

CITY COUNCIL AGENDA ITEM
CITY OF SHORELINE, WASHINGTON

AGENDA TITLE:	Authorize the City Manager to Enter into an Agreement with the Shoreline School District for Accelerated Permit Processing
DEPARTMENT:	Planning & Community Development
PRESENTED BY:	Rachael Markle, Director
ACTION:	<input type="checkbox"/> Ordinance <input type="checkbox"/> Resolution <input checked="" type="checkbox"/> Motion <input type="checkbox"/> Discussion <input type="checkbox"/> Public Hearing

PROBLEM/ISSUE STATEMENT:

The Shoreline School District will be replacing Parkwood Elementary School, Einstein Middle School and Kellogg Middle School; remodeling Aldercrest Elementary School and completing the remodel of North City Elementary. The School District has carefully designed a schedule for all of these projects that includes the plan for maintaining educational services during construction. Part of that plan includes completing the permitting phase for each project in eight (8) weeks. However, the City's current permitting timeline for large commercial projects is 14 to 22 weeks plus the time it takes for applicants to respond to review comments.

The School District, City staff and the Shoreline Fire Department¹ have been working together on an agreement that includes a plan for how the City with increased resources from the School District could issue the development permits for the School District projects in eight (8) weeks. The proposed Agreement Between the City of Shoreline and Shoreline School District No. 412 for Accelerated Processing of Construction Permits for School District Construction Projects (Attachment A) provides for this agreement.

RESOURCE/FINANCIAL IMPACT:

In accordance with the agreement, the School District will be required to pay three (3) times the permit review fees for any development permits the District chooses to have issued within eight (8) weeks of submitting a complete development permit application. The chart below compares the estimated permitting costs for the Parkwood, Einstein and Kellogg projects combined based on the review process used:

¹ Staff negotiated an Agreement with the Shoreline Fire Department (SFD) to provide Accelerated Review of the School District's projects. The Agreement with the SFD is presented in another staff report for Council's consideration on November 6th to authorize the City Manager to also approve this Agreement

Review Process	Standard Review¹	Expedited Review²	Accelerated Review
Processing Time	Currently 14-22 weeks for staff reviews of large commercial projects	Generally ½ the current review time: 7-11 weeks for staff review of large commercial projects	Only available by Agreement – 8 weeks
Estimated Permitting Cost for School District Projects	\$844,258	\$1,176,841	\$1,509,424

¹The development permits for North City Elementary have been issued and the first two phases of the Aldercrest Elementary remodel are issued and in progress. The only option for permitting at the time these permits were submitted was the standard review process. Future phases of construction may occur at Aldercrest and if the Agreement is approved then the remaining permits may use the Accelerated Review process.

²The development permits for the Early Learning Center at Shoreline’s Children Center are currently being reviewed. Since the Agreement was not in place and therefore Accelerated Review was not an option, the School District opted to use the Expedited Review process.

- As part of the 2017 Budget amendment and the 2018 Budget, staff identified the resources needed to support the eight (8) week permitting timeline requested by the School District.
- Council approved amendments to the 2017 Budget on September 11, 2017 which included funding for a 1.0 FTE Development Review Engineer II; 0.5 FTE (limited term) Senior Planner to serve as the Project Manager for permitting the School District projects; a 1.0 FTE Plans Examiner II; and \$67,000 for professional services to provide consulting support for Plans Examination and Development Review.
- The 2018 Proposed Budget includes funding for \$300,000 in professional service contracts for plans examination and inspections to enable the City to review the School District’s development permits within eight (8) weeks while maintaining the existing level of permit review services for all other permit applicants.
- The Development Review Engineer II, Senior Planner (limited term), Plans Examiner II and funding for consulting services to support plan review are all backed by permit revenue.
- The potential financial risk to the City if staff were to fail to meet the agreed deadlines is mitigated in the Agreement. Should this occur, the School District would at a minimum be required to pay the City the Expedited Review rate.

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to enter into the Agreement Between the City of Shoreline and Shoreline School District No. 412 for Accelerated Processing of Construction Permits for School District Construction Projects.

Approved By: City Manager **DT** City Attorney **MK**

INTRODUCTION

The School District's construction schedule for the Parkwood, Einstein and Kellogg School projects is based on the permitting phase taking eight (8) weeks from submittal of the permit applications to issuance of the permits for construction. This is not the standard level of review for permitting services. Additional staff resources are required to deliver the requested level of service for the School District while not delaying the review of other development permit applications. School District, City and Shoreline Fire Department staff worked together on the proposed Agreement Between the City of Shoreline and Shoreline School District No. 412 for Accelerated Processing of Construction Permits for School District Construction Projects (Attachment A) that includes the terms and conditions under which the City and Fire Department would be able to process the School District's development permits for Parkwood, Einstein, Kellogg and the remaining projects at Aldercrest within an eight week period.

BACKGROUND

In February 2017, voters approved a \$250 million school construction bond to fund the rebuilding of Einstein Middle School, Kellogg Middle School, and Parkwood Elementary School and, to build an Early Learning Center at the Shoreline Children's Center. Phased improvements are also underway at the Aldercrest campus to modernize this facility with the goal of reopening the campus as an elementary school to serve Shoreline School District students and families now and into the future.

The School District has requested an eight week processing time for development permits for the following schools: Aldercrest Elementary School; Parkwood Elementary School; Einstein Middle School; and Kellogg Middle School. Currently, large commercial development projects are taking approximately 14 to 22 weeks to issue permits, not including the time it takes for the applicant's design professionals to revise plans to address the City's review comments. The substantially reduced permit processing time of eight weeks will greatly assist the School District with meeting its very tight construction schedules for each of the projects. It is imperative that the schools are safe and ready to occupy or reoccupy per the School District's carefully orchestrated schedules in order to continually serve the students within the approved budgets.

Council last discussed allowing the School District to pay additional permit fees to cover the cost of reviewing the development permits for the School District projects within an eight week period at their August 7, 2017 meeting as part of the 2017 Budget Amendment discussion. Council stated that the cost of this service (Accelerated Permitting) would need to be more than cost of Expedited Permitting. Expedited Permitting does not guarantee an eight week turn around, but instead cuts each of the City's review cycles for the permit in half. Based on current permit volumes and staffing, Expedited Permitting takes longer than eight weeks.

The purpose of the proposed agreement with the School District is to set forth the roles and responsibilities of the City and the School District with respect to the City's accelerated processing of permits for the construction at Aldercrest Elementary School, Parkwood Elementary School, Einstein Middle School, and Kellogg Middle School. The

Agreement also sets the fees owed to the City by the School District for the accelerated processing of these permits. The Agreement does not include permits and reviews by non-City utility providers including, but not limited to, sewer, water, electric, and gas. The Agreement includes provisions for: project management; failure to meet timelines; dispute resolution; financial reimbursement; termination of the Agreement; indemnity; duration of the Agreement; assignments and beneficiaries; representatives and notices; and the City's permitting and regulatory authority.

ALTERNATIVES ANALYSIS

The alternatives to processing School District permits were largely analyzed as part of the 2017 Budget amendment process and as part of the proposed 2018 Budget. These alternatives included:

1. Process the permits for the School District projects using the Standard Review process. This process would take an estimated 14-22 weeks, or possibly longer due to the School District's equity policy of keeping both middle schools on the same permitting, construction and completion schedule. Also, the 14-22 week estimate is based on only two rounds of reviews and does not include the time it would take the School District's design professionals to respond to both the first and second review cycle comment letters.

Cons:

- a. Choosing this alternative would likely increase the permitting review time for all other commercial building permits resulting in a decreased customer service and satisfaction. The current and projected permitting level, even without the School District projects has resulted in increased permit review times.
- b. The School District would not meet its permitting, construction and completion schedule for the School District projects. This would result in increased construction costs; and increased costs for contingency planning and implementation in regards to how and where to safely provide educational services if the new or remodeled schools are not completed.

Pros:

- a. No additional funding for staff or contract services would be required.
2. Process the permits for the School District projects using the Expedited Review process. This process would take an estimated 8-11 weeks, or possibly longer due to the School District's equity policy of keeping both middle schools on the same permitting, construction and completion schedule. Also, the 8-11 week estimate is based on only two rounds of reviews and does not include the time would take the School District's design professionals to respond to both the first and second review cycle comment letters.

Cons:

- a. Choosing this alternative may increase the permitting review time for all other commercial building permits resulting in a decreased customer service and satisfaction. The current and projected permitting level, even without the School District projects has resulted in increased permit review times.

- b. The School District would most likely not meet its permitting, construction and completion schedule for the School District projects. This would result in increased construction costs; and increased costs for contingency planning and implementation in regards to how and where to safely provide educational services if the new or remodeled schools are not completed.

Pros:

- a. Some additional funding for staff and/or contract services would be required, but not as much as is required to provide Accelerated Review. The additional cost would be covered by the Expedited Permitting fee.
3. **Recommended Alternative:** Process the permits for the School District projects using the Accelerated Review process. This process would accommodate the School District's requested permitting schedule of eight weeks from permit intake to issuance based on two (2) review cycles.

Cons:

- a. If the City cannot meet the deadlines for review as set forth in the Agreement, then the School District may request a reduction in the permit review fees. The permit review fees may be reduced from triple the amount of the permit review fees to double.

Pros:

- a. The Accelerated Process is intended to support the School District's goal of having permits ready to issue within eight (8) weeks of application submittal for each of its School projects.
- b. The School District staff have reviewed the proposed Agreement and will be asking the School District Board to authorize the Superintendent's Office to sign the Agreement.
- c. Through the Agreement, the School District will provide the funding necessary to cover the City and Fire Department's cost to provide the Accelerated Permit processing.
- d. The Accelerated Process provides enough funding to obtain the staff and professional contracts required to process the School District's permits within eight weeks without impacting the review schedules for other commercial permits applications submitted in the next two years.

COUNCIL GOAL ADDRESSED

This agreement addresses Council Goal 1: Strengthen the City's economic base to maintain the public services that the community expects, and specifically Action Step #2: Enhance the attractiveness of Shoreline as a place for private investment, including investment by small and medium sized developments, by ensuring that the permit process is predictable, timely and competitive, and by constantly evaluating and improving the quality of regulations for the City and other local permitting organizations.

RESOURCE/FINANCIAL IMPACT

In accordance with the agreement, the School District will be required to pay three (3) times the permit review fees for any development permits the District chooses to have issued within eight (8) weeks of submitting a complete development permit application. The chart below compares the estimated permitting costs for the Parkwood, Einstein and Kellogg projects combined based on the review process used:

Review Process	Standard Review¹	Expedited Review²	Accelerated Review
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¹The development permits for North City Elementary have been issued and the first two phases of the Aldercrest Elementary remodel are issued and in progress. The only option for permitting at the time these permits were submitted was the standard review process. Future phases of construction may occur at Aldercrest and if the Agreement is approved then the remaining permits may use the Accelerated Review process.

²The development permits for the Early Learning Center at Shoreline’s Children Center are currently being reviewed. Since the Agreement was not in place and therefore Accelerated Review was not an option, the School District opted to use the Expedited Review process.

- As part of the 2017 Budget amendment and the 2018 Budget, staff identified the resources needed to support the eight (8) week permitting timeline requested by the School District.
- Council approved amendments to the 2017 Budget on September 11, 2017 which included funding for a 1.0 FTE Development Review Engineer II; 0.5 FTE (limited term) Senior Planner to serve as the Project Manager for permitting the School District projects; a 1.0 FTE Plans Examiner II; and \$67,000 for professional services to provide consulting support for Plans Examination and Development Review.
- The 2018 Proposed Budget includes funding for \$300,000 in professional service contracts for plans examination and inspections to enable the City to review the School District’s development permits within eight (8) weeks while maintaining the existing level of permit review services for all other permit applicants.
- The Development Review Engineer II, Senior Planner (limited term), Plans Examiner II and funding for consulting services to support plan review are all backed by permit revenue.
- The potential financial risk to the City if staff were to fail to meet the agreed deadlines is mitigated in the Agreement. Should this occur, the School District would at a minimum be required to pay the City the Expedited Review rate.

RECOMMENDATION

Staff recommends that the City Council authorize the City Manager to enter into the Agreement Between the City of Shoreline and Shoreline School District No. 412 for Accelerated Processing of Construction Permits for School District Construction Projects.

ATTACHMENTS

Attachment A: Agreement Between the City of Shoreline and Shoreline School District No. 412 for Accelerated Processing of Construction Permits for School District Construction Projects

**AGREEMENT BETWEEN THE CITY OF SHORELINE
AND SHORELINE SCHOOL DISTRICT NO. 412
FOR ACCELERATED PROCESSING OF CONSTRUCTION PERMITS
FOR SCHOOL DISTRICT CONSTRUCTION PROJECTS**

THIS AGREEMENT is made and entered into by Shoreline School District No. 412 (hereinafter referred to as the “School District”) and the City of Shoreline (hereinafter referred to as “City”). The School District and City are collectively referred to hereafter as “the Parties” or individually as a “Party”.

RECITALS

WHEREAS, the City is a non-charter optional municipal code city organized pursuant to Title 35A of the Revised Code of Washington.

WHEREAS, the School District is a quasi-municipal corporation organized pursuant to Title 28A of the Revised Code of Washington.

WHEREAS, in 2017, voters approved a \$250 million school construction bond to fund the rebuilding of Einstein Middle School, Kellogg Middle School, and Parkwood Elementary School and, to build an Early Learning Center at the Shoreline Children’s Center.

WHEREAS, phased improvements are underway at the Aldercrest campus to modernize this facility with the goal of reopening the campus as an elementary school to safely serve Shoreline School District students and families now and into the future.

WHEREAS, the School District has requested an eight week processing time for certain permits required by the City for construction projects at the following schools: Aldercrest Elementary School; Parkwood Elementary School; Einstein Middle School; and Kellogg Middle School.

WHEREAS, the Parties desire to enter into an agreement so as to provide for the terms and conditions of the City’s accelerated processing of such permits and the School District’s payment for such accelerated processing.

AGREEMENT

FOR AND IN CONSIDERATION OF and subject to the terms and conditions set forth below, the Parties agree as follows:

**SECTION 1
PURPOSE OF AGREEMENT**

The purpose of this Agreement is to set forth the roles and responsibilities of the Parties with respect to the City’s accelerated processing of permits that are issued by the City for construction at Aldercrest Elementary School, Parkwood Elementary School, Einstein Middle School, and Kellogg Middle School and, the fees owed to the City by the School District for the accelerated

processing of these permits. This Agreement does not include permits and reviews by non-city utility providers including, but not limited to, sewer, water, electric, and gas.

**SECTION 2
DEFINITIONS**

- A. "Construction Permit" or "Construction Permits" means Building Permits, Mechanical Permits, Electrical Permits, Site Development Permits, Right of Way Permits, Plumbing Permits, Demolition Permits, and Fire Systems Permits. Construction Permits do not include Conditional Use permits as defined in SMC 20.30.300 or any other Type B, Type C, or Type L permit as defined in SMC 20.30.050, 20.30.060, and 20.30.070 respectively.
- B. "Date revisions were received" means the date the document is stamped as received by the City.
- C. "Days" means calendar days.
- D. "Accelerated Processing" means an eight (8) week processing time, calculated from the date the City determines an application is complete to the date of permit issuance, accounting for tolling when additional information has been requested by the City.
- E. "Project" or "Projects" means the School District's remaining renovations for Aldercrest Elementary; rebuilding of Einstein Middle School, Kellogg Middle School, and Parkwood Elementary.
- F. "Week" means one calendar week or seven (7) consecutive calendar days.

**SECTION 3
ENVIRONMENTAL REVIEW**

- A. The School District is the "lead agency" for the purposes of a Project's compliance with the State Environmental Policy Act, RCW 43.21C (SEPA).
- B. Verification from the School District to the City that a Project has complied procedurally and substantively with SEPA must be submitted to the City for each Project as part of the construction permit application. Verification should include, at a minimum, Determination of Non-Significance or a Determination of Significance and, if the latter, an Environmental Impact Statement.

**SECTION 4
ROLES AND RESPONSIBILITIES**

The Parties understand and agree that the process described in this Agreement depends upon timely and open communication, prompt submittal of documentation and information, and mutual cooperation between the Parties. In this regard, communication of issues, changes, or problems that arise with any aspect of the roles and responsibilities described herein should occur as early

as possible in the process, and not wait for explicit due dates or deadlines. Each Party agrees to work cooperatively and in good faith toward resolution of any such issues so as to meet the deadlines articulated in this Agreement.

A. **City Responsibilities:** The City agrees to review the Construction Permit applications and provide the School District with review comments as described in this Section to facilitate the issuance of Construction Permits for the Projects within the Accelerated Processing time period.

1. The City will issue a Notice of Complete Application upon determination by the City that a Construction Permit application is complete.
2. The City will complete the first review of the Construction Permit application within three (3) weeks of the date of the Notice of Complete Application. Upon completion of the first review, the City will send written comments to the School District detailing required revisions.
3. The City will complete the second review of a Construction Permit application within one (1) week of the date revisions were received from the School District that, in the City's sole opinion, completely address the first review comments. Upon completion of the second review, the City will send written comments to the School District detailing required revisions.
4. The City will complete all subsequent reviews, if required, of a Construction Permit application within one (1) week of the date revisions were received from the School District that, in the City's sole opinion, completely address the review comments. Upon completion of any subsequent review, the City will send written comments to the School District detailing required revisions.
5. Following the completion of the City's first or second review of a Construction Permit application, if, in the City's sole opinion, there are no remaining issues associated with the building placement and design of the foundation, the City may, upon written request of the School District, issue a separate permit for the "Foundation Only" and/or "Site Development." The issuance of these types of permits will allow construction on those portions of a Project to begin in advance of issuance of the actual building permit.
6. The City's Project Manager may release partial review comments to the School District in advance of the City completing a round of reviews to reduce the turn-around time between reviews.
7. The City's Project Manager will coordinate the City's and the Shoreline Fire Department's review of all Construction Permit applications required for each Project.
8. The City's permit application review staff will be available to meet, at a minimum, weekly with the School District to answer questions related to compliance with all applicable code provisions.
9. The City will provide the School District with weekly progress reports on the status of Construction Permit reviews. Reports will be provided via e-mail by close of business on Friday of the following week to the School District's Project Manager.

B. **School District Responsibilities:** The School District agrees to provide Construction Permit applications and revisions as described in this Section to facilitate the issuance of Construction Permits for the Projects within the Accelerated Processing time period.

1. The School District will provide the City with four (4) weeks of notice prior to the estimated date of Construction Permit application submittals to ensure required staff are assigned to complete the review of the Construction Permit applications. The School District has established the following estimated schedule for submittal of Construction Permit applications:

School	Estimated Date of Building Permit Submittal
Parkwood Elementary	February 1, 2018
Einstein Middle	August 1, 2018
Kellogg Middle	August 1, 2018
Aldercrest Elementary	October 2017 or 1 st Quarter 2018

2. The School District shall request a Pre-Application meeting as defined in SMC 20.30.080 for each of the Projects prior to application submittal.
3. The School District will completely respond to the City’s first review letter and submit necessary revisions to the City within ten (10) days of the date of the City’s first review letter.
4. The School District will completely respond to the City’s second review letter and submit necessary revisions to the City within one (1) week of the date of the City’s second review letter.
5. The School District will completely respond to the City’s third review letter and submit necessary revisions to the City within four (4) days of the date of the City’s third review letter. The School District acknowledges that reviews of Construction Permit applications beyond the third review will likely extend the permit issuance date beyond the Accelerated Processing time period.
6. The School District acknowledges that the City may release partial review comments to the School District in advance of the City completing a round of reviews to reduce the turn-around time between reviews. The release of partial review comments does not obligate the School District to respond to such comments within the time periods set forth in this Section.
7. The School District Project Manager will coordinate review of all non-city permits as needed to facilitate issuance of Construction Permits by the City within the Accelerated Processing time period.
8. The School District’s Project Manager will be available to meet, at a minimum, weekly with the City to answer questions related to compliance with all applicable code provisions.

C. Joint Responsibilities:

1. Project Managers.
 - a. To promote effective intergovernmental cooperation and efficiencies, each Party will designate an individual as a Project Manager who shall be responsible for coordination of communications between the Parties and shall act as the point of contact for that Party.

- b. At the discretion of the Party, Project Manager(s) may be designated for an individual School District Project or for all School District Projects.
- c. Designated Project Manager(s) shall be identified by each Party promptly upon Construction Permit application submittal.

2. Failure to Meet Timelines

- a. The Parties recognize and acknowledge that the ability to meet the Accelerated Processing time period requires timely performance based on available staffing and effective communication. If either Party fails to perform their responsibilities for a Construction Permit application as set forth in this Section so as to facilitate permit issuance within the Accelerated Processing time period, then the timelines shall be adjusted to afford the other Party the same number of days the non-performing party has delayed.
- b. In the event of a failure to perform, the Parties shall work collaboratively to promptly develop corrective actions. Appropriate corrective actions will be mutually established by the City's Project Manager and the School District's Project Manager. If the need for corrective action is solely attributable to the City's actions and is not resolved within one (1) week, then the School District may request a reduction in the fees due the City on the Construction Permit application at issue. At no time should such a reduction be greater than two (2) times the applicable permit review fees.

3. Dispute Resolution

The City Project Manager and the School District Project Manager will attempt to mutually resolve any disputes or questions of interpretation of this Agreement or the performance of either Party under this Agreement. If the disputes or questions are not resolved by the Project Managers, then the Parties agree to use their best efforts to resolve disputes arising out of or related to this Agreement using good faith negotiations by engaging in the following dispute resolution process:

- a. Either Party may refer a dispute to the dispute resolution process by providing written notice of such referral to the other Party's Designated Representative.
- b. Initial Dispute Resolution: The School District's Designated Representative and the City's Designated Representative shall meet to discuss and attempt to resolve the dispute in a timely manner. If the Designated Representatives cannot resolve the dispute within three (3) days after referral of that dispute for Initial Dispute Resolution, either Party may refer the dispute for Secondary Dispute Resolution.
- c. Secondary Dispute Resolution: The School District Deputy Superintendent, the City's Director of Planning and Community Development, the City's Director of Public Works (if applicable) and the Shoreline Fire Marshal (if applicable) shall meet to discuss and attempt to resolve the dispute. If they cannot resolve the dispute within two (2) days after referral of that dispute for Secondary Dispute Resolution, either Party may refer the dispute for Tertiary Dispute Resolution.
- d. Tertiary Dispute Resolution: The School District Superintendent, the City Manager, and the Shoreline Fire Chief (if applicable) shall meet to discuss and attempt to resolve

the dispute in a timely manner. Except as otherwise specified in this Agreement, in the event the dispute is not resolved within two (2) days after referral of that dispute for Tertiary Dispute Resolution, the Parties are free to file suit, seek any available legal remedy, or agree to alternative dispute resolution methods such as mediation.

- e. At all times prior to resolution of the dispute, the Parties shall continue to perform any undisputed obligations and make any undisputed required payments under this Agreement in the same manner and under the same terms as existed prior to the dispute. Notwithstanding anything in this Agreement to the contrary, neither Party has an obligation to agree to refer the dispute to mediation or other form of dispute resolution following completion of Tertiary Dispute Resolution.

**SECTION 5
FINANCIAL REIMBURSEMENT**

- A. In order to achieve Accelerated Processing for Construction Permits for the Projects, the School District agrees to pay the City three (3) times the applicable permit review fees set forth in Shoreline Municipal Code (SMC), Chapter 3.01.
- B. If requested in writing by the School District, a “Foundation Only” and/or “Site Development” permit will be charged a minimum fee of fifteen (15) hours. Hours in excess of the minimum hours shall be billed at the hourly minimum rate set forth in SMC 3.01.010.
- C. The City will invoice the School District for each Project twice: first at permit intake for all applicable intake fees and second prior to permit issuance for payment in full of all remaining fees. All invoices shall be due in full thirty (30) calendar days from the date of invoice.

**SECTION 6
TERMINATION**

- A. This Agreement may be terminated by the mutual consent of both Parties.
- B. Either the City or the School District may terminate this Agreement for cause in the event that the other Party fails to fulfill its material obligations under this Agreement in a timely manner or breaches any material provision of this Agreement and the dispute resolution process identified in Section 5 has failed to reach resolution within the timelines described therein.
- C. The Party wishing to terminate this Agreement for cause shall provide the other Party with written notice of its intent to terminate and shall give the other Party an opportunity to correct the failure to perform or breach within three (3) days of the notice or within such longer period as may be necessary in the event that correction cannot reasonably be accomplished within three (3) days. If the failure or breach is not corrected or cured, this Agreement may be terminated by the aggrieved party by giving three (3) days written notice to the other Party.
- D. If the School District, at its sole discretion, elects not to require accelerated permit processing for any Project and the School District has provided written notice to the City prior to the submittal of the first Construction Permit Application for that Project, then the City shall not

be required to perform accelerated permit processing for that Project and the School District shall not be required to pay for such accelerated processing. In such case, the School District shall only have to pay the standard permit review fees for that Project.

- E. A termination shall not extinguish or release any Party from liability for costs or obligations existing as of the date of termination. Any costs incurred prior to proper notification of termination will be borne by the Parties in accord with the terms of this Agreement.

**SECTION 7
INDEMNITY**

- A. Both Parties agree to defend, indemnify, and hold the other Party, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees to the extent resulting from the negligent, gross negligent and/or intentional acts, errors or omissions of the indemnifying Party, its agents or employees arising out of or in connection with the performance of this Agreement, except for injuries and damages caused by the sole negligence of the indemnified Party.
- B. Should a court of competent jurisdiction determine that this Agreement is subject to RCW 4.24.115, then, in the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the School District and the City, its officers, officials, employees, and volunteers, the School District's and the City's respective liability hereunder shall be only to the extent of the School District's and the City's negligence. It is further specifically and expressly understood that the indemnification provided herein constitutes the School District's and the City's waiver of immunity under Industrial Insurance, Title 51 RCW, as to each other only and solely for the purpose of this indemnification. This waiver is not granted to any worker protected under Title 51 RCW and is solely to indicate that the protections offered under Title 51 RCW do not limit the scope of the indemnity obligations herein. This waiver has been mutually negotiated by the Parties.
- C. The provisions of this section shall survive the expiration or termination of this Agreement.

**SECTION 8
DURATION OF AGREEMENT**

This Agreement shall take effect upon the last date of signature by the Parties as set forth below. This Agreement shall remain in effect until the City has issued all requested Construction Permits for School District Projects, unless sooner terminated as provided in Section 6 above.

**SECTION 9
ASSIGNMENT AND BENEFICIARIES**

No Party may assign all or any portion of this Agreement without the express written consent of the other Party. There are no third party beneficiaries to this Agreement.

**SECTION 10
REPRESENTATIVES AND NOTICES**

- A. The Designated Representatives will jointly administer this Agreement and each Party shall bear its own costs of administering this Agreement.
- B. The Designated Representatives shall communicate regularly to discuss the status of the tasks to be performed, to discuss any substantial changes to the Projects and proactively resolve any issues or disputes related to the Projects, consistent with this Agreement. Each Designated Representative is also responsible for coordinating the input and work of its agency, consultants, and staff as it relates to the objectives of this Agreement. The Parties reserve the right to change Designated Representatives by providing notice to the other party during the term of this Agreement.
- C. Unless otherwise provided herein, all notices and communications concerning this Agreement shall be in writing and addressed to the Designated Representatives. All notices shall be either: (i) delivered in person, (ii) deposited postage prepaid in the certified mails of the United States, return receipt requested, (iii) delivered by a nationally recognized overnight or same-day courier service that obtains receipts, or (iv) delivered electronically by electronic mail (e-mail) or facsimile. However, notice under Section 8, Termination, must be delivered in person or by certified mail, return receipt requested.
- D. The Designated Representatives are:

City of Shoreline
Paul Cohen, Planning Manager
17500 Midvale Avenue N
Shoreline, WA 98133
pcohen@shorelinewa.gov
(206) 801-2551

Shoreline School District
Dan Stevens, Manager - Capital Projects
18560 1st Ave NE
Shoreline, WA 98155
dan.stevens@shorelineschools.org
(206) 393-4246

**SECTION 11
CITY'S PERMITTING AND REGULATORY AUTHORITY**

Nothing in this Agreement shall be deemed a waiver of the City's regulatory or permitting authority as to any of the permits required for the School District Projects, nor a predetermination of the compliance of a Project with applicable codes and regulations. The City retains the right to approve or reasonably condition permits required for the School District Projects within the bounds of the City's legal authority.

**SECTION 12
GENERAL PROVISIONS**

- A. **Governing Law and Venue.** This Agreement shall be construed and enforced in accordance with the laws of the State of Washington. Venue of any suit between the Parties arising out of this Agreement shall be King County Superior Court.

- B. Severability. Any provision or part of the Agreement held to be void or unenforceable under any law or regulation shall be deemed stricken and all remaining provisions shall continue to be valid and binding upon the City and the School District, who agree that the Agreement shall be reformed to replace such stricken provision or part thereof with a valid and enforceable provision that comes as close as possible to expressing the intention of the stricken provision.

- C. Entire Agreement. This agreement contains the entire Agreement between the parties hereto and no other agreements, oral or otherwise, regarding the subject matter of this agreement, shall be deemed to exist or bind any of the parties hereto. Either party may request changes in the agreement. Proposed changes which are mutually agreed upon shall be incorporated by written amendment to this agreement. Such amendment shall be binding upon the Parties without the need for formal approval by the Shoreline School District Board and/or the Shoreline City Council, as long as the amendments are generally consistent with this Agreement.

- D. Force Majeure. The Parties shall not be deemed in default with provisions of this Agreement where performance was rendered impossible by war or riots, civil disturbances, floods or other natural catastrophes beyond its control; the unforeseeable unavailability of labor or materials; or labor stoppages or slow-downs, or power outages exceeding back-up power supplies. This Agreement shall not be revoked or a party penalized for such noncompliance, provided that such party takes immediate and diligent steps to bring itself back into compliance and to comply as soon as practicable under the circumstances without unduly endangering the health, safety, and integrity of both parties' employees or property, or the health, safety, and integrity of the public, public right-of-way, public property, or private property.

- E. Headings and Construction. Section headings are intended as information only, and shall not be construed with the substance of the section they caption. In construction of this Agreement, words used in the singular shall include the plural and the plural the singular, and "or" is used in the inclusive sense, in all cases where such meanings would be appropriate.

- F. Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all counterparts together shall constitute but one and the same instrument.

IN WITNESS WHEREOF, each person whose signature appears below represents, warrants, and guarantees that he/she has been duly authorized and has full authority to execute this Agreement on behalf of the party for which he/she is signing this Agreement.

City of Shoreline

Shoreline School District No. 412

By: _____
Debbie Tarry, City Manager

By: _____
Rebecca Minor, Superintendent

Date: _____ Date: _____

Approved as to Form:

City Attorney, City of Shoreline