

**FIRST AMENDMENT TO PRE-ANNEXATION INTERLOCAL AGREEMENT
BETWEEN THE CITY OF WENATCHEE
AND CHELAN COUNTY FIRE PROTECTION DISTRICT NO.1**

THIS FIRST AMENDMENT (“FIRST AMENDMENT”) TO PRE-ANNEXATION INTERLOCAL AGREEMENT (“Agreement”) is entered into by and between the **CITY OF WENATCHEE**, a Washington State municipal corporation (“City”) and **CHELAN COUNTY FIRE PROTECTION DISTRICT NO. 1** (“District”) for the purposes set forth herein.

RECITALS

WHEREAS, the parties entered into a Pre-Annexation Interlocal Agreement with an effective date of June 17, 2015; and

WHEREAS, the City annexed into the District effective July 30, 2015; and

WHEREAS, as a result of legal limitations involving tax levies following the annexation of a city into a fire district, the District’s levy rate has been significantly impacted while the City’s revenue has increased; and

WHEREAS, the parties have been cooperating in good faith on a number of transitional issues, (including, for example, fire marshal services, employment issues) which have resulted in greater expenditures to, and additional administrative burdens for, the District than the parties had previously anticipated; and

WHEREAS, the parties recognize that the City’s payment provided for in Section 1.2 of the Agreement (the “Annexation Payment”) ended on December 31, 2015; and

WHEREAS, the parties desire to continue to work together cooperatively to ensure the highest level of service to their citizens without reduction in services or programs.

NOW, THEREFORE, pursuant to Chapter 39.34 RCW, and in consideration of the terms and conditions set forth herein, the parties agree as follows:

1. **Extension of Annexation Payment.** The City agrees to continue an Annexation Payment to the District according to the terms and conditions set forth herein.

1.1 The City will pay the District One Hundred Thousand One Thousand Dollars (\$101,000) on an annual basis commencing January 1, 2016. The Annexation Payment will be made in a lump sum payment annually, on or before June 1 each year.

1.2 The Annexation Payment will terminate on the earlier of the following dates: (i) December 31, 2020 or (ii) January 1 of the year following voter approval of a levy lid lift for the District’s fire levy, or (iii) January 1 of the year following voter approval of an EMS levy.

2. **Service Level.** Until such time as the Annexation Payment is terminated, the District will

endeavor to maintain the existing level of services. If the District anticipates the need to materially reduce the level of service during this time, the District will notify the City in advance so that the parties can confer and discuss options.


3. **Other Sections.** Except as modified herein, the Agreement shall remain unchanged and in full force and effect.


4. **Effective Date.** This Amendment shall become effective upon approval and execution by both parties.

DATED this 10th day of March, 2016.

**CHELAN COUNTY FIRE
PROTECTION DISTRICT NO. 1**

By:  _____
Commissioner

By:  _____
Commissioner

By:  _____
Commissioner

CITY OF WENATCHEE

By:  _____
Mayor

Attest:  _____
City Clerk