

AGREEMENT BY AND BETWEEN KITSAP COUNTY AND
THE CITY OF POULSBO FOR THE TRANSFER OF
FUNDS HELD BY THE POULSBO LIBRARY CAPITAL FACILITY AREA

This Agreement is entered into by and between Kitsap County, a municipal corporation and political subdivision of the State of Washington (County), and the City of Poulsbo, a municipal corporation of the State of Washington. The Parties mutually agree as follows:

RECITALS

A. Pursuant RCW 27.15.020 and Resolution No. 199-1997, the Kitsap County Board of Commissioners (Board) submitted ballot propositions to the voters to authorize establishing the proposed Poulsbo Library Capital Facility Area (PLCFA) and authorizing the PLCFA, if established, to finance library capital facilities by issuing general indebtedness and imposing excess levies to retire the indebtedness.

B. In 1998 voters approved ballot propositions authorizing the PLCFA and authorizing the PLCFA to finance the capital expansion of the existing Valborg Oyen Public Library (Library) by issuing \$1.6 million general obligation bonds maturing in 15 years and levying excess property taxes necessary to pay and retire the bonds.

C. The County, City, and Kitsap County Rural Library District (District), entered into an Interlocal Agreement Regarding Library Capital Facility Area, dated November 17, 1997 and designated as Kitsap County Contract No. KC-387-97, which provided that upon completion of the construction of the PLCFA expansion improvements, legal title to the PLCFA expansion improvements would be transferred to the City, and the City would assume full responsibility for the maintenance and operation of the improvements and Library.

D. The Board is the governing body of the PLCFA, and the Board has determined that the conditions for dissolution of the PLCFA have been met as set forth in RCW 27.15.060 in that the general obligation bonds have been paid in full, all known obligations of the PLCFA have been discharged, and levying excess property taxes to pay and retire the bonds is unnecessary.

E. The Kitsap County Treasurer oversees the PLCFA bond fund which contains excess cash and investments in the amount of \$119,513.60 (Excess Funds), which amount will be transferred to the City on the terms and conditions set forth in this agreement.

AGREEMENT

1. Incorporation of Recitals. The recitals set forth above are hereby incorporated by reference as if set forth fully in this Agreement.

2. County's Transfer of Excess Funds. The transfer of Excess Funds to the City is subject to a public hearing under RCW 39.33.020. After the public hearing and within forty-five (45) days after execution of this Agreement by the County and the City, the Excess Funds on account with the Kitsap County Treasurer in the PLCFA bond fund, and any funds deposited into

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the PLCFA bond fund after the transfer of Excess Funds, shall be transferred to the City. The transfer of Excess Funds described in this Section 2 shall be subject to the following conditions:

A. No appeals are made under RCW 36.32.330 from the Board's decision in connection with this Agreement or the dissolution of the PLCFA, (2) no claim in connection with this Agreement or the dissolution of the PLCFA is presented to the Board, and (3) no civil action is filed challenging the County's transfer of Excess Funds to the City or the Board's dissolution of the PLCFA. If an appeal is made under RCW 36.32.330, or if a claim is presented to the Board, or if a civil action is filed challenging the County's transfer of Excess Funds to the City or the Board's dissolution of the PLCFA, or both, this Agreement shall be deemed null and void effective on the date the appeal is made, the claim is presented, or the civil action is filed.

3. City's Assumption of Liabilities and Obligations. In consideration of the County's transfer of Excess Funds to the City, the City shall:

A. Assume any and all liabilities and obligations in connection with the PLCFA and Library, whether known or unknown;

B. Use the Excess Funds exclusively for the Poulsbo Library, also known as Valborg Oyen Public Library, for the purposes stated in RCW 27.15.010(3); and

C. To the fullest extent permitted by law, hold harmless, indemnify, and defend County, and its officers, officials, employees and agents, from and against any and all claims, actions, suits, liabilities, settlements, judgments, expenses, damages or loss of any nature whatsoever, including without limitation reasonable attorneys' fees and costs in defense thereof, for any injuries, sickness, disability or death to persons or damage to property or business (including loss of use), directly or indirectly caused by or arising in connection with the PLCFA and the Library.

4. Integration. This instrument embodies the whole agreement of the parties with respect its subject matter. This Agreement supersedes any and all previous communications, representations and agreements, whether oral or written, between the parties. There are no promises, terms, conditions or obligations other than those expressed herein.

5. Severability. If any provision of this Agreement is held invalid by a court of competent jurisdiction, such invalidity shall not affect the remaining provisions of this Agreement, provided that the remaining provisions can be given effect without the invalid provision and conform to applicable law and the fundamental purposes of this Agreement. To this end and to this extent, the provisions of this Agreement are declared to be severable.

6. No Waiver. Either party's failure to insist upon the strict performance of any provision of this contract, or to exercise any right based upon a breach thereof or the acceptance of any performance during such breach, shall not constitute a waiver of any right or remedy under this contract unless expressly so agreed in writing by an authorized representative.

Dated this 30 day of October, 2017

CITY OF POULSBO

Becky Erickson
BECKY ERICKSON
Mayor of Poulsbo

ATTEST/AUTHENTICATED

Rhiannon Fernandez
Rhiannon Fernandez, CMC,
City Clerk

Dated this 23rd day of October, 2017

BOARD OF COUNTY COMMISSIONERS
KITSAP COUNTY, WASHINGTON

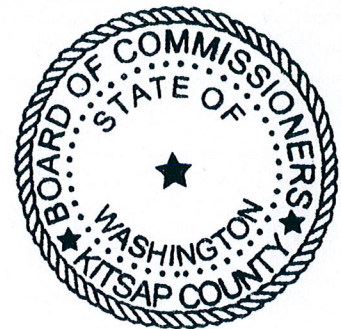
Charlotte Garrido
CHARLOTTE GARRIDO, Chair

Robert Gelder
ROBERT GELDER, Commissioner

E. E. Wolfe
EDWARD E. WOLFE, Commissioner

ATTEST:

Dana Daniels
Dana Daniels, Clerk of the Board



October 20, 1913

Washington, D.C.

Robert Taylor

Robert Taylor

R. Taylor

Robert Taylor



RESOLUTION NO. 188-2017

**DISSOLVING POULSBO LIBRARY CAPITAL FACILITY AREA AND
AUTHORIZING THE TRANSFER OF EXCESS FUNDS**

WHEREAS, pursuant RCW 27.15.020 and Resolution No. 199-1997, the Board of County Commissioners (Board) submitted ballot propositions to the voters to authorize establishing the proposed Poulsbo Library Capital Facility Area (PLCFA) and authorizing the PLCFA, if established, to finance library capital facilities by issuing general indebtedness and imposing excess levies to retire the indebtedness;

WHEREAS, in 1998 voters approved ballot propositions authorizing the PLCFA and authorizing the PLCFA to finance construction of capital library facilities by issuing \$1.6 million to finance the capital expansion of the existing Valborg Oyen Public Library (Library) by issuing general obligation bonds maturing in 15 years and levying excess property taxes necessary to pay and retire the bonds;

WHEREAS, pursuant to that Interlocal Agreement between Kitsap County (County), the City of Poulsbo (City), and the Kitsap County Rural Library District (District), dated November 17, 1997 and designated as Kitsap County Contract No. KC-387-97, upon completion of the construction of the PLCFA expansion improvements, legal title to the PLCFA expansion improvements was transferred to the City as authorized by RCW 27.15.040, and the City assumed full responsibility for the maintenance and operation of the improvements and Library;

WHEREAS, as the governing body of the PLCFA, the Board finds that the conditions for dissolution of the PLCFA have been met as set forth in RCW 27.15.060, in that the general obligation bonds have been paid in full and all obligations issued by the PLCFA have been discharged and all other contractual obligations of the PLCFA have been discharged; and

WHEREAS, the Kitsap County Treasurer oversees the PLCFA bond fund which contains excess cash and investments in the amount of \$119,513.60 (Excess Funds), which amount should be transferred to the City on the conditions that: (1) the City assumes any and all obligations in connection with the PLCFA and Library, whether known or unknown; and (2) the Excess Funds will be used exclusively for maintenance and improvements to the Library.

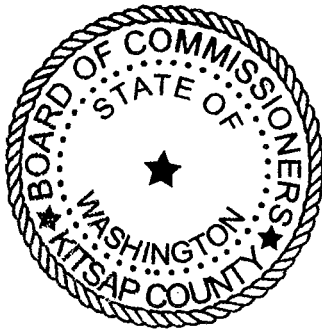
**NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS
RESOLVES AS FOLLOWS:**

1. Forty-five (45) days after execution of an Agreement between Kitsap County and the City of Poulsbo for the transfer of Excess Funds whereby the City agrees to assume any and all liabilities and obligations in connection with the PLCFA and Library, whether known or unknown, and use the Excess Funds exclusively for maintenance and improvements to the Library, and

2. On the condition that (1) no appeals are made under RCW 36.32.330 from the Board's decision in connection with this Resolution, (2) no claim in connection with this Resolution is presented to the Board, and (3) no civil action is filed challenging the County's adoption of this Resolution, then

3. The Excess Funds on account with the Kitsap County Treasurer in the PLCFA bond fund shall be transferred to the City. If an appeal is made under RCW 36.32.330, or if claim is presented to the Board, or if a civil action is filed challenging the Board's adoption of this Resolution, this Resolution shall be deemed null and void effective on the date the appeal is made, the claim is presented, or the civil action is filed.

Adopted this 23rd day of October, 2017.



**BOARD OF COUNTY COMMISSIONERS
KITSAP COUNTY, WASHINGTON**

Charlotte Garrido

CHARLOTTE GARRIDO, Chair

Robert Gelder

ROBERT GELDER, Commissioner

E E Wolfe

EDWARD E. WOLFE, Commissioner

ATTEST:

Dana Daniels

Dana Daniels, Clerk of the Board