

**INTERLOCAL AGREEMENT FOR ANNEXATION OF THE CITY OF  
CASTLE ROCK TO COWLITZ COUNTY FIRE PROTECTION DISTRICT #6**

THIS AGREEMENT is entered into by the City of Castle Rock (“the City”) and Cowlitz County Fire Protection District #6 (“the District”), for the purposes stated below.

**RECITALS**

A. The City and the District are both located in Cowlitz County, Washington and have contiguous boundaries. The parties jointly operate a fire station located at 146 A Street SW, Castle Rock, Washington and the parties jointly provide fire, rescue, and emergency medical service throughout the boundaries of the City and the District under existing agreements.

B. The City and the District are authorized by Chapter 52.04 RCW to cause an election to be held in order for the voters of the City and the voters of the District to decide whether or not the City should be annexed to and become part of the District. The City and the District have had ongoing discussions concerning whether, and under what terms, they would agree to submit this issue to the voters. The City and the District have now reached agreement on the said terms and conditions and desire to reduce their agreement to writing.

**AGREEMENT**

IN CONSIDERATION OF the terms and conditions set forth below, the parties agree as follows:

**1. Annexation Process**

- a. **Pursuit of Annexation.** Pursuant to RCW 52.04.060 - .131, the parties agree to pursue annexation of the City to the District according to the terms and conditions set forth in this Agreement and any amendments thereto, subject to approval of such annexation by the Cowlitz County Boundary Review Board and the voters of the City and District. As a prelude to this agreement, the City has passed an ordinance requesting annexation to the District and the District, by resolution, has accepted the City’s annexation request.
- b. **Boundary Review Board Notices and Proceedings.** A notice of intent has been filed with the Cowlitz County Boundary Review Board (BRB) seeking annexation of the City of the District. The District shall act as the lead agency for SEPA purposes in connection with the annexation. The parties agree that they will not request the BRB to review the annexation. In the event that a review is initiated pursuant to RCW 36.93.100, the District and the City agree to jointly coordinate, prepare, and present

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testimony to the BRB in favor of the annexation and to take all necessary actions to obtain BRB approval of the annexation.

- c. **Notification of County Commissioners – Election.** The District agrees to take all necessary steps to notify the Cowlitz County Commissioners of the District's acceptance of the annexation and to request that the Commissioners call the issue to appear on the election ballot in November of 2005, provided, that if a BRB hearing is required pursuant to chapter 36.93 RCW, the District shall request the next available election date after the BRB decision, and any appeal thereof, becomes final, assuming that the same is favorable to annexation.
- d. **Costs.** Each party agrees to bear and pay its own expenses in connection with the conduct of the election.
- e. **Cooperation as to Other Matters.** The parties agree to cooperate as to any other matters necessary to effectuate the annexation of the City to the District.

## 2. **Post-Annexation Fire Service.**

- a. **Generally.** Upon annexation of the City to the District, the District shall be solely responsible for the provision of fire protection, fire suppression, rescue, and emergency medical services within the incorporated boundaries of the City and the boundaries of the District. The District shall provide a generally uniform level of service throughout the District, including within the incorporated boundaries of the City, and shall in no event generally provide a lesser level of service within the City's boundaries than outside such boundaries. The District shall provide these services at not less than the level provided by the City in the year immediately prior to annexation. The parties understand and agree that nothing in this Agreement shall preclude the District from equipping and staffing fire stations in an alternate location(s) for the same purpose. Upon annexation, the City shall thereafter have no responsibility for providing such services, except as expressly provided in this Agreement and as required by Washington State Law. The term "annexation" shall mean the date on which the election results are certified by Cowlitz County.
- b. **Fire Prevention Services.** For a period of 10 years after the effective date of annexation, the District agrees to provide fire prevention services within the boundaries of the City. Such services shall consist of the following: development plan review and comment, fire investigation, management and enforcement of inspection and testing of fire flows in new construction, occupancy inspections, issuance of burn permits, management and enforcement of fire alarm system testing and certification in new construction, and fire code enforcement. The District shall provide these fire prevention services at not less than the level and frequency provided by the City in the year immediately prior to annexation. During this ten year period, the City and the District shall

work cooperatively to assess whether and at what level such services may be provided by the District after expiration of the ten year period and the cost to be paid by the City for the provision of the said services. Twelve months prior to the expiration of the ten year period, the parties will negotiate in good faith for the continued provision of fire prevention services by the District. If the parties reach agreement on these issues, the parties will provide for the services thereafter by executing an Interlocal agreement governing the same. If the parties do not reach agreement, then the District shall have no obligation to provide such services within the City after expiration of the ten year period. Nothing in this Agreement shall prevent the City from thereafter providing for such services within the City either through its own employees or through another arrangement within the discretion of the City.

- c. **Protection of City Owned Property.** For a period of fifty years after the effective date of annexation, the District agrees to provide fire suppression services for City owned structures, buildings and real property. In the event that the City contemplates the construction of any facilities which would require the District to provide specialized equipment, services, or training not contemplated at the time of the execution of this agreement, and not within the current capabilities of the District, the parties shall mutually negotiate the cost to the City for the District to provide such services. Twelve months prior to the expiration of the fifty year period, the parties will negotiate in good faith for the continued provision of these services by the District. If the parties reach agreement on these issues, the parties will provide for the services thereafter by executing an Interlocal agreement governing the same. If the parties do not reach agreement, then the District shall have no obligation to provide such services within the City after expiration of the fifty year period.
  - d. **Use of Hydrants and Water.** For a period of fifty years after the effective date of annexation, the City agrees to allow the District to utilize City fire hydrants and water for the provision of services in 2(a) above and for bonafide fire department training. The conveyances required by this paragraph shall be without charge by the City, the consideration for the same being this Agreement.
3. **Fire Station 61.** Effective upon the date of annexation, the City hereby conveys and quitclaims to the District the City's entire interest in the land and building commonly known as Fire Station 61 and located at 146 A Street SW, Castle Rock, Washington, including any and all furnishings, fixtures and equipment contained within the same. The land to be conveyed is legally described on Exhibit A attached hereto and incorporated herein by this reference as if set forth in full. Such conveyance shall be without charge by the City, the consideration for the same being this Agreement. The City agrees to execute a quitclaim deed for recording, but the intent of this paragraph is that the title shall be conveyed immediately and automatically upon the effective date of annexation, free and clear of all liens and encumbrances. The City agrees to transfer and assign any and all interest it may have in any manufacturer's, contractor's, or vendor's warranties related to the building or any portion thereof, and to any furnishings,

fixtures and equipment to the District, to the extent that the same may be validly transferred or assigned. The District hereby accepts the land, building, furnishings, fixtures, and equipment in an "as is" condition as of the date of the transfer and the City makes no warranties or guarantees of any kind as to the condition of the same or the fitness of the same for any particular use, intended or unintended. The foregoing notwithstanding, the City represents and warrants that it has good and marketable title to its ownership in Fire Station 61, free and clear from all encumbrances, security interests, liens, charges, conditional sales agreements or claims of any kind, known or unknown, by any person.

4. **Apparatus and Equipment.** Effective upon the date of annexation, the City hereby conveys and transfers to the District the City's entire interest in any and all fire, rescue, medical, support, and other emergency apparatus, including, without limitation, all ambulances, fire engines, fire vehicles, trailers, utility vehicles, rescue boats, communications equipment, and other fire fighting and emergency equipment utilized by the fire department of the city, commonly referred to as Castle Rock Fire & EMS. The City will also convey and transfer to the District any and all interest in computers, computer equipment, telephones, radios, and other miscellaneous items utilized by the City fire department, commonly referred to as Castle Rock Fire & EMS. The City will execute any necessary documents to confirm the transfer, but the intent of this paragraph is that title be conveyed immediately and automatically upon the effective date of annexation. The City agrees to transfer and assign any and all interest it may have in any manufacturer's, contractor's, or vendor's warranties related to the items to be conveyed under this paragraph to the District, to the extent that the same may be validly transferred or assigned. The conveyances required by this paragraph shall be without charge by the City, the consideration for the same being this Agreement. The City hereby represents and warrants that it is the sole owner of the acquired assets and has good and marketable title thereto, free and clear from all encumbrances, security interests, liens, charges, conditional sales contracts or claims of any kind, known or unknown, by any person. The District hereby accepts the items to be conveyed under this paragraph in an "as is" condition as of the date of the transfer and the City makes no warranties or guarantees of any kind as to the condition of the same or the fitness of the same for any particular use, intended or unintended.
5. **Maintenance and Operation of Fire Station, Apparatus and Equipment.** Upon the transfer of the property to be conveyed by the City to the District under paragraphs 3 and 4 above, the District shall assume sole responsibility for the maintenance, operation and repair of the same and the City shall in no event be liable for any such maintenance, operation or repair.
6. **Transfer of Employees and Volunteers.** Upon the effective date of annexation, all employees and volunteers of the City's Fire Department, commonly referred to as Castle Rock Fire & EMS, who desire to do so may transfer to and become employees and volunteers of the District in accordance with applicable statutes. Wages, stipends and benefits for transferred employees and volunteers at the time of annexation shall remain the same after transfer as those wages being paid or benefits being provided by the City on the date of annexation. Upon the effective date of annexation, and to the fullest extent permitted by law, the City shall have

no further rights or obligations with respect to the transferred employees and volunteers except as may be necessary to defend against any claim arising out of events occurring prior to transfer.

a. **Effect of Transfer.**

- i. **Generally.** Upon transfer of the employees to the District, the District shall be solely responsible for all obligations of an employer with respect to such employees, including, but not limited to, salaries, wages and benefits; the District further agrees to reimburse employee's or make direct payment on the employees behalf for any COBRA coverage until healthcare benefits are established for employees by the District. Upon transfer, the City shall have no further obligations with respect to such employees, except as to any salaries, wages, and benefits accrued but not yet paid, any COBRA obligations, and any obligations expressed provided for below.
  - ii. **Leave Balances.** Vacation, compensatory, and sick leave balances accrued by employees while in the service of the City and outstanding as of the date said employees are transferred to the District shall automatically transfer to the District with each transferred employee. Any vacation, compensatory, or sick leave authorized thereafter by any such transferred employee shall count against and reduce the employee's transferred vacation, compensatory, and sick leave balances. If an employee's employment relationship terminates after transfer of that employee to the District, the District shall cash out any unused vacation time, compensatory time, and/or sick leave balance according to the terms that applied to the employee under the employee's employment relationship with the City as of the effective date of annexation.
7. **City's 2005 Budgeted Amount.** In the event that the annexation election provided for in RCW 52.04.071 occurs in November 2005 and results in a vote in favor of annexation, the City agrees that it will continue to make the amount provided in the City's 2005 fire department operating budget available for the provision of fire, rescue, and emergency medical services by the District for the remainder of the 2005 calendar year. The District, by and through the Chief of the District, shall make request to the City for the payment of operational expenses and the City shall provide the District with the funds necessary to make such payments to the extent that the expenses were within the City's 2005 fire department operating budgets. The City shall not pay such expenses directly, but the District shall be solely responsible for such payment from funds provided by the City. The District shall provide evidence acceptable to the City's Treasurer showing such payments in the order that the City's auditing responsibilities may be satisfied. In the event that the annexation election is delayed to a date other than November 2005, the District and the City will determine what, if any portion of the City's budget will be used to fund continued operations of the fire department, commonly known as Castle Rock Fire & EMS.

8. **Collection of Taxes.** In the event that the District is not legally entitled to levy taxes within the incorporated limits of the City in 2005 for collection in 2006, the City agrees to continue to levy City property taxes in 2005 for collection in 2006 as if the City were not annexed to the District. From these property taxes, the City agrees to remit to the District a sum equal to the assessed valuation of the property within the City multiplied by the property tax levy rate imposed by the District within its boundaries. This sum shall be paid as the City collects the property taxes; the City shall not be obligated for taxes that are uncollectible. The District shall use all such funds received to provide services provided under paragraph 2(a) above.

9. **Additional Payments by City.**

a. **Emergency Medical Services Fund.** In addition to the other payments and transfers of property set forth in this Agreement, the City agrees to immediately transfer the balance of any ambulance or EMS funds to the district, including any EMS reserve, EMS vehicle replacement or EMS investment funds, to the District on the effective date of Annexation. The City also agrees to transfer any outstanding ambulance/EMS revenues collected after the above mentioned transfer to the District on a monthly basis until no further outstanding ambulance/EMS bills or collections exist. The District and the City agree that the District will manage the collection of preexisting ambulance/EMS revenues. The District shall use all such funds received to provide services as required under 2(a) above. The City, by and through the Treasurer of the City, shall make request to the District for the payment of outstanding EMS expenses that were incurred prior to the effective date of the annexation and the District shall provide the City with the funds necessary to make such payments. The District shall not pay such expenses directly, but the City shall be solely responsible for such payment from funds provided by the District. The City shall provide evidence acceptable to the District's secretary showing such payments in the order that the District's auditing responsibilities may be satisfied.

10. **Claims Existing Prior to Annexation – Indemnity.**

a. Anything contained in this Agreement notwithstanding, the City shall remain solely liable for all liabilities, claims, damages, demands or other expenses of any kind or nature, known or unknown, including, but not limited to, the payment of general obligation and other bonds: (a) arising out of, in connection with or stemming from the City's ownership and usage of the acquired assets described in paragraphs 3 and 4, above, prior to annexation: and/or (b) arising out of, in connection with or stemming from the City's operation of Castle Rock Fire & EMS prior to annexation. The City is not transferring and the District is not assuming any of the foregoing liabilities, claims, demands, damages or other expenses.

11. **Liabilities – Indemnity.**

a. **By City.**

- i. The City agrees to indemnify, hold harmless, and defend the District, its officers, agents, and employees, from and against any and all claims, losses, or liability for injuries, sickness, or death of persons, including employees of the City, or Damage to property, occurring prior to the effective date of annexation and arising out of any negligent act, error, or omission of the City, its officers, agents, or employees, in providing fire, rescue, and emergency medical services. The indemnity under this paragraph is intended to protect the District from claims by third parties that are made after the annexation, but which stemmed from events in connection with fire & EMS operations for acts that actually occurred prior to the annexation, and shall be limited thereto.
- ii. The City agrees to indemnify, hold harmless and defend the District, its officers, agents, and employees, from and against any and all losses, liabilities or other expenses arising out of any claims, demands or other losses resulting to the District: (a) by reason or arising out of the duties or liabilities of the City not expressly assumed by the District under this Agreement; or (b) that arise out of or are incurred by the District by reason of the incorrectness or breach by the City of any of the agreements, representations or warranties contained in this agreement.

- b. **By District.** The District agrees to indemnify, hold harmless, and defend the City, its officers, agents, and employees, from and against any and all claims, losses, or liability for injuries, sickness, or death of persons, including employees of the City, or damage to property, occurring on or after the effective date of annexation and arising out of any negligent act, error, or omission of the District, its officers, agents, or employees, in providing fire, rescue, and emergency medical services. The indemnity under this paragraph is intended to protect the City from claims by third parties stemming from events in connection with fire & EMS operations occurring after annexation, and shall be limited thereto.

12. **Obligations Contingent.** The obligations of the parties under this Agreement are expressly contingent upon receipt of a favorable vote on annexation at the November 2005 election. Except as otherwise expressly set forth in this Agreement, in the event that the annexation ballot proposition is not submitted to the voters in 2005, or in the event that the proposition is submitted and does not receive the favorable vote in both the District and the City that is required for annexation, this Agreement shall terminate and the parties shall have no further obligations under it. In the event that the annexation proposition is submitted and fails, the City and the District will determine how to share in the funding of the fire department budget for the year 2006 and beyond.

13. **Availability of Records.** The City agrees to cooperate with the District in making available records in the City's possession and control regarding fire & EMS operations.
14. **Costs.** Each party agrees to bear and pay its own expenses in connection with the negotiation and implementation of this Agreement, including, but not limited to, its attorneys' fees.
15. **Existing Agreements.** Upon annexation of the City to the District and transfer of the property referred to in paragraphs 3 and 4 above, any other existing Agreement between the City and the District shall be automatically terminated and of no further effect.
16. **Notices.** Any notices to be given under this Agreement shall be delivered in person or mailed to the parties at the following addresses:

For the City: Mayor Barbara Larsen  
City of Castle Rock  
P.O. Box 370  
Castle Rock, WA 98611

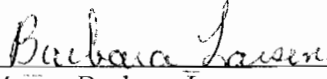
For the District: Mark Watenpaugh, Chairman  
Board of Commissioners  
Cowlitz County Fire Protection District #6  
P.O. Box 205  
Castle Rock, WA 98611

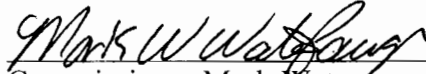
17. **Integrated Agreement.** This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof and may be modified only by a written instrument signed by all parties hereto.
18. **Severability.** In the event that any section, sentence, clause, or paragraph of this Agreement is held to be invalid by any court of competent jurisdiction, the remainder of this Agreement shall not be affected and shall remain in full force and effect.
19. **Litigation.** In the event that either party deems it necessary to institute legal action or proceedings to enforce any right or obligation under this agreement, the parties agree that such actions shall be initiated in the Superior Court of the State of Washington, in and for Cowlitz County. The prevailing party in any such litigation shall be entitled to recover its costs, including reasonable attorney's fees, in addition to any other award.
20. **Third Party Rights.** Anything to the contrary notwithstanding, nothing contained in this Agreement shall be interpreted to create third party rights in any person or entity not a party thereto.

21. **Effective Date.** This Agreement shall become effective upon approval and execution by both parties.

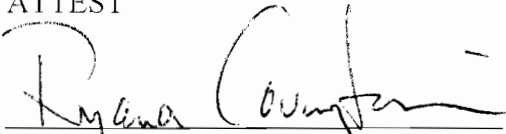
CITY OF CASTLE ROCK

COWLITZ COUNTY FIRE PROTECTION  
DISTRICT #6

  
\_\_\_\_\_  
Mayor Barbara Larsen  
Date: Nov. 28, 2009

  
\_\_\_\_\_  
Commissioner Mark Watenpaugh, Chairman  
Date: 11-28-09

ATTEST

  
\_\_\_\_\_  
Ryana Covington, Clerk/Treasurer

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Tom O'Neill, City Attorney