

**TO: The Spokane County Auditor, as Supervisor of Elections for Spokane County, Washington**

Pursuant to Resolution No. 13-1130, adopted by the Board of County Commissioners (the "Board") of Spokane County, Washington (the "County"), at a regular meeting of the Board held on December 10, 2013, a certified copy of which is attached hereto and by this reference made a part hereof, you are hereby respectfully requested to submit the following proposition to the electors of the County for their approval or rejection, at an election to be held on Tuesday, April 22, 2014. The proposition shall be in substantially the following form:

The proposition shall be in substantially the following form:

**PROPOSITION NO. 1**

**SPOKANE COUNTY, WASHINGTON**

**ESTABLISHMENT OF SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA**

THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, ADOPTED RESOLUTION NO. 13-\_\_, CONCERNING THE ESTABLISHMENT OF A LIBRARY CAPITAL FACILITY AREA TO BE KNOWN AS THE SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA, THE BOUNDARIES OF WHICH ARE DESCRIBED IN RESOLUTION NO. 13-1130 THIS PROPOSITION, IF APPROVED, WOULD ESTABLISH THE SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA WITHIN THE BOUNDARIES OF THE CITY OF SPOKANE VALLEY AND THE CITY OF MILLWOOD CONSISTENT WITH CHAPTER 27.15 RCW. SHALL THIS PROPOSITION BE:

APPROVED:

REJECTED:

Such special election shall be conducted by mail ballot; and the procedures and forms to conduct such special election by mail ballot shall be prescribed by the Spokane County Auditor in accordance with chapter 29A.48 RCW and chapter 434-250 WAC.

DATED as of December 10, 2013.

SPOKANE COUNTY, WASHINGTON



Daniela Erickson, Clerk of the Board of County Commissioners

Spokane County  
Elections Department

DEC 20 2013

RG

Received

**RESOLUTION NO. 13-1130**

**A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, PROVIDING FOR THE SUBMISSION OF A PROPOSITION TO ESTABLISH THE SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA TO FINANCE THE ACQUISITION, CONSTRUCTION, DESIGN AND REMODEL OF CERTAIN EXISTING AND ADDITIONAL LIBRARY FACILITIES IN ORDER TO EXPAND AVAILABLE LIBRARY SERVICE IN SUCH AREA; PROVIDING FOR THE SUBMISSION OF SUCH PROPOSITION TO THE QUALIFIED ELECTORS AT A SPECIAL ELECTION TO BE HELD ON TUESDAY, APRIL 22, 2014; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO**

**SPOKANE COUNTY, WASHINGTON**

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON (the "Board"), as follows:

WHEREAS, Spokane County, Washington (the "County"), is a county duly organized and existing under and by virtue of the Constitution and the laws of the state of Washington (the "State");

WHEREAS, Spokane County Library District, Spokane County, Washington (the "District"), is a rural library district duly organized and existing under and by virtue of the Constitution and the laws of the State;

WHEREAS, the District has advised the County that the areas within the City of Spokane Valley and the City of Millwood (the "Service Area") have experienced a need for additional library facilities since the existing library facilities were constructed therein;

WHEREAS, the District has advised the County that such need has resulted in a need for additional and improved library services within the Service Area;

WHEREAS, the District has advised the County that the District cannot presently accommodate such needs;

WHEREAS, chapter 27.15 RCW permits, upon the request of the District, placement before the qualified electors of the Service Area by the County and subsequent approval of such qualified electors, the establishment of a library capital facility area to construct and finance library capital facilities;

WHEREAS, the District has advised the County that the cost of providing additional capital facilities for the needed library services can most fairly be paid by the residents of the area served by and through the establishment of a library capital facility area;

WHEREAS, the Board of Trustees of the District (the "Board of Trustees") is authorized and empowered by RCW 27.15.020 to submit a written request to the County for the adoption of a resolution or resolutions by the County calling for the vote of the qualified electors within the Service Area for the creation of a library capital facility area, for the issuing of general obligation bonds to construct, acquire, design and remodel certain library capital facilities to be located within such library capital facility area, and for the imposing of excess property tax levies within such library capital facility area to retire such general obligation bonds;

WHEREAS, the Board of Trustees adopted Resolution No. 13-05, the City Council of the City of Spokane Valley adopted Resolution No. 13-010 and the City Council of the City of Millwood, adopted Resolution No. 13-11, all of which approved the submission of a written request to the County, which request has been received by the County, for the adoption by the County of the necessary resolutions calling for the vote of the qualified electors within the Service Area for the creation of a library capital facility area under chapter 27.15 RCW to be known as the Spokane Valley Library Capital Facility Area (the "SVLCFA"); for the approval of the issuance of general obligation bonds by the SVLCFA to be issued to construct, acquire and remodel library facilities located or to be located in the SVLCFA and the imposing of excess property tax levies within the SVLCFA to retire such general obligation bonds;

WHEREAS, the County and the District both anticipate that the District will be responsible for designing, building, operating and maintaining the proposed new library capital facilities pursuant to the terms set forth in an Interlocal Agreement to be entered into between the District and the SVLCFA and approved by the County;

WHEREAS, the Board is of the opinion that, consistent with chapter 27.15 RCW, it is required to conduct a special election in order to submit to the qualified electors within the proposed SVLCFA the proposition to create a library capital facility area within the County;

WHEREAS, the Board will notify the Auditor of Spokane County, Washington (the "Auditor"), as ex officio supervisor of elections of the County, in compliance with chapter 29A.04 RCW, of its intention to hold a special election on Tuesday, April 22, 2014, to submit the proposition to such qualified electors, for their approval or rejection, of whether to create the SVLCFA with the boundaries of such area within the unincorporated County to be as described in Exhibit "A" attached to this Resolution;

WHEREAS, the County intends, if the proposition set forth in Section 3 of this Resolution is approved by the qualified electors of the area within the unincorporated County described in such Exhibit "A" to: (1) take all necessary steps to organize the SVLCFA, (2) support the District's efforts to undertake the same and (3) commit to such other present and future undertakings as are reasonably necessary to comport with the terms and provisions of this Resolution;

NOW, THEREFORE, IT IS HEREBY FOUND, DETERMINED AND ORDERED AS FOLLOWS:

**Section 1.** The Board acknowledges that the District in Resolution No. 13-05 has found that the creation and establishment of the SVLCFA and the subsequent acquisition, construction, design and remodel of library facilities located or to be located in the SVLCFA on land presently owned or to be acquired by the District, are essential to the public welfare and to the residents of the unincorporated area within the boundaries of the proposed SVLCFA. The Board hereby approves the establishment of a library capital facility area to be known as the Spokane Valley Library Capital Facility Area, the boundaries of which are described in Exhibit "A" attached to this Resolution. Consistent with chapter 27.15 RCW, the qualified electors of the proposed SVLCFA shall be entitled to approve or reject by ballot proposition regarding the creation and establishment of the SVLCFA.

**Section 2.** A special election is hereby requested to be called, conducted and held within the proposed SVLCFA on Tuesday, April 22, 2014, for the purpose of submitting to the qualified electors of the proposed SVLCFA, for their approval or rejection, a proposal to establish the SVLCFA.

**Section 3.** The Spokane County Auditor, as ex officio Supervisor of Elections in the County, is hereby authorized and directed to call and conduct the April 22, 2014, election pursuant to Engrossed Substitute Senate Bill 5124.

**Section 4.** Pursuant to RCW 29A.36.071, as amended, the Spokane County Prosecuting Attorney is requested to prepare the concise description of the proposition for the ballot title substantially in the following form:

**PROPOSITION NO. 1**

**SPOKANE COUNTY, WASHINGTON  
ESTABLISHMENT OF SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA**

THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, ADOPTED RESOLUTION NO. 13-1130, CONCERNING THE ESTABLISHMENT OF A LIBRARY CAPITAL FACILITY AREA TO BE KNOWN AS THE SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA, THE BOUNDARIES OF WHICH ARE DESCRIBED IN RESOLUTION NO. 13-1130. THIS PROPOSITION, IF APPROVED, WOULD ESTABLISH THE SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA WITHIN THE BOUNDARIES OF THE CITY OF SPOKANE VALLEY AND THE CITY OF MILLWOOD CONSISTENT WITH CHAPTER 27.15 RCW. SHALL THIS PROPOSITION BE:

APPROVED:

REJECTED:

**Section 5:** Such special election will be conducted by mail ballot. The procedures and forms to conduct such special election by mail ballot shall be prescribed by the Auditor in accordance with chapter 29A.40 RCW and chapter 434-250 WAC.

**Section 6:** The Auditor shall prepare the notice of special election which shall be published at least once, which publication shall take place not more than fifteen days nor less than five days prior to the mail-in registration deadline. Such publication shall be in a newspaper of general circulation within the County and in accordance with RCW 29A.52.355.

**Section 7.** The Clerk of the Board is hereby directed to deliver a certified copy of this Resolution to the Auditor, as ex officio Supervisor of Elections for the County, at least 46 days before the date of such special election.

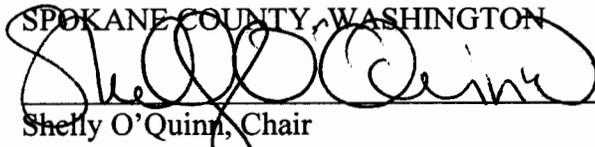
**Section 8.** In the event the above proposition is approved by the legally required vote of qualified electors of the SVLCFA, the SVLCFA shall be created and established, consistent with chapter 27.15 RCW.

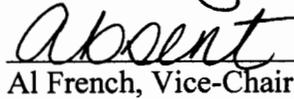
**Section 9.** The County hereby approves the Interlocal Agreement by and between the District and the SVLCFA in substantially the form attached hereto as Exhibit "B."

**Section 10.** This Resolution shall take effect and be in full force immediately upon its adoption.

ADOPTED AND APPROVED by the Board of County Commissioners of Spokane County, Washington, at a regular meeting thereof, held on the 10<sup>th</sup> day of December, 2013.



SPOKANE COUNTY, WASHINGTON  
  
Shelly O'Quinn, Chair

  
Al French, Vice-Chair

  
Todd Mielke, Commissioner

ATTEST:



Daniela Erickson, Clerk of the Board of  
County Commissioners

(SEAL)

Received RG

DEC 20 2013

Spokane County  
Elections Department

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CERTIFICATE

I, Daniela Erickson, Clerk of the Board of County Commissioners of Spokane county, Washington, hereby certify that the foregoing resolution is a full, true and correct copy of a resolution duly passed and adopted at a regular meeting of the Board of County Commissioners, duly held at the regular meeting place thereof on December 10, 2013, of which meeting all members of said Board had due notice and at which a majority thereof was present; and that at such meeting such resolution was adopted by the following vote:

AYES, and in favor thereof: *O'Quinn and Mielke*

NAYS:

ABSENT: *French*

ABSTAIN:

I further certify that I have carefully compared the same with the original resolution on file and of record in my office; that such resolution is a full, true and correct copy of the original resolution adopted at such meeting; and that such resolution has not been amended, modified or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and the seal of the County on December 10, 2013.

SPOKANE COUNTY, WASHINGTON

*Daniela Erickson*  
\_\_\_\_\_  
Daniela Erickson, Clerk of the Board of County Commissioners



(SEAL)

Spokane County  
Elections Department

DEC 20 2013

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## EXHIBIT A

### SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA BOUNDARIES

The boundaries of the proposed Spokane Valley Library Capital Facility Area are intended to be co-extensive with the boundaries of the following election precincts, as maintained as of the date of this Resolution by the department of Spokane County Elections and the Spokane County Auditor's Office:

Precincts Nos. \_\_\_\_\_.

The precise legal description for each of the above-mentioned precincts is as follows:

THE BOUNDARY INCLUDES ALL OF THE TOWN OF MILLWOOD, AND ALL OF THE CITY OF SPOKANE VALLEY AS THEY BOTH EXIST ON OCTOBER 31, 2013, AND SOME PORTIONS OF UNINCORPORATED SPOKANE COUNTY, ALL MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Beginning at the northeast corner of Section 6, Township 27 North, Range 46 East Willamette Meridian, the same being on the Washington-Idaho State Line;

then south along the Washington-Idaho State Line to the southeast corner of Section 7, Township 24 North, Range 46 EWM;

then west along the south line of said Section 7 to the southeast corner of Section 12, Township 24 North, Range 45 EWM;

then west along the south line of said Section 12 and continuing along the south lines of Sections 11, 10, 9, 8, and 7 all in Township 24 North, Range 45 EWM to the southwest corner of Section 7, Township 24 North, Range 45 EWM;

then west along the south line of Section 12, Township 24 North, Range 44 EWM, to the southeast corner of the southwest quarter of said Section 12;

then north to the northeast corner of the southeast quarter of the southwest quarter of said Section 12;

then west to the northwest corner of the southeast quarter of the southwest quarter of said Section 12;

then north for a distance of 265 feet, the same point being on the north-south centerline of the southwest quarter of said Section 12 (and the southeast corner of Spokane County Assessor's Tax Parcel 44123.9028);

then due west along a line parallel to and 265 feet north of the east-west centerline of the southwest quarter of said Section 12 (the same being the southernmost boundary of Spokane County Assessor's Tax Parcels 44123.9028 and 44123.9038) to its intersection with the east line of Section 11, Township 24 North, Range 44 EWM;

then north along the east line of said Section 11 to the northeast corner of the southeast quarter of the northeast quarter of the southeast quarter of said Section 11;

then west to the southeast corner of the northeast quarter of the northwest quarter of the southeast quarter of said Section 11;

then north to the northeast corner of the northwest quarter of the southeast quarter of said Section 11;

then west to the northwest corner of the southeast quarter of said Section 11;

then south to the southwest corner of the southeast quarter of said Section 11;

then west along the south line of said Section 11 and continuing along the south line of Section 10, Township 24 North, Range 44 EWM, to its intersection with the centerline of Washington State Route 27;

then southeasterly along the centerline of Washington State Route 27 to its intersection with the centerline of East Dishman Mica Road;

then westerly along the centerline of East Dishman Mica Road to its intersection with the centerline of South Madison Road;

then southwesterly along the centerline of South Madison Road to its intersection with the east-west centerline of Section 16, Township 24 North, Range 44 EWM;

then west along the east-west centerline of said Section 16 to its intersection with the west line of said Section 16;

then north along the west line of said Section 16 to its intersection with the south line of Section 8, Township 24 North, Range 44 EWM;

then west along the south line of said Section 8 to its intersection with the west line of said Section 8;

then north along the west line of said Section 8 to its intersection with the south line of Section 6, Township 24 North, Range 44 EWM;

then west along the south line of said Section 6 to its intersection with the north-south centerline of the west half of said Section 6;

then north along the north-south centerline of said Section 6 to its intersection with the south line of Section 31, Township 25 North, Range 44 EWM;

then west along the south line of said Section 31 to its intersection with the east line of Spokane County Assessor Tax Parcel 45313.9029 (the same being the east line of the Moran Prairie Library Capital Facility Area;

then northwesterly along the east lines of Spokane County Assessor Tax Parcels 45313.9029, 45313.9031, 45313.9033 and 45313.9027 (the same being the east line of the Moran Prairie Library Capital Facility Area) to its intersection with the northeast corner of said parcel 45313.9027;

then west along the north line of said parcel 45313.9027 and continuing along the north line of Spokane County Assessor Tax Parcel 45313.9033 (the same being the east line of the Moran Prairie Library Capital Facility Area) to its intersection with the west line of said Section 31;

then north along the west line of said Section 31 to its intersection with the east-west centerline of said Section 31;

then east along the east-west centerline of said Section 31 to its intersection with the southeast corner of Spokane County Assessor Tax Parcel 45312.0113 in said Section 31, also being the Avista Transmission Power Lines (formerly Washington Water Power Transmission Lines as referenced in the Moran Prairie Library Capital Facility Area legal description – Spokane County Resolution 2003-0740) the same being the eastern boundary of the Moran Prairie Library Capital Facility Area;

then northwesterly along the Avista Transmission Power Lines (Moran Prairie Library Capital Facility Area easternmost boundary) in said Section 31 and continuing along said Transmission Power Lines in Section 30, Township 25 North, Range 44 EWM and in Section 25, Township 25 North, Range 43 EWM, to its intersection with the west line of Parcel "H" as depicted on Short Plat 0201 – 1982, (Spokane County Auditor's Book 3, Page 16);

then southwesterly along the boundary of said Parcel "H" to its intersection with the boundary of Parcel "I" as depicted on said SP 0201-1982;

then northerly along the boundary of said Parcel "I" to its northwest corner;

then southwesterly along the boundary of said Parcel "I" to its southwest corner and the intersection of its boundary with the boundary of Parcel "J" as depicted on said SP 0201-1982;

then northwesterly along the boundary of said Parcel "J" to its northernmost point;

then southwesterly along the boundary of said Parcel "J" and continuing along the boundary of Parcel "K" as depicted on said SP 0201-1982 to the northwest corner of said Parcel "K" also being on the southern right of way line of South Lake Road;

then easterly along the southern right of way line of South Lake Road and continuing along the southern right of way line of South Lake Road extended to its intersection with the east line of Section 26, Township 25 North, Range 43 EWM;

then north along the east line of said Section 26 to its intersection with the southeast corner of Heather Park Addition – Long Plat 02051493 (Spokane County Auditor's Book 11, Page 55);

then west along the south line of said Heather Park Addition and continuing west along the south lines of Heather Park First Addition – Long Plat 02050943 (Spokane County Auditor's Book 16, Page 41) and Devon Ridge – Long Plat 02050587 (Spokane County Auditor's Book 19, Page 96) to the southwest corner of said Devon Ridge – Long Plat 02050587, the same point being on the east-west centerline of the north half of said Section 26;

then west along the east-west centerline of the north half of said Section 26 to the north-south centerline of said Section 26;

then north along the north-south centerline of said Section 26 to the north line of said Section 26;

then west along the north line of said Section 26 to the northwest corner of said Section 26;

then north along the east line of Section 22, Township 25 North, Range 43 EWM and continuing along the east line of Section 15, Township 25 North, Range 43 EWM to the southern right of way of the Burlington Northern-Santa Fe Railway (the same point also being along the centerline of North Havana Street);

then northeasterly along the southern right of way of the Burlington Northern-Santa Fe Railway to its intersection with the centerline of North Fancher Road;

then north along the centerline of North Fancher Road and continuing along the centerline of North Fancher Way to its intersection with the centerline of East Rutter Avenue;

then northeasterly along the centerline of East Rutter Avenue to its intersection with the southerly extension of the western right of way line of "F" Avenue as depicted in Orchard Avenue Addition – Long Plat 02056817 (Book and Page not listed, Plat dates from 1909);

then north along the western right of way line of said "F" Avenue to its intersection with the north line of Section 12, Township 25 North, Range 43 EWM;

then east along the north line of said Section 12 to its intersection with the centerline of North Coleman Road;

then north along the centerline of North Coleman Road to its intersection with the centerline of East Bridgeport Avenue;

then east along the centerline of East Bridgeport Avenue to its intersection with the centerline of North Park Road;

then north along the center line of North Park road and continuing north along the east line of Section 1, Township 25 North, Range 43 EWM to its intersection with the south bank of the Spokane River;

then northwesterly along the south bank of the Spokane River to a point 318 feet east of the east line of said Section 1;

then south along a line parallel to and 318 feet east of the east line of said Section 1 to its intersection with the east-west centerline of said Section 1;

then west along the east-west centerline of said Section 1 to its intersection with the boundary of Lot 8, Block 1, Rivercrest Addition – Long Plat 02051855 (Spokane County Auditor's Book 2, Page 1);

then southwesterly and northwesterly along the boundary of said Lot 8 to its intersection with the east-west centerline of said Section 1;

then west along the east-west centerline of said Section 1 to its intersection with the centerline of East Upriver Drive;

then southwesterly along the centerline of East Upriver Drive to its intersection with the east-west centerline of the north half of the southwest quarter of said Section 1;

then west along the east-west centerline of the north half of the southwest quarter of said Section 1 to its intersection with the north-south centerline of the southwest quarter of said Section 1;

then south along the north-south centerline of the southwest quarter of said Section 1 to its intersection with the east-west centerline of the southwest quarter of said Section 1;

then west along the east-west centerline of the southwest quarter of said Section 1 and continuing west along the east-west centerline of the southeast quarter of Section 2, Township 25 North, Range 43 EWM to a point 396 feet west of the east line of said Section 2;

then south along a line parallel to and 396 feet west of the east line of said Section 2 to its intersection with the centerline of East Upriver Drive;

then southwesterly along the centerline of East Upriver Drive to its intersection with the centerlines of East Frederick Avenue and North Upriver Drive;

then southwesterly along the centerline of North Upriver Drive to its intersection with the centerline of East Buckeye Avenue and East Upriver Drive;

then east along the easterly extension of the centerline of East Buckeye Avenue to its intersection with the centerline of the Spokane River;

then southwesterly along the centerline of the Spokane River to its intersection with the southerly extension of the centerline of North Havana Street;

then north along the southerly extension of the centerline of North Havana Street and continuing north along the centerline of North Havana Street to its intersection with the centerline of East Euclid Avenue, also being a point on the south line of Section 3, Township 25 North, Range 43 EWM;

then east along the south line of said Section 3 and continuing along the south line of Section 2, Township 25 North, Range 43 EWM a distance of 330 feet;

then north parallel to and 330 feet east of the west line of said Section 2 to its intersection with the east-west centerline of the south half of said Section 2; then east along the east-west centerline of the south half of said Section 2 to its intersection with the north-south centerline of said Section 2;

then north to the southwest corner of the northwest quarter of the northwest of the southeast quarter of said Section 2;

then east to the southeast corner of the northwest quarter of the northwest quarter of the southeast quarter of said Section 2;

then north to the east-west centerline of said Section 2;

then west along the east-west centerline of said Section 2 to a point 200 feet east of the north-south centerline of said Section 2;

then north parallel to and 200 feet east of the north-south centerline of said Section 2 for a distance of 246 feet;

then North 89° 35' E 100 feet;

then North 0°, 18.5' E 150 feet;

then South 89° 35' W 100 feet to a point parallel to and 200 feet east of the north-south centerline of said Section 2;

then north along a line parallel to and 200 feet east of the north-south centerline of said Section 2 to its intersection with the north line of said Section 2;

then west along the north line of said Section 2 to its intersection with the centerline of North Custer Street;

then north along the centerline of North Custer Street to its intersection with the centerline of East Wabash Avenue;

then west along the centerline of East Wabash Avenue to its intersection with the west right of way line of North Morrill Street;

then south along the boundary of the west right of way line of North Morrill Street as platted in Berg's Addition (not as constructed) the same being the eastern line of Block 1 – Amended Plat of Berg's Addition to the north line of said Section 2;

then west along the north line of said Section 2 to the southwest corner of Section 35, Township 26 North, Range 43 EWM;

then north along the west line of said Section 35 to its intersection with the western extension of the southern boundary of the Greenfield Estates Plat – Long Plat 07001203 (Spokane County Auditor's Book 31, Page 58, 59 and 60) the same point being 1672.08 feet south of the northwest corner of said Section 35;

then east along the western extension of the southern boundary and continuing east along the southern boundary of said Greenfield Estates Plat to the southeast corner of said plat;

then north along the east boundary of said Greenfield Estates Plat to the northeast corner of said Greenfield Estates Plat;

then west along the north boundary of said Greenfield Estates Plat to the northwest corner of said Greenfield Estates Plat;

then west to the west line of said Section 35;

then north along the west line of said Section 35 to the northwest corner of said Section 35;

then east along said north line of said Section 35 and continuing along the north line of Section 36, Township 26 North, Range 43 EWM to the northeast corner of said Section 36;

then east along the north line of Section 31, Township 26 North, Range 44 EWM, to its intersection with the west line of Section 29, Township 26 North, Range 44 EWM;

then north along the west line of said Section 29 and continuing along the along the west line of Section 20, Township 26 North, Range 44 EWM;

then east along the north line of said Section 20 to the southeast corner of the southwest quarter of the southwest quarter of Section 17, Township 26 North, Range 44 EWM;

then north to the northeast corner of the southwest quarter of the southwest quarter of said Section 17;

then west to the northwest corner of the southwest quarter of the southwest quarter of said Section 17;

then north along the west line of said Section 17 to the northwest corner of said Section 17;

then east along the north line of said Section 17 to the northeast corner of said Section 17;

then south along the east line of said Section 17 to the northwest corner of the southwest quarter of the southwest quarter of the southwest quarter of Section 16, Township 26 North, Range 44 EWM;

then east to the northeast corner of the southwest quarter of the southwest quarter of the southwest quarter of said Section 16;

then south along the east line of the southwest quarter of the southwest quarter of the southwest quarter of said Section 16 to the south line of said Section 16;

then east along the south line of said Section 16 to the southeast corner of said Section 16;

then north along the east line of said Section 16 to the east-west centerline of said Section 16;

then west to the southwest corner of the southeast quarter of the northeast quarter of said Section 16;

then north to the northwest corner of the southeast quarter of the northeast quarter of said Section 16;

then east along the east-west centerline of the north half of said Section 16 and continuing east along the east-west centerline of the north half of Section 15, Township 26 North, Range 44 EWM to the east line of said Section 15;

then north along the east line of said Section 15 to the northeast corner of said Section 15;

then west along the north line of said Section 15 to the north-south centerline of Section 10, Township 26 North, Range 44 EWM;

then north along the north-south centerline of said Section 10 to its intersection with the east-west centerline of said Section 10;

then west along the east-west centerline of said Section 10 to its intersection with the north-south centerline of west half of said Section 10;

then north along the north-south centerline of the west half of said Section 10 to the north line of said Section 10 and continuing north along the north-south centerline of the west half of Section 3, Township 26 North, Range 44 EWM to its intersection with the north line of said Section 3;

then east along the north line of Sections 3, 2, and 1, of Township 26 North, Range 44 EWM to the southwest corner of Section 31, Township 27 North, Range 45 EWM;

then north along the west line of said Section 31 to the northwest corner of said Section 31;

then east along the north line of said Section 31 to the northeast corner of said Section 31;

then north along the west line of Section 29, Township 27 North, Range 45 EWM to the northwest corner of said Section 29;

then east along the north line of said Section 29 to the southwest corner of Section 21, Township 27 North, Range 45 EWM;

then north along the west line of said Section 21 and continuing north along the west line of Section 16, Township 27 North, Range 45 EWM to the northwest corner of said Section 16;

then east along the north line of said Section 16 to the southwest corner of Section 10, Township 27 North, Range 45 EWM;

then north along the west line of said Section 10 and continuing north along the west line of Section 3, Township 27 North, Range 45 EWM to the northwest corner of said Section 3;

then east along the north line of said Section 3 and continuing along the north line of Sections 2 and 1 of Township 27 North, Range 45 EWM to the northeast corner of said Section 1;

then north to the northwest corner of Section 6, Township 27 North, Range 46 EWM;

then east to the northeast corner of said Section 6 the same point being on the Washington-Idaho State Line and the P.O.B.

EXCLUDING Those portions within the municipal boundary of the City of Liberty Lake- described as follows - City of Liberty Lake Incorporation (Spokane County Resolution 2000 – 0799) and City of Liberty Lake Annexations (City of Liberty Lake Ordinance 113 and City of Liberty Lake Ordinance 148), and further described as:

*As detailed in Spokane County Resolution 2000 – 0799:*

The East half of Section 9 lying Southerly of the Southerly line of the Centennial Trail as it is shown on Record of Survey filed in Survey Book 44 Page 85 of the Records of Survey in the office of the Spokane County Auditor; All of that portion of Section 10 lying Southerly of the Southerly line of the Centennial Trail as it is shown on Record of Survey filed in Survey Book 44 Page 86 of the Records of Survey in the office of the Spokane County Auditor;

And also, all of Harvard Road lying Southerly of the Westerly extension of the above described line;

The West ½ of Section 11 lying South of the South right of way of Interstate 90; together with the South 30' and the West 30' of the East ½ of said Section 11 lying South of the South right of way line of Interstate 90;

All of Section 14;

All of Section 15, except that portion of the Northwest quarter lying Northwesterly of the Southeasterly right of way line of the Chicago, Milwaukee, St. Paul, and Pacific Railroad;

All of Section 16 lying South of the Southeasterly right of way line of the Chicago, Milwaukee, St. Paul and Pacific Railroad, except that portion of the West ½ of the Southwest quarter lying South of the Southeasterly line of Henry Road;

The Northeast quarter of Section 21;

The North half of the Northwest quarter of Section 22, together with the North 30' of the Northeast quarter lying East of the West right of way line of Liberty Lake Road, and together with that portion of the Northwest quarter of the Northeast quarter described as follows:

Beginning at the Northwest corner of the Northeast quarter thence S 89°31'11" East along the North line of Said Section 22 a distance of 152.25' to the West line of Liberty Lake Estates First Addition, as per plat, recorded by Spokane County Auditor in Volume 19, Page 35; thence South 23°45'00" East along the West line of said plat a distance of 390.47'; thence South 79°00'00" West to the northwest corner of Lot 5 Block 2 of said Liberty Lake Estates First Addition; thence South 00°00'00" West along the West line of said Lot 5 Block 2 to the Southwest corner thereof; thence continuing South 0°00'00" West along the west line of Lot 5 Block 3 of Liberty Lake Estates Second Addition as per plat recorded by Spokane County Auditor in Volume 21, Page 29 to the Southwest corner thereof; thence North 89°36'51" West to the West line of the Northwest quarter of the Northeast quarter of said Section 22; thence North 00°57'37" West along the said West line 1007.29' to the point of beginning.

The North 30' of Section 23 lying within the Sprague Avenue right of way.

*As detailed in City of Liberty Lake Ordinance 113:*

The East Half of Section 11, Township 25 North, Range 45 East, W.M.; EXCEPT that portion lying northerly of the southerly right of way of PSH No. 2 (I-90).

That portion of Government Lot 9 in Section 2, Township 25 North, Range 45 East, W.M. lying southerly of the southerly right of way of PSH No. 2 (I-90).

That portion of Government Lot 10 in Section 1, Township 25 North, Range 45 East, W.M., lying southerly of the southerly line of the old Burlington Northern Railway and northerly of the northerly right of way line of Appleway Avenue.

*As detailed in City of Liberty Lake Ordinance 148:*

Government Lots 7 and 8 and the Southeast Quarter of Section 8, Township 25 North, Range 45 East W.M.; EXCEPT that portion conveyed to the Washington State Parks and Recreation Commission by deed recorded August 25, 1988 under Recording Number 8808250252. Government Lots 5 and 6 and the South Half of the Southwest Quarter of Section 9, Township 25 North, Range 45 East W.M.; EXCEPT that portion conveyed to the Washington State Parks and Recreation Commission by deed recorded August 25, 1988 under Recording Number 8808250252.

That portion of the Northwest Quarter of Section 16, Township 25 North, Range 45 East, W.M., lying northerly of the southerly right of way of the former Chicago, Milwaukee, St. Paul and Pacific Railway right of way.

The Northeast Quarter of Section 17, Township 25 North, Range 45 East, W.M. TOGETHER WITH that portion of the Southeast Quarter of said Section 17 lying north of the south right-of-way line of Appleway Avenue and TOGETHER WITH that portion of the Southeast quarter of said Section 17 lying northerly of the southerly boundary of the Spokane Valley Irrigation District Number 10 canal right of way.

**EXHIBIT B**  
**INTERLOCAL AGREEMENT**

**TO: The Spokane County Auditor, as Supervisor of Elections for Spokane County, Washington**

Pursuant to Resolution No. 13-1130, adopted by the Board of County Commissioners (the "Board") of Spokane County, Washington (the "County"), at a regular meeting of the Board held on December 10, 2013, a certified copy of which is attached hereto and by this reference made a part hereof, you are hereby respectfully requested to submit the following proposition to the electors of the County for their approval or rejection, at an election to be held on Tuesday, April 22, 2014. The proposition shall be in substantially the following form:

The proposition shall be in substantially the following form:

**PROPOSITION NO. 1**

**SPOKANE COUNTY, WASHINGTON**

**ESTABLISHMENT OF SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA**

THE BOARD OF COUNTY COMMISSIONERS OF SPOKANE COUNTY, WASHINGTON, ADOPTED RESOLUTION NO. 13-\_\_, CONCERNING THE ESTABLISHMENT OF A LIBRARY CAPITAL FACILITY AREA TO BE KNOWN AS THE SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA, THE BOUNDARIES OF WHICH ARE DESCRIBED IN RESOLUTION NO. 13-1130. THIS PROPOSITION, IF APPROVED, WOULD ESTABLISH THE SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA WITHIN THE BOUNDARIES OF THE CITY OF SPOKANE VALLEY AND THE CITY OF MILLWOOD CONSISTENT WITH CHAPTER 27.15 RCW. SHALL THIS PROPOSITION BE:

APPROVED:

REJECTED:

Such special election shall be conducted by mail ballot; and the procedures and forms to conduct such special election by mail ballot shall be prescribed by the Spokane County Auditor in accordance with chapter 29A.48 RCW and chapter 434-250 WAC.

DATED as of December 10, 2013.

SPOKANE COUNTY, WASHINGTON

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Daniela Erickson, Clerk of the Board of County Commissioners

## **INTERLOCAL AGREEMENT**

This Interlocal Agreement is entered into effective as of \_\_\_\_\_, \_\_\_, 2014, by and between the SPOKANE COUNTY LIBRARY DISTRICT (the "District") and the SPOKANE VALLEY LIBRARY CAPITAL FACILITY AREA (the "SVLCFA") (collectively, the "Parties" and each a "Party"). This Agreement is made pursuant to chapter 39.34 RCW (the "Interlocal Cooperation Act") and has been authorized by the governing body of each Party. Each of the Parties is a "public agency" as defined in the Interlocal Cooperation Act.

### **RECITALS**

WHEREAS, Spokane County, Washington (the "County"), is a county duly organized and existing under and by virtue of the Constitution and the laws of the state of Washington (the "State") now in force;

WHEREAS, the District is a rural library district duly organized and existing under and by virtue of the Constitution and the laws of the State now in force;

WHEREAS, the growing population in the District has increased demand for library facilities in the County;

WHEREAS, the District and the County have determined that a new Spokane Valley Library, new Veradale/Greenacres Library and expansion of the Argonne Library be constructed to meet the increased demand;

WHEREAS, chapter 27.15 RCW authorizes the creation of library capital facility areas for the purpose of financing and constructing library facilities;

WHEREAS, the Board of Trustees of the District (the "District Board") adopted Resolution No. 13-05 on October 15, 2013 approving the submission of a written request to the County, which request was delivered to the County, for the adoption by the County of the necessary resolutions calling for the vote of the people within the proposed capital facilities area for the creation of a library capital facility area under chapter 27.15 RCW to be known as the "Spokane Valley Library Capital Facility Area"; for the approval of the issuance of general obligation bonds by the SVLCFA to acquire and construct a new Spokane Valley Library, new Veradale/Greenacres Library and expansion of the Argonne Library and the imposing of excess property tax levies with the SVLCFA to retire such general obligation indebtedness;

WHEREAS, the Board of County Commissioners of the County adopted Resolution No. 13-\_\_\_ and Resolution No. 13-\_\_\_ on December 10, 2013, authorizing the submission to the electorate of the SVLCFA the proposition of whether such electorate should approve the establishment of the SVLCFA and a subsequent bond issue and an excess property tax levy within SVLCFA boundaries to retire such bond issue, all for the purpose of acquiring and constructing a new Spokane Valley Library, new Veradale/Greenacres Library and expansion of the Argonne Library;

WHEREAS, at a special election held on Tuesday, April 22, 2014, and pursuant to the terms and provisions of chapter 27.15 RCW, the establishment of the SVLCFA was approved by the electorate;

WHEREAS, at a special election held on Tuesday April 22, 2014, the qualified electors approved a ballot proposition authorizing the proposed issuance by the SVLCFA of general obligation bonds in an amount not to exceed \$22,000,000 (the "Bonds") maturing within a maximum term of 20 years in order to acquire and construct a new Spokane Valley Library, new Veradale/Greenacres Library and expansion of the Argonne Library (the "Project") as well as the imposition of such excess property tax levies within the boundaries of the SVLCFA as are necessary and sufficient to retire the Bonds;

WHEREAS, the SVLCFA intends to issue the Bonds in order to finance the Project in order to expand available library service in the County;

WHEREAS, the Parties expect that the District will be primarily responsible for the construction, acquisition operation and maintenance of the Project and that the SVLCFA will own and hold title to the Project consistent with the authority provided by RCW 27.15.040; and

WHEREAS, the Parties now wish to establish their respective rights and responsibilities with respect to the Project to be financed with the proceeds of the Bonds that are anticipated to be issued by the SVLCFA, as approved by the qualified electors;

NOW, THEREFORE, THE PARTIES HEREBY AGREE AS FOLLOWS:

**Section 1: Design and Construction; Related Matters.**

(a) Reimbursement of District Fees and Costs Relative to SVLCFA. The SVLCFA recognizes that the SVLCFA was created and established by vote of the electorate on April 22, 2014. The SVLCFA further recognizes that the District has expended valuable time and other monetary consideration in conjunction with the creation and establishment of the SVLCFA. The SVLCFA covenants and agrees that it shall reimburse the District for project management costs, fees, expenses and other associated administrative costs related to the approval of the creation of the SVLCFA and the subsequent approval and development of the Project, all to the greatest extent that it may lawfully do so from proceeds of the Bonds. The SVLCFA agrees to reimburse the District for legal fees and costs (together with other publication costs and other fees and costs incurred in connection with such election) from proceeds of the Bonds, all in an amount determined to be reasonable by the Board of County Commissioners in its capacity as the Board of Trustees of the SVLCFA (the "SVLCFA Board"); provided, however, that the SVLCFA shall not reimburse the District for fees and costs the reimbursement of which would cause a violation of the provisions of the Internal Revenue Code of 1986, as amended.

If one or both of the ballot propositions presented to the electorate in connection with the establishment of the SVLCFA and the subsequent approval of the issuance of the Bonds fail, the District shall bear all costs billed by the County's Auditor with respect to election proceedings (together with other incidental fees and costs incurred by the District or by the County or otherwise) and neither the SVLCFA Board nor the County shall be responsible for such fees and costs. Notwithstanding the effective date of this Agreement specified above, this Agreement

shall be of no force and effect (except with respect to the preceding sentence regarding the District's contingent obligation to pay certain fees and costs, which shall be of effect regardless) unless both ballot propositions presented to the electorate in connection with the establishment of the SVLCFA and the subsequent approval of the issuance of the Bonds are each approved.

(b) Management Framework. The Parties intend that for purposes of the several undertakings contemplated by this Agreement, that the staff of the District will act as the staff of the SVLCFA without separate compensation from the SVLCFA for the duration of this Agreement. By way of example and not by way of limitation, the Executive Director of the District shall act as the Executive Director of the SVLCFA without separate compensation from the SVLCFA and may be referred to as the "Executive Director of the SVLCFA" when and if called to act on behalf of the SVLCFA.

In addition, and consistent with RCW 27.15.040, the Parties intend that the SVLCFA Board delegate to the District the authority and responsibility to design, acquire and construct the Project, and to thereafter administer, operate, and maintain the library facilities included in the Project. Further, the District shall administer the pre-construction, construction, and post-construction stages of the Project to the greatest extent possible so that County staff not expend time and energy on behalf of the SVLCFA or the Project unnecessarily. The District intends to bring to the SVLCFA Board only such items as are necessary for approval from the SVLCFA Board on behalf of the SVLCFA by applicable law. Absent such a requirement to take a matter before the SVLCFA Board, the District or the Project Committee (defined below) shall make decisions regarding the Project on behalf of the SVLCFA pursuant to the applicable law governing the District.

(c) Architect, Construction Manager and Related Matters. The District shall select an architect for the Project pursuant to chapter 39.80 RCW and past District practice with respect to similar projects. The District shall identify potential candidates for an architect for the Project (the "Architect") and/or a construction manager (the "Construction Manager") and/or a general contractor (the "General Contractor") for the Project. The District may, in its sole discretion and subject to its authority, establish a committee (the "Project Committee") to undertake certain selection processes as may be required by law or by custom of the District. The Project Committee may, but need not, be composed of the following individuals: one County Commissioner in his or her capacity as a member of the SVLCFA Board or a designee appointed by the SVLCFA Board, one Trustee serving on the District Board, the Executive Director of the District, and two other staff members of the District selected by the District. The District covenants and agrees that the District and/or the Project Committee will substantially adhere to the following process for purposes of selecting the Architect: (i) preparing, printing and mailing of requests for statement of qualifications; (ii) undertaking a detailed review of responses to such requests, (iii) choosing a short list of candidates based on such review, (iv) interviewing the candidates on such short list and (v) choosing a candidate based on statements made by that candidate during the interview and according to that candidate's responses to the request for statement of qualifications.

The District Board shall have sole responsibility and authority to approve and ratify such candidate for Architect of the Project. The District staff shall be responsible for processing all bid documents as may be necessary to undertake and accomplish the Project.

(d) Public Works; General Contractor. The District and/or the Project Committee shall negotiate, prepare and finalize the public works contract(s) for the acquisition and construction of the Project on behalf of the SVLCFA consistent with chapter 39.04 RCW and past District practice with respect to similar projects. The District covenants and agrees that the District and/or the Project Committee will follow substantially the following process for purposes of selecting the General Contractor: (i) preparing, printing and mailing, a request for bids with respect to the Project (the "Bid Documents"), (ii) opening and reviewing Bid Documents, (iii) selecting the appropriate General Contractor pursuant to chapter 39.04 RCW based on the review of the Bid Documents, and (iv) thereafter managing and administering the public works contract(s).

The District Board shall have sole responsibility and authority to ratify and approve the selection of the General Contractor and to ratify and approve the execution and delivery of the public works contract(s).

(e) Budget. The staff of the District shall prepare, maintain and administer a budget for the Project to anticipate and track the use of Bond proceeds. If the Project exceeds the budget, the District shall complete or cause to be completed the Project at its sole cost and expense.

(f) Design. The District and/or the Project Committee shall hold at least two public meetings to provide information on the proposed design and construction of the Project from the public community located within the SVLCFA. Such meetings shall gather input from the public community located within the SVLCFA regarding the design and construction of the library facilities included in the Project. The District, the Project Committee or the SVLCFA Board may coordinate the publicity for the hearings, including public notice. The District Board shall have sole responsibility and authority to ratify and approve the final design of the library facilities included in the Project upon the recommendation of District staff and/or the Project Committee.

(g) Reports; Drawings. The District and/or the Project Committee shall keep the SVLCFA Board reasonably apprised of the progress of the Project during the pre-construction and construction stages. The SVLCFA Board hereby expressly delegates to the District the responsibility for ensuring that the design work and all construction drawings for the Project are timely completed; with the understanding that the District may further delegate such responsibility to District staff or the Project Committee.

(h) Billings, Change Orders; Purchasing. The District shall administer the payment of all bills associated with the Project and shall be charged with administering any necessary change orders for the Project. The District intends that all bills received with respect to the Project shall be reviewed by the Architect, the Construction Manager (if any) and a member of District staff prior to payment. The District shall have authority to execute change orders with respect to the Project without seeking approval from the SVLCFA Board in each instance. The SVLCFA Board hereby expressly delegates responsibility for timely payment of such bills to the District, provided however, that the District shall have an obligation to bring to the District Board any change order with respect to the Project that is in excess of \$5,000. The District shall follow its purchasing policy (as adopted \_\_\_\_\_ and as last modified by the District

on \_\_\_\_\_) with respect to the purchase of goods and services for the Project and during the period of time when the District is actively involved in undertakings associated with the Project.

(i) Insurance. The District shall obtain and keep in force, so long as any of the Bonds are outstanding, one or more insurance policies with one or more reputable insurance companies with respect to the library facilities included in the Project and their contents, such policy or policies to provide for full value replacement coverage, which shall list the SVLCFA as an additional named insured in the event of a loss, it being the intention of the Parties that the library facilities included in the Project and their contents be properly insured against loss in favor of the SVLCFA so long as any of the Bonds are outstanding.

**Section 2: Finances.**

(a) The District Board shall select the underwriter or underwriters of the Bonds. However, any underwriter of the Bonds shall be retained subject to the approval of the SVLCFA Board. The SVLCFA Board shall approve the issuance of the Bonds as soon as reasonably practicable.

(b) The District Board has appointed bond counsel and other consultants necessary in connection with the issuance of the Bonds. However, any such bond counsel, financial advisor or other consultant are retained subject to the approval of the SVLCFA Board. The Parties acknowledge that the SVLCFA Board (or the District or its staff on behalf of the SVLCFA) is authorized to pay the fees and costs of such bond counsel, disclosure counsel, underwriters, rating agencies, printers, financial advisors and other such consultants from proceeds of the Bonds. The determination as to whether or not to insure the Bonds shall remain with the SVLCFA Board but shall be made in accordance with the advice of any financial advisor retained for such matters.

(c) The District shall receive the proceeds of the Bonds and shall hold the same as the administrative agent for the SVLCFA within the office of the Treasurer of the County. The District and its staff shall manage and administer the finances of the Project with the support and assistance of the District Board in all cases and with the support and assistance of the SVLCFA Board only as may be required by applicable law. The bond resolution of the SVLCFA Board authorizing the Bonds shall provide that the proceeds of the Bonds shall be deposited into the normal and customary funds and accounts of the District maintained by the Treasurer; *provided, however*, that such normal and customary funds and accounts may be designated and established by the SVLCFA Board in the resolution or resolutions adopted in connection with the authorization of the sale and issuance of the Bonds; it being the intention of the Parties that the SVLCFA Board, the District and/or the Treasurer take all necessary action to maintain compliance with, among other matters, the arbitrage regulations applicable under the Internal Revenue Code of 1986, as amended, with respect to proceeds of the Bonds. The Treasurer of the County or his or her designee shall be ex-officio treasurer for the SVLCFA during the duration of this Agreement, unless applicable law shall dictate otherwise.

**Section 3: Reports.**

At each SVLCFA Board meeting, the District or its representative or the Project Committee or its representative shall provide a report on the status and progress of the Project and a financial report of the SVLCFA. The District and the Project Committee (or both) shall provide such other reports related to the Project as are reasonably requested by the SVLCFA Board.

**Section 4: Operation.**

The District shall provide all necessary administrative support to the SVLCFA and the library facilities included in the Project without charge for the duration of this Agreement. The District shall operate and staff the library facilities included in the Project at the same or similar levels as the District operates and staffs its own library facilities. The District shall be responsible for maintaining and repairing the interior and exterior of the library facilities included in the Project, any surrounding lawn, landscaping, and removal of snow, litter, and other items that may accumulate on or near the buildings. The District shall maintain general liability insurance on the library facilities included in the Project with the SVLCFA named as an additional insured on the policy consistent with the requirements of Section 1(i) of this Agreement.

**Section 5: Ownership.**

Legal title to the library facilities and related materials and equipment acquired and constructed with proceeds of the Bonds and pursuant to this Agreement shall be held as follows:

(a) The land, buildings, fixtures, furnishings and equipment (including shelving, tables and chairs) of the library facilities included in the Project shall be owned by and in the name of the SVLCFA, until all obligations under any general obligation bonds (including but not limited to the Bonds) issued by the SVLCFA have been discharged and any other contractual obligations of the SVLCFA have been discharged or assumed by another governmental entity. Upon discharge of all such obligations under any such general obligation bonds, and upon discharge or such assumption of any other such obligations, the SVLCFA agrees to transfer title to such land, fixtures, furnishings and equipment to the District;

(b) The land upon which the library facilities included in the Project are or are to be located is currently owned by the District. The Parties anticipate that the SVLCFA will purchase such land from the District with proceeds of the Bonds, pursuant to the terms of a purchase and sale agreement between the Parties executed prior to the commencement of construction of the Project;

(c) The fixtures, furnishings and equipment (including shelving, tables and chairs) of the library facilities included in the Project shall be held by the SVLCFA throughout their useful life and may be used by any library within the SVLCFA. At the end of an item's useful life, it may be declared surplus by the District on behalf of the SVLCFA and disposed of in accordance with the District's policies for operating libraries; and

(d) The collections (including but not limited to books, magazines, DVDs, CDs and electronic databases) and equipment such as telephones, computers, furnishings related to library operation of the library facilities included in the Project, shall be owned by and in the name of the District. The District is authorized in its sole discretion, to transfer such collection and other items of library materials within the District's library facilities and according to District policies for operating libraries. The District is also authorized, in its sole discretion, to declare surplus such portions of the collections and such equipment and dispose of in accordance with the District's policies for operating libraries; provided that the District shall at all times maintain a level of such collections and equipment at the library facilities included in the Project commensurate with other libraries within the District.

**Section 6: Term of Agreement.**

This Agreement shall remain in effect until the SVLCFA is dissolved in accordance with RCW 27.15.060. Such dissolution shall only occur after all obligations under any general obligation bonds (including but not limited to the Bonds) issued by the SVLCFA have been discharged and any other contractual obligations of the SVLCFA have been discharged or assumed by another governmental entity.

**Section 7: Resolution of Disagreements.**

In the event of a continuing dispute between the Parties under this Agreement, each Party shall designate an appropriate representative to facilitate the resolution of the dispute according to a procedure established by the SVLCFA Board. The representatives shall meet within 15 days of either Party's request and shall use their best efforts to resolve the dispute in a manner acceptable to both Parties.

The representatives' negotiated resolution shall be subject to approval by each of the Parties' governing boards.

**Section 8: Indemnification of the SVLCFA and Affiliates.**

The District agrees to indemnify and hold the SVLCFA, the SVLCFA Board, any SVLCFA affiliates, any SVLCFA employees, agents, service providers, contractors and officers in their corporate, individual, official, personal, and marital capacity (if applicable), hereinafter any or all of the foregoing being referred to as the "Indemnified Persons," harmless from and against any and all losses, costs, damages, expenses and liabilities (of whatsoever nature or kind) including, but not limited to, attorneys' fees, litigation and court costs, amounts paid in settlement and amounts paid to discharge judgments) directly or indirectly resulting from, or arising out of, (a) representations, warranties, covenants, obligations and specific performances called for or contained in this Agreement or made by the District, or (b) the design, construction, acquisition, installation, operation, use, occupancy, maintenance or ownership of the Project or the Project by the District and shall be deemed to include any claims or litigation of any contractors, subcontractors, materialmen, or laborers engaged with respect to the Project and any claims or litigation made against the SVLCFA with respect to the validity of the Bonds. This indemnity is effective against the District only with respect to any loss incurred in excess of the net proceeds received by any of the Indemnified Parties from any insurance claim or claims

arising from the same loss. This Section 8 is also intended to indemnify the SVLCFA for any losses that may be incurred by Indemnified Persons with respect to any finding by the Internal Revenue Service or its agents in connection with the loss of the otherwise applicable tax-exemption on interest on the Bonds paid to bondholders.

The Indemnified Persons will promptly, and within ten days after notice to the Indemnified Persons (notice to the Indemnified Persons being the filing of any legal action, receipt of any claim in writing or similar form of actual notice of any claim as to which they assert a right to indemnification), notify the District of such claim.

If any claim for indemnification by the Indemnified Persons arises out of a claim for monetary damages by a person other than the Indemnified Persons, the District may, by written notice to the Indemnified Persons, undertake to conduct any proceedings or negotiations in connection therewith or as may be necessary to defend the Indemnified Persons and take all other steps or proceedings to settle or defeat any such claims, and to employ counsel to contest any such claims; *provided, however*, that the District shall reasonably consider the advice of the Indemnified Persons as to the defense of such claims, and the Indemnified Persons shall have the right to participate, at their own expense, in such defense, but control of such litigation and settlement shall remain with the District. The Indemnified Persons shall provide all reasonable cooperation in connection with any such defense by the District. Counsel and auditor fees, filing fees and court fees of all proceedings, contests or lawsuits with respect to any such claim or asserted liability shall be borne by the District. If any such claim is made hereunder and the District does not elect to undertake the defense thereof by written notice to the Indemnified Persons, the Indemnified Persons shall be entitled to control such litigation and settlement and shall be entitled to indemnity with respect thereto pursuant to the terms of this section. To the extent that the District undertakes the defense of such claim by written notice to the Indemnified Persons, the Indemnified Persons shall be entitled to indemnity hereunder only to the extent that such defense is unsuccessful as determined by a final judgment of a court of competent jurisdiction, or by written acknowledgment of the parties.

**Section 9: Miscellaneous Provisions.**

(a) This Agreement may be amended only upon consent of the Parties. Any amendment to this Agreement shall be in writing. No Party may assign its rights or delegate its performance hereunder to any person or entity.

(b) The waiver by any Party of any breach of any term, covenant, or condition of this Agreement shall not be deemed a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition of this Agreement.

(c) Any Party hereto shall have the right to enjoin any substantial breach or threatened breach of this Agreement by any other Party, and shall have the right to recover damages and to specific performance of any portion of this Agreement.

(d) This Agreement is solely for the benefit of the Parties hereto and no third party shall be entitled to claim or enforce any rights hereunder.

(e) The records and documents with respect to all matters covered by this Agreement shall be subject to audit by the Parties during the term of this Agreement and three (3) years after termination or such other longer period as may be required by applicable law.

(f) If any provision of this Agreement or application thereof to any Party or circumstance is held invalid by a court of competent jurisdiction, such invalidity shall not affect the other provisions of this Agreement which can be given effect without the invalid provision or application, and to this end the provisions of this Agreement are declared to be severable.

(g) This Agreement shall be effective whether signed by the Parties on the same document or in counterparts.

(h) All notices or other communications shall be deemed sufficient hereunder if made in writing and delivered by email or by first-class mail, postage prepaid, to each Party at its respective address set forth below, or such other address as such Party may hereafter designate to the others in writing.

The District: Spokane County Library District  
4322 N. Argonne Road  
Spokane, WA 99212  
Email: \_\_\_\_\_

The SVLCFA: Spokane Valley Library Capital Facility Area  
1116 W. Broadway Avenue  
Spokane, WA 99260  
Email: \_\_\_\_\_

(i) Nothing in this Agreement shall be construed to limit or alter the statutory authority or the responsibilities of the District, the SVLCFA Board or the SVLCFA.

(j) For purposes of RCW 39.34.030(4)(a), the Executive Director of the District shall serve as the administrator responsible for administering the joint and cooperative undertaking among the Parties to this Agreement. There shall be no "joint board" as that term is used in RCW 39.34.030(4)(a).

(k) Except as expressly stated herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof and there are no other agreements, written or oral, between the Parties, relating to the subject matter of this Agreement.

(l) Each party shall cause this Agreement and any amendment thereto to be filed on its website, or with the County Auditor of Spokane County, Washington.

*[Signature page follows]*

IN WITNESS WHEREOF, this Agreement has been executed by each Party as set forth below:

SPOKANE COUNTY LIBRARY DISTRICT  
Spokane County, Washington

SPOKANE VALLEY LIBRARY  
CAPITAL FACILITIES AREA  
Spokane County, Washington

\_\_\_\_\_  
Tim Hattenburg, Chair  
Board of Trustees

\_\_\_\_\_, Chair

\_\_\_\_\_, Vice Chair

\_\_\_\_\_, Commissioner

ATTEST:

ATTEST:

\_\_\_\_\_  
Nancy Ledeboer  
Secretary to the Board of Trustees

\_\_\_\_\_  
Daniela Erickson, Clerk of the Board  
of County Commissioners