INTERLOCAL AGREEMENT FOR CODE ENFORCEMENT SPECIAL ASSESSMENT COST BILLING AND COLLECTION SERVICES

This INTERLOCAL AGREEMENT FOR CODE ENFORCEMENT SPECIAL ASSESSMENT COST BILLING AND COLLECTION SERVICES (this "Agreement") is made and entered into as of this 12th day of February, 2025, 2024, by and between the CITY OF EVERETT, a Washington municipal corporation (the "City"), and SNOHOMISH COUNTY, a political subdivision of the State of Washington (the "County").

RECITALS

WHEREAS, the City recognizes the need to recover the cost of the significant expenditure of city resources that comes from code enforcement actions; and

WHEREAS, the City represents that it has adopted the necessary legislation authorizing the City to enter into this Agreement and to levy a special assessment under RCW 35.21.955 (the "Special Assessments"); and

WHEREAS, the County has systems, staffing and workflows in place for billing and collection of special assessments which can be used for another jurisdiction's billing and collection when an interlocal agreement is entered into for that purpose; and

WHEREAS, Chapter 39.34 RCW, the Interlocal Cooperation Act, authorizes public agencies, including cities and counties, to enter into cooperative agreements with one another to make the most efficient use of their respective resources; and

WHEREAS, the City now desires to have the County bill and collect Special Assessments on behalf of the City, and the County agrees to perform said services, all under the terms and conditions described in this Agreement;

AGREEMENT

NOW, THEREFORE, in consideration of the agreement set forth below and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the County agree as follows:

1. PURPOSE AND ADMINISTRATION

1.1 Purpose of Agreement

This Agreement is authorized by and entered into pursuant to the Interlocal Cooperation Act, chapter 39.34 RCW. The purpose and intent of this Agreement is for the County to perform Special Assessment billing and collection services for properties located within the incorporated limits of the City upon which the City has levied a Special Assessment pursuant to EMC 1.20.180 and RCW 35.21.955. The Agreement establishes a means whereby the County can act as the City's agent in performing the services. The City shall cooperate with

the County to the extent reasonably necessary for accomplishing the services and shall reimburse the County for the County's costs incurred in performing the services, as more fully described in Section 4 below. The parties agree that no separate legal or administrative entities are necessary to carry out this Agreement. Except as expressly provided to the contrary in this Agreement, any real or personal property used or acquired by either party in connection with the performance of this Agreement will remain the sole property of such party, and the other party shall have no interest therein.

1.2 Administrators

Each party to this Agreement shall designate an individual (an "Administrator"), which may be designated by title or position, to oversee and administer such party's participation in this Agreement. The parties' initial Administrators shall be the following individuals:

City's Initial Administrator:

Tony Lee

City of Everett Building Official

Permit Services Division

3200 Cedar St Everett, WA 98201

Telephone: (425) 257-8812

Email: tlee@everettwa.gov

County's Initial Administrator:

Alex Lark

Chief Deputy Treasurer Snohomish County

Office of the Treasurer of Snohomish

County

3000 Rockefeller Avenue M/S 501

Everett, Washington 98201 Telephone: (425) 388-3510 Email: alexander.lark@snoco.org

Either party may change its Administrator at any time by delivering written notice of such party's new Administrator to the other party.

1.3 Condition Precedent to Effectiveness

As provided by RCW 39.34.040, this Agreement shall not take effect unless and until it has been: (i) duly executed by both parties; and (ii) either filed with the County Auditor or posted on the County's Interlocal Agreements website.

2. TERM

The term of this Agreement (the "Term") shall commence on January 1, 2025 (the "Commencement Date") and shall expire on December 31, 2026 (the "Expiration Date"); PROVIDED, HOWEVER, that the County's obligations after December 31, 2025, are contingent upon local legislative appropriation of the necessary funds for this specific purpose in accordance with the Snohomish County Charter and applicable law.

3. SPECIAL ASSESSMENTS BILLING AND COLLECTIONS SERVICES

3.1 Special Assessments

Chapter 1.20.180 of the Everett Municipal Code ("EMC") authorizes the City to levy upon the property subject to enforcement action a Special Assessment for the expense of any abatement undertaken, or unpaid fines, penalties, and costs issued pursuant to chapter 1.20 EMC. Each calendar year during the Term of this Agreement, the City shall have the option to instruct the County to bill and collect Special Assessments as more fully described in this Section 3. The City shall at all times remain responsible for establishing the amounts due under a Special Assessment.

3.2 County Responsibilities

- (i) The County will maintain customer information systems as necessary to provide for Special Assessment billing and collection.
- (ii) The County shall collect Special Assessments from real property owners within the incorporated limits of the City using a combined property tax statement in accordance with Special Assessment liens filed by the City, PROVIDED, HOWEVER, the City has appropriately filed and recorded the Special Assessment lien against the subject real property. The County shall not bill or collect Special Assessments for public rights-of-way, federal real property, and real property without a Snohomish County tax parcel number.
- (iii) Where general real property taxes are delinquent for more than three (3) years, the County will proceed with foreclosure pursuant to chapter 84.64 RCW, and such foreclosure action shall include collection of Special Assessments, which will be treated of equal rank with state, county, and municipal taxes up to two thousand dollars as provided in RCW 35.21.955.
- (iv) The County shall deposit the Special Assessments into a separate account and will disburse the Special Assessments to the City, less any accrued interest and the Service Fee described in Section 4 below, in accordance with Section 3.4 of this Agreement.
- (v) The County shall respond to taxpayer inquiries regarding processes within the County's control and refer to the City all other customer service inquiries related to billing and revenue collection for City property owners.
- (vi) The County may provide other incidental services that are reasonably related to the billing and collection of the Special Assessments as requested by the City and determined appropriate by the County.

3.3 City Responsibilities

- (i) For each calendar year during the Term of this Agreement, the City shall ensure it has provided legal authority for this Agreement by enacting legislation which:
 - (a) Authorizes the County to collect Special Assessments from owners of real property located in the City; and

- (b) Permits the County to act as the City's agent for collecting the Special Assessments and providing related services.
- (ii) The City shall respond to property owner inquiries regarding Special Assessments and processes within the City's control.
- (iii) The City shall be responsible for billing and collecting Special Assessments for public rights-of-way, federal real property, and real property without a Snohomish County tax parcel number.
- (iv) The City shall pay to the County Service Fee as provided in Section 4 below.

3.4 Delivery of Special Assessments

In any calendar year for which the County collects Special Assessments for the City, the County shall deliver to the City the Special Assessments it collects, without any accrued interest and less the Service Fee described in Section 4 below. The County shall deposit the Special Assessments into a separate fund (827) and will disburse the Special Assessments collected the prior month to the City on or around the 10th day of the month.

4. COMPENSATION

The City shall reimburse the County its reasonable costs and expenses incurred by the County related to the billing and collection of Special Assessments (the "Service Fee") under this Agreement. Consistent with RCW 84.56.035, the Service Fee is 1% of the Special Assessments collected. In lieu of remitting payment to the County, the Service Fee will be deducted from each monthly payment to the City of collected Special Assessments.

5. INDEPENDENT CONTRACTOR

All work performed by the County pursuant to this Agreement shall be performed by the County as an independent contractor and not as an agent or employee of the City. The County shall furnish, employ, and have exclusive control of all persons to be engaged in performing the County's obligations under this Agreement (collectively, the "County Personnel") and shall prescribe and control the means and methods of performing such obligations by providing adequate and proper supervision. The County Personnel shall for all purposes be solely the employees or agents of the County and shall not be deemed to be employees or agents of the City for any purpose whatsoever. With respect to the County Personnel, the County shall be solely responsible for compliance with all rules, laws, and regulations relating to employment of labor, hours of labor, working conditions, payment of wages and payment of taxes, such as employment, Social Security, and other payroll taxes including applicable contributions from the County Personnel when required by law.

6. TERMINATION FOR CONVENIENCE

This Agreement may be terminated by either party for any reason or for no reason, by giving ninety (90) days advance written notice of termination to the other party. Any termination notice delivered pursuant to this Section 6 shall specify the date on which the Agreement will terminate. If this Agreement is terminated pursuant to this Section 6, the County shall continue performing services through the date of termination. The City shall compensate the County for all services performed by the County through the date of termination. The City's obligation to make such final payment to the County shall survive the termination of this Agreement.

7. COMPLIANCE WITH LAWS

The City and the County shall at all times exercise their rights and perform their respective obligations under this Agreement in full compliance with all applicable laws, ordinances, rules and regulations of any public authority having jurisdiction.

8. INDEMNIFICATION

Each party shall defend, protect and hold harmless and indemnify the other party from and against all claims, suits or actions arising from any intentional or negligent act or omission of that party's employees, agents and/or authorized subcontractor(s) while performing under the terms of this Agreement.

9. LIABILITY RELATED TO CITY ORDINANCES, POLICIES, RULES AND REGULATIONS

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, policies, 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, policy, 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 reasonable attorney's fees

10. DEFAULT AND REMEDIES

If either party to this Agreement fails to perform any act or obligation required to be performed by it hereunder, the party to whom such performance was due shall deliver written notice of such failure to the non-performing party. The non-performing party shall have thirty (30) days after its receipt of such notice in which to correct its failure to perform the act or obligation at issue, after which time it shall be in default ("Default") under this Agreement; provided, however, that if the non-performance is of a type that could not reasonably be cured within said thirty (30) day period, then the non-performing party shall not be in Default if it commences cure within said thirty (30) day period and thereafter diligently pursues cure to completion. In the event of a party's Default under this Agreement, then after giving notice

and an opportunity to cure, the party to whom the performance was due shall have the right to exercise any or all rights and remedies available to it at law or in equity.

11. PUBLIC DISCLOSURE LAWS

The City and the County each acknowledges, agrees and understands that the other party is a public agency subject to certain disclosure laws, including, but not limited to Washington's Public Records Act, chapter 42.56 RCW. Each party understands that records related to this Agreement and the County's performance of services under this Agreement may be subject to disclosure pursuant to the Public Records Act or other similar law. Neither the City nor the County anticipates that the performance of either party's obligations under this Agreement will involve any confidential or proprietary information.

12. NOTICES

Each notice, demand, request, consent, approval, disapproval, designation or other communication that is required to be given by one party to the other party under this Agreement shall be in writing and shall be given or made or communicated by (i) United States registered or certified mail, postage prepaid, return receipt requested, (ii) any nationally recognized overnight carrier or express mail service (such as FedEx or DHL) that provides receipts to indicate delivery, (iii) by personal delivery, or (iv) by facsimile (with proof of successful transmission). All such communications shall be addressed to the appropriate Administrator of this Agreement, as that term is defined in Section 1.2 above. All notices shall be deemed given on the day each such notice is personally delivered, transmitted by facsimile (with evidence of receipt), or delivered by overnight courier service, or on the third business day following the day such notice is mailed if mailed in accordance with this Section.

13. MISCELLANEOUS

13.1 Entire Agreement

This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof, and supersedes any and all prior oral or written agreements between the parties regarding the subject matter contained herein. This Agreement may not be modified or amended in any manner except by written agreement executed by both parties.

13.2 Interpretation

This Agreement shall be governed by and enforced in accordance with the laws of the State of Washington. This Agreement and each of the terms and provisions of it are deemed to have been explicitly negotiated by the parties, and the language in all parts of this Agreement shall, in all cases, be construed according to its fair meaning and not strictly for or against either of the parties hereto. The captions and headings in this Agreement are used only for convenience and are not intended to affect the interpretation of the provisions of this Agreement. This Agreement shall be construed so that wherever applicable the use of the singular number shall include the plural number, and vice versa, and the use of any gender shall be applicable to all genders.

13.3 Severability

If any provision of this Agreement or the application thereof to any person or circumstance shall, for any reason and to any extent, be found invalid or unenforceable, the remainder of this Agreement and the application of that provision to other persons or circumstances shall not be affected thereby, but shall instead continue in full force and effect, to the extent permitted by law.

13.4 No Waiver

A party's forbearance or delay in exercising any right or remedy with respect to a Default by the other party under this Agreement shall not constitute a waiver of the Default at issue. Nor shall a waiver by a party of any particular Default constitute a waiver of any other Default or any similar future Default.

13.5 Assignment

This Agreement shall not be assigned, either in whole or in part, by either of the parties hereto. Any attempt to assign this Agreement in violation of the preceding sentence shall be null and void and shall constitute a Default under this Agreement.

13.6 Warranty of Authority

Each of the signatories hereto warrants and represents that he or she is competent and authorized to enter into this Agreement on behalf of the party for whom he or she purports to sign this Agreement.

13.7 No Joint Venture

Nothing contained in this Agreement shall be construed as creating any type or manner of partnership, joint venture or other joint enterprise between the parties.

13.8 No Third Party Beneficiaries

This Agreement is made and entered into for the sole benefit of the City and the County. No third party shall be deemed to have any rights under this Agreement; there are no third party beneficiaries to this Agreement.

13.9 Execution in Counterparts

This Agreement may be executed in two or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same agreement.

IN WITNESS WHEREOF, the City and the County have executed this Agreement as of the date first above written.

THE CITY:

City of Everett, a Washington municipal corporation

Name: Cassie Franklin

Title: Mayor, City of Everett

Approved ashockemency APPROVED AS TO FORM

David C. Hall, City Attorney

David Hall City Attorney THE COUNTY:

Snohomish County, a political subdivision of the State of Washington

Klein, Ken Digitally signed by Klein, Ken Date: 2025.02.12 15:19:05

By_

Name: Dave Somers

Title: Snohomish County Executive

Ken Klein

Executive Director

Approved as to Form:

Guadamud,

Digitally signed by Guadamud, Rebecca Date: 2024.11.25 16:03:10 -08'00'

Rebecca

Jason Cummings Deputy Prosecuting Attorney