# INTERLOCAL AGREEMENT
# BETWEEN
# THE CITIES OF LACEY, OLYMPIA, TUMWATER AND YELM
# REGARDING JOINT REGULATION OF
# TRANSPORTATION NETWORK COMPANIES

THIS INTERLOCAL AGREEMENT is entered into by and between the cities of Lacey, Olympia, Tumwater, and Yelm, collectively referred to as "the Parties," for the purpose of joint regulation of transportation network companies.

WHEREAS, RCW 39.34.030(2) permits any two or more public agencies to enter into agreements with one another for joint and cooperative action; and

WHEREAS, new technology-based companies, known as transportation network companies ("TNCs") or commercial transportation services providers, offer a new model of commercial transportation service using online-enabled digital platforms to connect passengers with drivers using personal vehicles; and

WHEREAS, the Parties currently have regulations providing reciprocity to honor occupational permits issued by any of the Parties to for-hire vehicle drivers; and

WHEREAS, RCW 48.177 defines commercial transportation services providers and commercial transportation services provider drivers as distinct from taxicabs and for-hire vehicle companies creating the need for separate regulations; and

WHEREAS, the Parties have adopted nearly identical ordinances to provide for and protect the safety and welfare of the general public by creating regulations and enforcement provisions applicable to TNCs and TNC drivers; and

WHEREAS, by this Interlocal Agreement, the Parties seek to streamline these new regulations by authorizing the delegation of the administration and enforcement of TNCs and TNC drivers to one jurisdiction;

NOW, THEREFORE, in consideration of the term and conditions contained herein, the Parties agree as follows:

Section 1. Scope of Services.

a. The Parties have adopted nearly identical ordinances regarding the administration and enforcement of TNCs and TNC drivers which authorizes the delegation of administration and enforcement to another city that is a party to this Agreement.

b. The City of Olympia is hereby designated as the agency with authority and responsibility for providing any and all administrative services required for the licensing of TNCs. The administrative services to be performed by the City of Olympia include but are not limited to the following:

1. Create application forms for the licensing of a TNC, to include a sworn affidavit that the TNC is in full compliance with Olympia's TNC ordinance, codified as Chapter 5.11 of the Olympia Municipal Code (OMC), including driver, vehicle, insurance and operational requirements.

2. Review the application, confirm compliance, collect the license fee, and issue the annual license.

3. Perform audits of the TNC's continued compliance with OMC Chapter 5.11.

4. Enforcement of the rules and regulations consistent with OMC Chapter 5.11, including the conduct of hearings pursuant to OMC 5.11.120.

c. In exchange for Olympia's performance, the license fees paid by a TNC will be retained by Olympia and the Parties will honor valid TNC licenses issued by Olympia.

d. The Parties retain the right to supplement audit and/or enforcement activities at any time.

e. The delegation of licensing of TNCs does not apply to business license requirements of TNC drivers. TNC drivers are independent contractors and must obtain a business license from each Party.

Section 2. Duration. The terms and performance of this Agreement shall commence after the approval by the governing body of each Party and following the recording of this Agreement with the Thurston County Auditor or posting it on each Party's website as provided in RCW 39.34.040. This Agreement will terminate on January 1, 2025, unless amended by agreement of the Parties.

Section 3. Withdrawal from Agreement. Any Party may withdraw from this Agreement at any time. Withdrawal shall be effective immediately upon receipt of written notice by the other Parties.

Section 4. Changes. Any party may request changes to this Agreement, however, no change or addition to this Agreement shall be valid or binding upon

any Party unless such change or addition be in writing and signed by the Parties. Such amendments shall be attached to and made part of this Agreement.

Section 5. Administration. Each Party shall be responsible for administering the terms of this Agreement. No separate legal entity is created by reason of entering into this Agreement. No joint organization is created. No common budget is to be established. No personal or real property is to be jointly acquired or held.

Section 6. Entire Agreement. The Parties agree that this Agreement is the complete expression of the terms hereto and any oral representations or understandings not incorporated herein are excluded. Further, any modification of this Agreement shall be in writing and signed by the Parties. Failure to comply with any of the provisions stated herein shall constitute material breach of contract and cause for termination. The Parties recognize time is of the essence in the performance of the provisions of this Agreement. It is also agreed by the Parties that the forgiveness of the nonperformance of any provision of this Agreement does not constitute a waiver of the provisions of this Agreement.

Section 7. Notice. Notices required to be given by any Party shall be deemed given when served on the respective City Clerks of each Party.

Section 8. Governing Law. This Agreement shall be governed by the laws of the State of Washington as to interpretation and performance. The exclusive jurisdiction and venue for any lawsuit between the Parties arising out of this Agreement shall be in Thurston County Superior Court.

Section 9. Counterparts. This Agreement may be executed in counterparts, each of which shall be considered for all purposes as an original.

Section 10. Remedies. In addition to the remedies provided by law, this Agreement shall be specifically enforceable by any Party.

Section 11. Severability. If any provision of this Agreement or any provision of any document incorporated by reference shall be invalid, such invalidity shall not affect the other provisions of this Agreement, which can be given effect without the invalid provision, if such remainder conforms to the requirements of applicable law and the fundamental purpose of this Agreement, and to this end the provisions of this Agreement are declared to be severable.

[Signatures on following page.]

IN WITNESS WHEREOF, this Agreement is executed by the Parties as of the date set forth below.

**CITY OF LACEY**

Scott Spence, City Manager

2/19/2020
Date

ATTEST:

Peri Edmonds, City Clerk

APPROVED AS TO FORM:

David Schneider, City Attorney

**CITY OF OLYMPIA**

Steven J. Burney, Interim City Manager

1/21/20
Date

ATTEST:

Debbie Sullivan, City Clerk

APPROVED AS TO FORM:

Mark Barber, City Attorney

**CITY OF TUMWATER**

Pete Kmet, Mayor

1-23-2020

Date

ATTEST:

Melody Valiant, City Clerk

APPROVED AS FORM:

Karen Kirkpatrick, City Attorney

**CITY OF YELM**

JW Foster, Mayor

Date

ATTEST:

Janine Schnepf, City Clerk

APPROVED AS TO FORM:

Brent Dille, City Attorney

**CITY OF TUMWATER**

Pete Kmet, Mayor

Date

ATTEST:

Melody Valiant, City Clerk

APPROVED AS FORM:

Karen Kirkpatrick, City Attorney

**CITY OF YELM**

JW Foster, Mayor

Date

ATTEST:

Lori Lucas, City Clerk/HR Manager

APPROVED AS TO FORM:

Brent Dille, City Attorney