

Letter of Agreement

Between
The City of Vancouver
And
Clark County Fire District 5

USE OF SPECIAL REVENUE FUND DOLLARS FOR LAND PURCHASE, STATION CONSTRUCTION, OPERATION AND EQUIPMENT FOR NEW STATION 11

Whereas, the most recent Fire Department Services Agreement was signed between the City of Vancouver (City) and Clark County Fire District 5 (District) on September 26, 2016, and,

Whereas, section 5.c of said agreement establishes the purposes for which expenditures may be made from the District's Special Revenue Fund, and,

Whereas, the City and the District have agreed in principle that a new fire station (Station 11) should be constructed, staffed, and operated along the SR 503 corridor, and,

Whereas, the City and the District have previously agreed that the District will pay \$1,440,000 for the purchase of land for said station from the District's Special Revenue Fund,

It is hereby agreed that:

1. This Letter of Agreement for Station 11 shall arise from the existing Fire Department Services Agreement ("Agreement"), provided that all operational costs associated with Station 11 shall be recorded separately from expenses arising from the main Agreement, indefinitely. The District shall not incur expenses for Station 11 other than as set forth in this Letter of Agreement.
2. The District will reimburse the City \$1,440,000 upon receipt of an invoice from the City once the land purchase has closed.
3. The District will transfer an additional \$5 million to the City no later than July 1, 2018.

4. The District will transfer an additional \$4 million to the City no later than December 1, 2018.
5. All monies transferred from the District to the City shall be maintained in the Vancouver Fire Capital fund 335 and such monies shall be set aside and earmarked specifically for the construction and operation of Station 11.
6. Using these earmarked funds, along with any other funds necessary from City reserves, the City shall be responsible to perform the following:
 - a. Complete the purchase of land and invoice the District for same.
 - b. Complete any improvements on the land necessary for the station construction.
 - c. Conduct design, engineering, permitting, construction, and all other costs associated with the construction of Station 11.
 - d. Purchase all necessary apparatus, equipment, furnishings, computers, and other pertinent items required to complete and operate Station 11.
 - e. Increase Department staff by 13 FTE's in order to operate Station 11 on a 7-day/24-hour basis, subject to financial feasibility.
7. In the calendar year following the year in which Station 11 becomes operational, the District will transfer ninety percent (90%) of the monies it would have otherwise transferred to Fund 6256, to the City. If the City's costs to operate Station 11 exceed the 90% amount, the District will transfer up to the remaining 10% of these excess revenue funds to the City. Any funds not transferred to the City (between 0% and 10%) will be transferred to Fund 6256.
8. In future years, through 2024, the District shall transfer its excess tax revenue monies in the 90%/10% split as outlined above, unless the City's costs exceed the 90% amount. In the event the City's costs exceed the 90% amount, the District will transfer up the remaining 10% of these excess revenue funds to the City. Such monies shall be used to offset the City's costs in operating Station 11. Transfer of these funds will occur no later than August 1 of each year.
9. Per the "subject-to-financial-feasibility" language in Section 6 (e) above, the District's contributions to the City for the offset of operational costs, as outlined in Sections 7 and 8, are contingent upon the City actually operating Station 11 as stated in Section 6 (e).

10. This Letter of Agreement does not change any of the calculations outlined in the Fire Department Services Agreement. The City and the District will continue to contribute funds to the Vancouver Fire Department under the same calculations as have heretofore been utilized. Notwithstanding the extra monies contributed by the District, the City will not decrease its contributions to the Fire Department.
11. Beginning July 1, 2018, and continuing every six months (i.e., the beginning of the months and July and January each year), the City shall provide the District with an accounting of monies which have been expended on the Station 11 construction and all associated activities included therein, as outlined in Section 6 above. In addition, the accounting provided shall note the remaining balance of the funds which the District has provided for the Station 11 construction.
12. The parties agree that their respective intent is that ground is broken on the Station 11 construction no later than March 31, 2019.
13. This Letter of Agreement shall terminate December 31, 2024. During calendar year 2024 the parties shall meet and confer regarding the possibility of the District continuing to provide some level of support for the operations of Station 11 beginning 2025, if financially feasible.

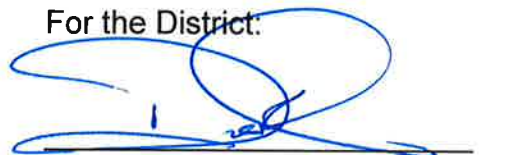
Signed this 4.23.18 day of April, 2018.

For the City:



Eric Holmes, City Manager

For the District:



David Vial, District Administrator