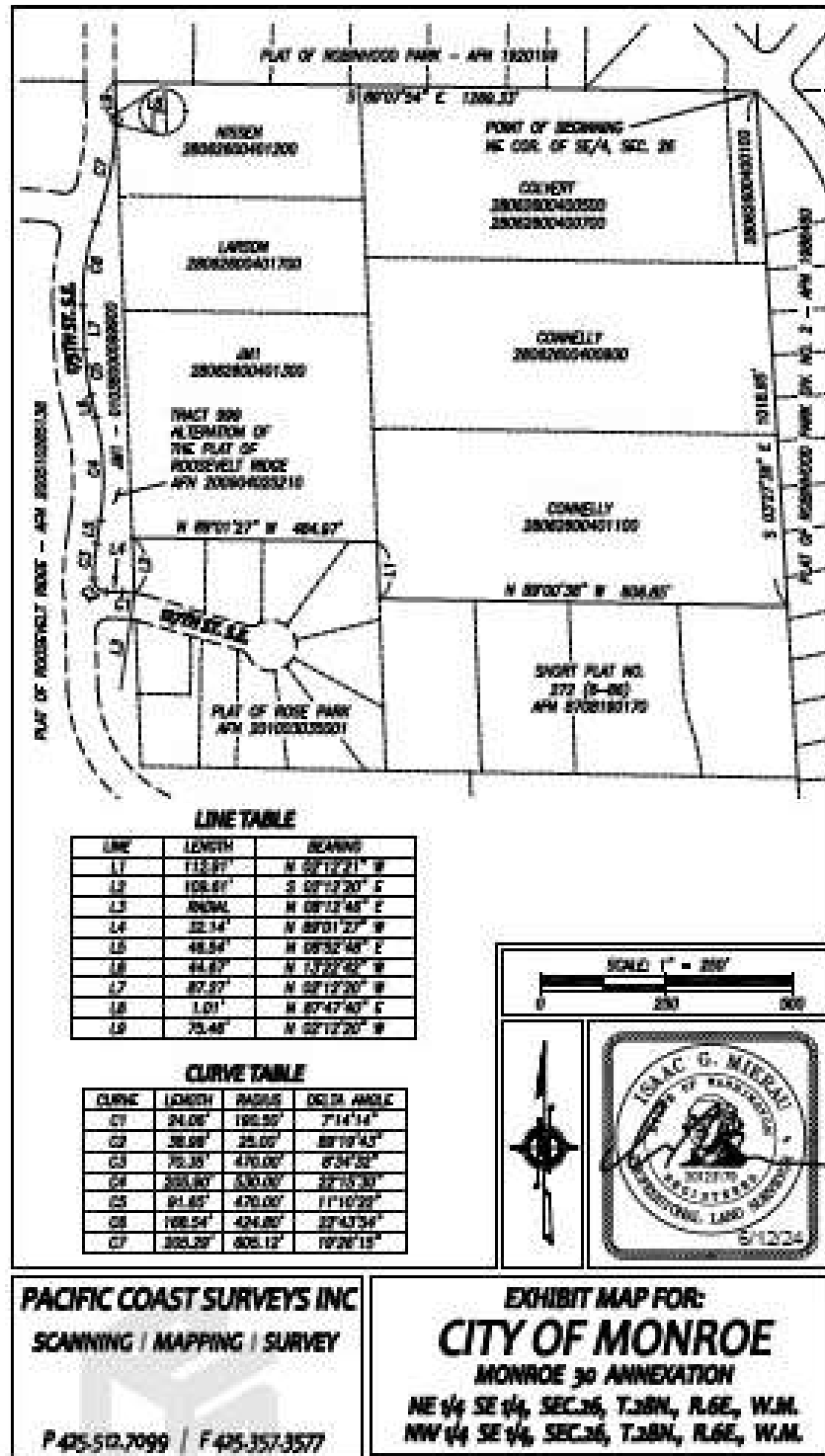


EXHIBIT B – SNOHOMISH COUNTY TOMORROW ANNEXATION PRINCIPLES

The following principles are intended as a “roadmap” for successful annexations but are not intended to require cities to annex all UGA lands. The desired outcome will reduce Snohomish County’s current delivery of municipal services within the urban growth area while strengthening the County’s regional planning and coordinating duties. Likewise, cities/towns will expand their municipal services to unincorporated lands scattered throughout the UGAs in Snohomish County. These principles propose altering historical funding and service delivery patterns. All parties recognize that compromises are necessary.

1. The County and all Snohomish County cities will utilize a six-year time schedule which will guide annexation goals. This work will be known as the Six Year Annexation Plan. As follow-up to the county’s Municipal Urban Growth Area (MUGA) policies, those cities that have a (MUGA) land assignment, should designate this land assignment a priority. Each jurisdiction shall conduct its normal public process to ensure that citizens from both the MUGA areas and city proper are well informed. All Snohomish County cities have the option of opting in or out of this process. Cities that opt in will coordinate with the county to establish strategies for a smooth transition of services and revenues for the annexations proposed in the accepted Six Year Plan.
2. Each city will submit a written report regarding priority of potential annexation areas to the county council every two years, at which time each city will re-evaluate its time schedule for annexation. This report will serve as an update to the Six Year Annexation Plan.

The report to the county council should be based upon each city’s internal financial analyses dealing with the cost of those annexations identified for action within the immediate two-year time period. This analysis shall include: current and future infrastructure needs including, but not be limited to, arterial roads, surface water management, sewers, and bridges. A special emphasis should be given to the financing of arterial roads, including historical county funding and said roads’ priority within the county’s current 6-year road plan. Where financing and other considerations are not compelling, the city and county may “re-visit” the annexation strategies at the next two-year interval.

3. To facilitate annexation within urban growth areas (UGAs), the host city and the county may negotiate an Interlocal agreement providing for sub-area planning to guide the adoption of consistent zoning and development regulations between the county and the city. Coordination of zoning densities between the county and the host city may require the revision of land use maps, adoption of transfer rights or other creative solutions. Upon completion of sub-area planning, if densities cannot be reconciled, then the issue would be directed to SCT for review and possible re-assignment to alternate sites within the UGA.

The Interlocal Agreement would also address development and permit review and related responsibilities within the UGA, apportioning related application fees based upon the review work performed by the respective parties, and any other related matters. The format for accomplishing permit reviews will be guided in part by each city's unique staffing resources as reflected in the Interlocal agreement between the host city and the county.

4. The city and the county will evaluate the financial and service impacts of an annexation to both entities, and will collaborate to resolve inequities between revenues and service provision. The city and county will negotiate on strategies to ensure that revenues and service requirements are balanced for both the city and the county. These revenue sharing and/or service provision strategies shall be determined by individual ILAs to address service operations and capital implementation strategies.
5. The county and the host city will negotiate with other special taxing districts on annexation related issues. Strategies for accomplishing these negotiations will be agreed to by the county and host city, and reflected in the host city's annexation report. (See preceding Principle #2.)
6. To implement the goals of the Annexation Principles regarding revenue sharing, service provision, and permit review transitions, the county and the cities will consider a variety of strategies and tools in developing Interlocal Agreements, including:
 - Inter-jurisdictional transfers of revenue, such as property taxes, Real Estate Excise Taxes (REET), storm drainage fees, sales tax on construction, and retail sales tax. Dedicated accounts may be opened for the deposit of funds by mutual agreement by the county and city;
 - Service provision agreements, such as contracting for service and/or phasing the transition of service from the county to the city;
 - Identifying priority infrastructure improvement areas to facilitate annexation of areas identified in Six Year Annexation Plans.

[The remainder of this page is intentionally left blank.]

[The remainder of this page is intentionally left blank.]












2024-123 - 20241113_monroe30_ila(final_aatf)

Final Audit Report

2024-12-09

Created:	2024-12-06
By:	Jodi Wycoff (jwycoff@monroewa.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAA7tVj-v8QyGu1NEncfBqY1X3db9QuVIRF

"2024-123 - 20241113_monroe30_ila(final_aatf)" History

-  Document created by Jodi Wycoff (jwycoff@monroewa.gov)
2024-12-06 - 10:45:34 PM GMT
-  Document emailed to Zach Lell (zlell@omwlaw.com) for signature
2024-12-06 - 10:46:44 PM GMT
-  Email viewed by Zach Lell (zlell@omwlaw.com)
2024-12-06 - 10:47:15 PM GMT
-  Document e-signed by Zach Lell (zlell@omwlaw.com)
Signature Date: 2024-12-06 - 11:27:00 PM GMT - Time Source: server
-  Document emailed to Geoffrey Thomas (gthomas@monroewa.gov) for signature
2024-12-06 - 11:27:01 PM GMT
-  Email viewed by Geoffrey Thomas (gthomas@monroewa.gov)
2024-12-07 - 3:10:50 AM GMT
-  Document e-signed by Geoffrey Thomas (gthomas@monroewa.gov)
Signature Date: 2024-12-07 - 3:11:05 AM GMT - Time Source: server
-  Document emailed to Jodi Wycoff (jwycoff@monroewa.gov) for signature
2024-12-07 - 3:11:07 AM GMT
-  Email viewed by Jodi Wycoff (jwycoff@monroewa.gov)
2024-12-09 - 4:38:14 PM GMT
-  Document e-signed by Jodi Wycoff (jwycoff@monroewa.gov)
Signature Date: 2024-12-09 - 4:38:58 PM GMT - Time Source: server
-  Agreement completed.
2024-12-09 - 4:38:58 PM GMT