

# Minutes

June 13, 2011

Orcas Island Park and Recreation District Commission  
Special Public Meeting, Monday, June 13, 2011

Enzo's Gallery Caffé, Eastsound  
9:00 AM – 10 AM

## I. CALL TO ORDER

Martha Farish, Chairman

Roll call:

Seat 1: Vicki Vandermay – present

Seat 2: Bob Eagan – present

Seat 3: Martha Farish – present

Seat 4: Jim Bredouw – absent

Seat 5: Ian Lister – present

## II. NEW BUSINESS

- Review of the Port of Orcas Interlocal Agreement (Port of Orcas Loan Document)
- Review of press release draft

## III. ADJOURNMENT (10:00 AM)

Special Public Meeting minutes for June 13, 2011.

Approved by motion on this 18<sup>th</sup> day of October, 2011

Signed and attested this 18<sup>th</sup> day of October, 2011

A handwritten signature in black ink, appearing to read "Ian Lister", written over a horizontal line.

Ian Lister, Commission #5,

Secretary

A handwritten signature in black ink, appearing to read "Martha Farish", written over a horizontal line.

Martha Farish, Commissioner #3,

Chair

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**INTERLOCAL AGREEMENT  
FOR LOAN OF FUNDS**

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This Interlocal Agreement for Loan of funds (the "Agreement") is made and entered into on this 9<sup>th</sup> day of June, 2011, by and between the Port of Orcas, a municipal corporation (the "Port"), and the Orcas Island Parks and Recreation District (the "District").

**RECITALS**

**WHEREAS**, the District is a newly formed taxing district which will not receive revenue from the payment of taxes until \_\_\_\_\_; and

**WHEREAS**, the District is presently in need of funds for operating expenses; and

**WHEREAS**, the Port and the District wish to enter into an interlocal agreement whereby the Port will loan funds to the District; and

**WHEREAS**, the Port has sufficient funds available to make said loan to the District and is satisfied the District will have the means to repay the amount of the loan plus interest thereon; and

**WHEREAS**, the Port and the District wish to memorialize in this Agreement the terms, covenants and conditions under which the Port will make the loan to the District as described herein.

**NOW, THEREFORE**, in consideration of the terms, conditions, mutual covenants and promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

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## **AGREEMENT**

1. **INCORPORATION OF RECITALS.** The recitals set forth above are hereby incorporated in and made part of this Agreement as though fully set forth herein.

2. **DURATION OF AGREEMENT.** This Agreement shall commence on the date of signing this Agreement and shall terminate no later than three (3) years from said date of signing.

### **3. AMOUNT OF LOAN AND TERMS OF REPAYMENT**

3.1 The Port agrees to loan the District an amount not to exceed Sixty Five Thousand and no/100 (\$65,000) with interest thereon at the rate of three (3%) percent per annum.

3.2 The first payment of principal and interest, in the amount of Twenty One Thousand Six Hundred and Sixty Seven and no/100 (\$21,667) as principal, plus interest in the amount of One Thousand Nine Hundred Fifty and no/100 (\$1,950) shall occur no later than one year from the date of signing this Agreement. Assuming the date of signing is June 9, 2011, subsequent payments shall occur on the dates and shall be in the amounts as set forth below:

December 9, 2012	\$10,833 principal plus \$650 interest
June 9, 2013	\$10,833 principal plus \$488 interest
December 9, 2013	\$10,833 principal plus \$325 interest
June 9, 2014	\$10,833 principal plus \$163 interest

3.3 There shall be no prepayment penalty. The Port shall not be responsible for submitting any invoices for payments.

3.4 In addition to repayment of the principal amount of the loan plus all accrued interest, the District agrees to pay the attorney's fees incurred by the Port in the preparation of this Agreement, in an amount not to exceed \$375.

4. **CONTRACTS AND AGREEMENTS.** Any and all contracts, agreements, proposals, partnerships, interlocal agreements, memoranda of understanding, subcontracting or other actions taken pursuant to the provisions of this Agreement which may legally bind the Port and/or the District and/or which encumber public funds, shall be reviewed and approved by the Commissioners of the Port and/or the District, respectively, prior to entering into any such agreements.

5. **DISPUTE RESOLUTION.** In the event a dispute arises between the parties hereto, the Port and the District agree to first attempt to resolve such dispute through a mediation conducted by a neutral third party mediator selected by mutual

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agreement of the parties. If the mediation is not successful in resolving the dispute, the parties agree to submit the dispute to binding arbitration according to the rules of the American Arbitration Association. The arbitrator shall be selected by the mutual agreement of the parties. Each party shall bear its own expenses for mediation and arbitration, except that the arbitrator may, at the arbitrator's discretion, award reasonable attorney's fees and costs to the prevailing party at arbitration. The arbitrator's decision shall be binding, final and not appealable to any court of law, except as set forth in RCW 7.04A.230. The arbitrator's decision may be reduced to a judgment in a court of competent jurisdiction.

**6. ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between the parties regarding the matters described herein and supersedes all prior oral or written agreements pertaining to said matters. No modification of this Agreement shall be valid unless it is set forth in writing and signed by all parties hereto.

**7. SEVERABILITY.** If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the rest of the Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated.

**8. NO WAIVER:** No waiver of any default or breach under this Agreement will be implied from any omission to take action on account of this Agreement, regardless of any custom and practice or course of dealing. No waiver will affect any default other than the default specified in said waiver, and then the waiver will be operative only for the time and to the extent stated in the Agreement. Waivers of the breach of any covenant will not be construed as a waiver of any subsequent breach of the same covenant. No waiver by either party of any provision under this Agreement will be effective unless in writing and signed by the waiving party.

**9. CHOICE OF LAW AND VENUE.** This Agreement will be construed and enforced in accordance with the laws of the State of Washington, and venue for any court proceeding shall be in San Juan County, Washington.

**10. NOTICES:** All notices to be given under this Agreement will be in writing and mailed, postage prepaid, by certified or registered mail, return receipt requested, or delivered by personal or courier delivery, or sent by telecopy and immediately thereafter mailed or sent by one of the preceding methods, to the addresses provided below for each party, or to any agent designated in writing by either party. Notices shall be sent to the parties as follows:

Port of Orcas  
Post Office Box 53  
Eastsound, WA 98245

Orcas Island Parks & Recreation District  
Post Office Box 575  
Eastsound, WA 98245

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**11. EXECUTION.** This Agreement, or any amendment thereto, shall be executed on behalf of each party by that party's duly authorized representative. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute on and the same

instrument. This Agreement shall be deemed adopted on the date of execution by the duly authorized representative of each party.

DATED this \_\_\_\_\_ day of June, 2011.

THE PORT OF ORCAS

ORCAS ISLAND PARKS AND  
RECREATION DISTRICT

By \_\_\_\_\_

By \_\_\_\_\_

DRAFT

**PRESS RELEASE**

**Date:** June 14, 2011

**Contact:** Bret Thurman, Board Chair, Port of Orcas, (phone number)  
Martha Farish, Board Chair, Orcas Island Park and Rec District, 360-376-6199.

**FOR IMMEDIATE RELEASE**

**Port of Orcas to Provide Interim Funding for the Orcas Park and Rec**

Eastsound---The commissioners of the Port of Orcas and of the Orcas Island Park and Rec District today announced they have signed an Interlocal Agreement whereby the Port of Orcas will loan Orcas Park and Rec \$65,000 as interim funding for limited operations June 2011-June 2012.

Tax distributions to fund the Orcas Park and Rec will not be distributed until May of 2012. The Port of Orcas has sufficient cash on hand to consider a business decision to loan a portion of those funds to get the Park and Rec District up and running during the interim period.

"Loaning Park and Rec the money is a win-win for the community and we thank the Port for their leadership", said Martha Farish, Chair of the Orcas Park and Rec board. "The funds will enable Parks and Rec to set up the accounting and office support required by law, which in turn paves the way for grant opportunities waiting in the wings, to perhaps take on Buck Park sooner rather than later, to renegotiate some critical contracts and establish a community-based online registration and payment system again, sooner rather than later".

The loan will be repaid in full in three years, well within the six-year funding window for Parks and Rec approved by Orcas voters in February 2011. Port of Orcas board chair, Bret Thurman said "This was a good decision for us and them.....etc."