

**INTERLOCAL AGREEMENT  
BETWEEN KITSAP COUNTY TRANSPORTATION BENEFIT AREA  
DOING BUSINESS AS KITSAP TRANSIT (“KT”); THE CITY OF  
BAINBRIDGE ISLAND, A WASHINGTON MUNICIPAL  
CORPORATION (“BAINBRIDGE”); THE CITY OF POULSBO, A  
WASHINGTON MUNICIPAL CORPORATION (“POULSBO”); THE  
COUNTY OF KITSAP (“KITSAP COUNTY”); AND THE  
SUQUAMISH TRIBE, A FEDERALLY RECOGNIZED TRIBE  
 (“SUQUAMISH TRIBE”)  
FOR: SR 305 NEEDS AND OPPORTUNITIES STUDY  
(KT 17-570)**

This Interlocal Agreement is made and entered into pursuant to Chapter 39.34 RCW by and between the above-named entities, collectively (the “Parties”) and sometimes individually called a Party.

**I.**

**RECITALS**

- 1.1 The Parties are jointly participating in the State Route 305 (SR 305) Needs and Opportunities Study (the “Study”).
- 1.2 The purpose of the Study is to establish transportation system performance measures and develop a list of strategies and project priorities for corridor improvements within an area (the “Corridor”) that is the length of State Route 305 beginning where it intersects with Highway 3 until its terminus on Bainbridge Island. The scope of work requires the use of the new Washington State Department of Transportation (WSDOT) “Practical Design” guidelines, including use of previous studies, public participation, and work already completed by the Parties as the primary source of information. This scope will include working with communities and stakeholders along the Corridor to develop a vision for improvements and to create a comprehensive set of intermediate and long-term improvements to the Corridor to address congestion and enhance all modes of transportation. Specific elements will include: improving level of service (LOS); improving bus and ferry transit travel times and connections; improving safe access to and permeability across Highway 305; reduction of passenger vehicle congestion; bike and pedestrian facilities including the Sound to Olympics Trail; access to commercial facilities; improved intersection function; and development of transportation demand management strategies. The principal scope of the work will not focus on the Agate Pass Bridge (the “Bridge”). However, the study will include highway design concepts that will be helpful in making future decisions regarding the replacement of the Bridge and alternatives. Accordingly, a comprehensive analysis of the need, type and location of the replacement of the Bridge will remain a high priority.

- 1.3 KT is the recipient of a federal grant expressly for the Study, pursuant to Federal Transit Administration (“FTA”) Grant Agreement Number WA 2017-042-00 (the “Grant”) in the amount of three hundred sixty-seven thousand six hundred and twenty-five dollars (\$367,625.00), hereafter (the “Grant Funds”). The Grant requires a local match of seventy-one thousand, seven hundred and twenty dollars (\$71,720.00) (the “Local Match”).
- 1.4 A full description of the work can be found under the above FTA Grant number and within KT procurement file # KT17-570.
- 1.5 Chapter 39.34 RCW provides that local jurisdictions including all the Parties hereto may enter into cooperative agreements for their mutual benefit.
- 1.6 The Parties agree that administration and oversight of the Study and the Grant Funds and Local Match would most effectively and efficiently be undertaken by Kitsap Transit and that the completion of the Study will be beneficial to all the Parties.

## II.

### SUBSTANTIVE TERMS

- 2.1 **Purpose of Agreement.** The purpose of this Agreement is to formalize the administration of the Study and the responsibilities of the Parties in order to facilitate the completion of the Study.
- 2.2 **Duration of Agreement.** This Agreement shall take effect upon execution of this Agreement by all the Parties and shall remain in effect until the completion of the Study in compliance with the Grant or for two (2) years from the date of Grant execution whichever occurs first. This Agreement may be renewed by mutual agreement of all the Parties and may be terminated prior to completion of the Study if the Grant is revoked or terminated by the FTA. If FTA termination of this Agreement occurs, KT shall immediately provide written notice to each Party’s Designated Representative.
- 2.3 **Lead Agency and Administration of Agreement.** KT will serve as the Lead Agency for this project and administer this Agreement in compliance with the Grant.

**2.4 Designated Representatives.** The Designated Representatives of the Parties are:

KT:

John Clauson  
Executive Director  
60 Washington Avenue, Suite 200  
Bremerton, WA 98312  
Phone: 360-478-5494  
Email: johnc@kitsaptransit.com

Bainbridge:

Val Tollefson  
Mayor  
280 Madison Avenue North  
Bainbridge Island, WA 98110  
Phone: 206-660-6350  
Email: vtollefson@bainbridgewa.gov

Poulsbo:

Becky Erickson  
Mayor  
200 NE Moe Street  
Poulsbo, WA 98370  
Phone: 360-394-9700  
Email: berickson@cityofpoulsbo.com

Suquamish Tribe:

Leonard Forsman  
Chairman  
The Suquamish Tribe  
P.O. Box 498  
Suquamish WA 98392  
Phone: 360-598-3311  
Email: lforsman@suquamish.nsn.us

Kitsap County:

Robert Gelder  
Kitsap County Commissioner, Dist. 1  
Boards and commissions, MS-4  
614 Division Street  
Port Orchard, WA 98366  
Phone: 360-337-7080  
Email: rgelder@co.kitsap.wa.us

**2.5 Financial Responsibilities.** Each Party shall pay 20% of the Local Match, (i.e. \$14,344.00 each). The Parties shall pay their respective match amount to KT within 30-days of the date KT transmits billing invoices to the Parties.

If the Designated Representatives mutually agree to expand the scope of work or engage third party consultants or otherwise undertake any work that would require the expenditure of funds in excess of the Grant Funds and Local Match, each Party shall contribute 20% of the excess costs, payable to KT within 30 days of billing by KT. Authorization for such excess expenditures shall be documented by an Amendment to this Agreement, signed by the Designated Representatives.

- 2.6 Other Responsibilities.** The Designated Representatives shall meet from time to time to contribute to the completion of the Study. This group is known as the *SR 305 Working Group* (the “Working Group”). The Designated Representatives may designate a designee from their organization to participate in Working Group discussions. Each Party shall help facilitate public participation within their respective jurisdictions and otherwise provide input for inclusion into the Plan. As the Study is developed, KT will provide initial drafts to the Working Group and the Designated Representatives shall share those drafts and Working Group ideas with their respective governing bodies. Each party’s governing body is encouraged to suggest strategies and solutions to reduce congestion through the Corridor.
- 2.7 Implementation.** Implementing any suggested solutions or recommendations that may be set forth in the final draft of the Study will be the responsibility of the Parties in conjunction with WSDOT through one or more separate agreements.
- 2.8 Ownership.** The completed Study shall be owned jointly by the Parties, all of which shall have equal rights to use the Study as they deem necessary to help with the development of transportation improvements within each of their jurisdictions.
- 2.9 Dispute Resolution.**

2.9.1 In General. If a dispute arises between the Parties on account of this Agreement, including the performance of any provisions of this Agreement or the interpretation thereof, the Parties agree to follow the procedures set forth in this Section 2.9. It is the goal of the Parties to resolve their differences as early in this process as possible.

2.9.2 Step One – Informal Discussions. The Parties’ Designated Representatives shall meet determine if the matter can be formally resolved. This may involve more than one meeting. If the matter is amicably resolved at this stage, the Parties shall sign a Memorandum of Understanding.

2.9.3 Step Two – Non-Binding Mediation. In the event the Parties are unable to timely resolve the dispute utilizing the process set forth in the preceding two Subsections, the Parties shall submit the mater to a non-binding mediation as set forth herein. The mediation shall be conducted by a mediator from the JAMS Seattle office unless the Parties agree to use a different person or mediator from a different Mediation organization. The Parties agree to split equally the fee for the services of the selected mediator. If the mediation does not result in voluntary resolution of the dispute, the Parties will request that the mediator issue a non-binding memorandum of opinion or similar report regarding his or her recommended resolution of the dispute.

2.9.4 Step Three – Non-Binding Arbitration. In the event the Parties are unable to mutually resolve the dispute through mediation within a 14-day period, the dispute shall be referred to binding arbitration before one Arbitrator, subject to the following:

- a. *Selection of Arbitrator.* If the Parties are unable to mutually agree on an acceptable Arbitrator, each Party shall, within seven (7) days of any Party's demand for Arbitration, designate a Selector and the Parties' Selectors shall by a simple majority vote mutually agree on an acceptable Arbitrator.
- b. *Powers.* The Arbitrator shall have the full power to resolve all disputes and controversies, to accord full relief to the Parties and impose all remedies available under the laws of the State of Washington and of the United States.
- c. *Costs.* The costs of arbitration including reasonable attorney's fees will be awarded by the arbitrator in his/her absolute discretion.

**2.10 Notices.** All Notices and other written communications required by this Agreement shall be in writing and, except as expressly provided elsewhere in this Agreement, shall be deemed to have been given at the time of delivery if personally delivered or provided via electronic transmission if delivered by email, or at the time of mailing if mailed by first class, postage pre-paid and addressed to the Designated Representatives at their addresses as set forth in Section 2.4 or at such address as any Party may designate at any time in writing.

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

KT shall provide each Party with a confirmed copy thereof.

Each Party shall promptly post a signed copy of this Agreement on its respective websites.

DATED this 20<sup>TH</sup> day of FEBRUARY, 20178

**KITSAP TRANSIT**

John W. Clauson  
JOHN CLAUSON, Executive Director

Approved as to Form:

Ronald C. Templeton  
RONALD C. TEMPLETON,  
Kitsap Transit, General Counsel

**BOARD OF COUNTY COMMISSIONERS KITSAP COUNTY, WASHINGTON**

Charlotte Garrido 9-25-17  
CHARLOTTE GARRIDO, Chair

Robert Gelder  
ROBERT GELDER, Commissioner

E. Wolfe  
EDWARD E. WOLFE, Commissioner

ATTEST:  
Dana Daniels  
Dana Daniels, Clerk of the Board



**CITY OF BAINBRIDGE ISLAND**

\_\_\_\_\_  
VAL TOLLEFSON, Mayor

ATTEST:  
\_\_\_\_\_  
Christine Brown, City Clerk

**CITY OF POULSBO**

\_\_\_\_\_  
BECKY ERICKSON, Mayor

ATTEST:  
\_\_\_\_\_  
Rhiannon Fernandez, City Clerk

**SUQUAMISH TRIBE**

\_\_\_\_\_  
Leonard Forsman, Chairman

ATTEST:  
\_\_\_\_\_  
Print name: \_\_\_\_\_

**CITY OF BAINBRIDGE ISLAND**

*for*   
\_\_\_\_\_  
DOUGLAS SCHULZE, City Manager

**CITY OF POULSBO**

ATTEST:

\_\_\_\_\_  
BECKY ERICKSON, Mayor

\_\_\_\_\_  
Rhiannon Fernandez, City Clerk

**SUQUAMISH TRIBE**

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Leonard Forsman, Chairman

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